

HMA Summary of 2021 Medicare Advantage and Part D Plan Offerings

On September 24, 2020, The Centers for Medicare & Medicaid Services (CMS) released the Medicare Advantage (MA) and Part D [landscape files](#) for the 2021 plan year. These files include information on MA and Part D offerings, including plan types and premiums. This year’s release signals continued enrollment growth for the MA program in 2021. Nationwide, the number of MA plans continues to increase, from 3,997 in 2020 to 4,520 in 2021¹, largely driven by growth in local HMOs and local PPOs (Table 1). Among these plans, nearly 92 percent will offer Part D coverage. CMS states that the average monthly plan premium is expected to decrease 11 percent to \$21.00 in 2021 down from \$23.63 in 2020. According to CMS, this represents the lowest average monthly premium since 2007. The number of plans offering \$0 premiums will increase by 26 percent from 1,743 plans in 2020 to 2,189 plans in 2021, reflecting competitive market pressures and beneficiary preference for low or no premium options. Over 50 percent of MA enrollees have enrolled in \$0 premium plans in 2020.

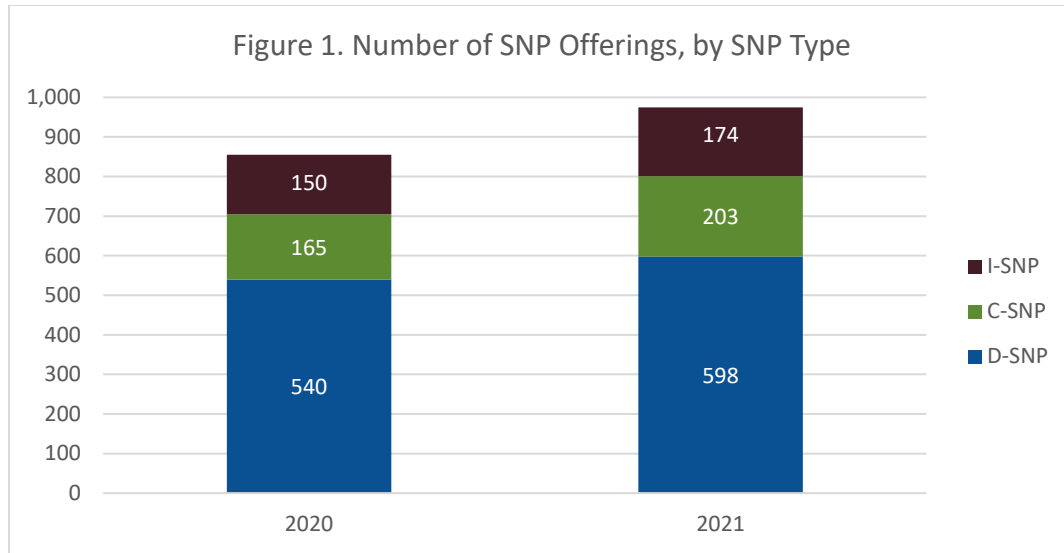
Table 1. Number of Medicare Advantage Plans, by Type, 2020-2021		
Plan Type	2020	2021
Cost	80	70
Local HMO	2,777	3,072
Local PPO	1,035	1,281
PFFS	41	33
Regional PPO	64	64
Total	4,003	4,525

Note: Local HMO, Local PPO, and Regional PPO includes Special Needs Plans (SNPs)

Source: HMA analysis of 2020 and 2021 CMS landscape files and August 2020 enrollment files

All three types of Special Needs Plan (SNP) offerings (Institutional SNP (I-SNP), Chronic Condition SNP (C-SNP), and Dual eligible SNP (D-SNP)) will continue to grow in 2021, particularly C-SNPs (Figure 1). Growth of I-SNP and C-SNP offerings outpace the overall growth of Medicare Advantage. There will be 43 C-SNPs for individuals with End Stage Renal Disease (ESRD) in 2021, up from 10 in 2020. The number of D-SNP offerings will also increase in 2021, signifying MA organizations’ continued interest in managing care for individuals dually eligible for Medicare and Medicaid. Notably, the average D-SNP premium will increase significantly, by 18 percent to \$28.06 in 2021. Because premiums for dually eligible individuals are covered by the Part D low-income subsidy (for Part D premium) and state Medicaid, this suggests MA organizations are electing to use rebate dollars to offer supplemental benefits rather than buying down premiums.

¹ Note: Excludes PACE, Medicare-Medicaid Plans, MSAs and employer-only plans



Source: HMA analysis of 2020 and 2021 CMS landscape files.

With the exception of Humana, the MA organizations with the greatest enrollment will continue to expand the number of their plan offerings in 2021 (Table 2). In 2021, Humana will reduce the total number of D-SNP and Regional PPO offerings, but will increase the number of C-SNP offerings. Cigna, the top MA organization experiencing the largest growth in terms of number of offerings (40 percent) will significantly expand its local PPO offerings in 2021.

Table 2. Change in Total # of MA Offerings among Top MA Organizations (by Enrollment)				
MA Organization	2020 Market Share	2020 # Offerings	2021 # Offerings	% Change
UnitedHealth	25%	557	587	5%
Humana	19%	588	581	-1%
CVS Health	8%	444	510	15%
Anthem	6%	291	340	17%
Kaiser	6%	57	65	14%
Centene	5%	363	437	20%
CIGNA	3%	98	137	40%

Source: HMA analysis of 2020 and 2021 CMS landscape files and August 2020 enrollment files

HMA continues to analyze the 2021 MA and Part D landscape files and will also evaluate the change in supplemental benefit offerings for expanded primarily health related benefits and Special Supplemental Benefits for the Chronically Ill (SSBCI) when 2021 data becomes available. For more information or questions about 2021 Medicare Advantage and Part D plan offerings, please contact [Eric Hammelman](#) or [Narda Ipakchi](#).