

# RUPRI Center for Rural Health Policy Analysis

## Rural Policy Brief

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<http://www.public-health.uiowa.edu/rupri/>

### March 2012: Rural Medicare Advantage Enrollment Update

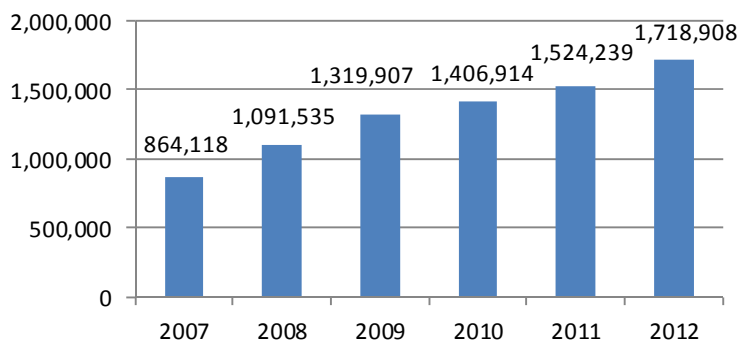
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#### Key Data Findings<sup>1</sup>

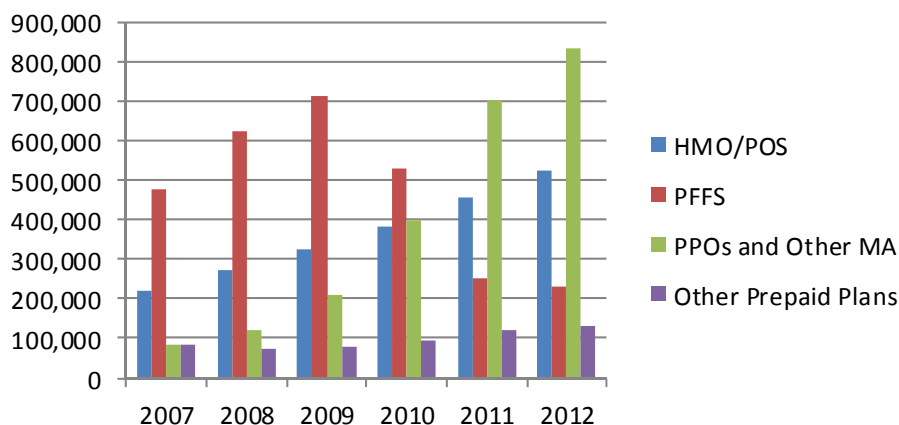
- Rural Medicare Advantage (MA) enrollment grew to over 1.72 million in March 2012 (nearly 17% of eligible beneficiaries), while total MA enrollment grew to nearly 13.2 million (nearly 27% of eligible beneficiaries).
- Rural preferred provider organization (PPO) enrollment grew to over 830,000 (48% of the rural MA market), while private fee-for-service (PFFS) enrollment fell to just over 230,000 in rural areas (13% of the market).
- Rural MA enrollment growth of nearly 13% (194,669 enrollees) since March of 2011 outpaced urban MA enrollment growth of 9% (967,415 enrollees) during that same time.
- Rural MA enrollment varies across the country, as 13 states have over 20% of rural beneficiaries enrolled in an MA plan, while 6 states have fewer than 5% of rural beneficiaries enrolled in an MA plan.

Rural MA enrollment continues to grow in 2012 despite reductions in payment to the plans as mandated by the ACA. Rural enrollment has grown to over 1.7 million enrollees in 2012 from 1.5 million in 2011 (13% growth) (Figure 1), while national MA enrollment has grown to over 13.2 million Medicare beneficiaries from 12.1 million during that same time (9% growth). The rural MA market enrollment in March 2012 was distributed as follows: 48% in PPO plans (831,096 enrollees), 30% in health maintenance organization/point of service (HMO/POS) plans (523,138 enrollees), 13% in PFFS plans (231,840 enrollees), and 8% in other prepaid plans (132,834 enrollees) (Figure 2). The concentration of rural MA enrollees by type of plan did not change significantly in 2012; however, PPOs continued to grow slightly in market share while PFFS plans continued to decline. HMOs and other prepaid plans remained constant in their share of the rural MA market. These trends are consistent with the urban MA market, as PPOs continued to gain market share and PFFS plans

**Figure 1. Rural Medicare Advantage Enrollment, 2007-2012**



**Figure 2. Rural Medicare Advantage Enrollment by Type of Plan, 2007-2012**



lost market share, while HMOs and prepaid plans remained constant. Rural enrollment growth was consistent across the nation, as most states experienced growth in MA enrollment of 1%-2% from March 2011 to March 2012. Only two states (California and Wyoming) experienced a decline in rural MA enrollment during that same time period. Enrollment in the rural MA market has not been affected by the changes made to the program in 2012; however, the benefits provided by the plans and the beneficiaries' cost sharing need to be analyzed to further evaluate the effects of the policy changes to the MA program.

<sup>1</sup>Additional Medicare Advantage enrollment data available at <http://www.public-health.uiowa.edu/rupri/maupdates/nstablesmaps.html>.