

MEDICARE OPTIONS BY STATE

Supplements only	Supplements and MA	MA only	HRA	Notes
Alaska	Arkansas	Alabama	<u>Idaho</u>	• Supplements = supplemental plans which are secondary to Original Medicare
Delaware	California	Arizona	<u>Louisiana</u> (*)	
Iowa (*)	Connecticut	Colorado	Nevada - only option	
Maryland (*)	Florida	District of Columbia	<u>Ohio</u>	• MA = Medicare Advantage plans
Mississippi (*)	Hawaii	Georgia	Rhode Island - only option	
Missouri (*)	<u>Idaho</u>	Illinois		• (*) = the same plan as active employees
Montana (*)	Indiana	Kentucky		
Nebraska	Kansas	<u>Louisiana</u> (*)		
North Dakota	Massachusetts	Maine		• Underline = supplemental plans and/or MA plans plus an HRA
South Carolina	Michigan	Minnesota		
South Dakota	New Jersey	New Hampshire		
Tennessee	New Mexico			• HRA = Health Reimbursement Arrangements
Utah	New York (*)			
Virginia	North Carolina			
Wyoming (*)	<u>Ohio</u>			
	Oklahoma (*)			
	Oregon			
	Pennsylvania			
	Texas			
	Vermont (*)			
	Washington			
	West Virginia			
	Wisconsin			
Total = 15	Total = 23	Total = 11	Total = 5 (3 of which have options in other columns)	15 + 23 + 11 + 2 = 51 50 states plus District of Columbia

KEY FINDINGS

- 45% of states offer retirees a CHOICE between MA and Supplement plans.
- More states currently offer Supplement Only plans (29%) than offer MA only plans (22%).
- 76% of states offer better CHOICE and ACCESS to insured health care than DE's new MA only plan.
- The cost for insuring Medicare retirees is 1/3 the cost of insuring equivalent non-Medicare retirees.

EXPLANATION OF METHODS

All results were acquired from publicly accessible websites. We categorized the states according to the types of choices they offered to their Medicare-eligible retirees. Some states, like Delaware, have retirees that come from different pools (e.g., state workers, public school teachers, law enforcement, municipal employees, higher education) that are all combined into the state-sponsored health insurance group. In other states, some individual groups are large enough to have their own retiree health plans. For this compilation, we classified the offerings as Medicare Advantage Only, Supplement Only, and choice of Medicare Advantage OR Supplement. If either of the 2 largest groups of retirees (teachers and state public employees) offered one type of plan, we counted it as a state plan. If only a smaller group in the state (e.g. municipal corrections officers or higher education) offered one type of plan, it was NOT included.

DISCUSSION OF RESULTS

The Table of results above shows that nearly half of the states (45%) offered their Medicare-eligible retirees group plan choices from BOTH Medicare Advantage and Medicare Supplement plans. Like Delaware's current Special Medicfill plan, most states which offered Supplemental plans had custom or "special" plans, i.e., the plans did NOT rigorously follow the alphabet supplement plans from CMS. In contrast, 29% of states offered only Supplement plans, while 22% of states offered only Medicare Advantage plans, as Delaware proposes to do. Two remaining states (4%) ONLY offer their public retirees individual coverage from a private plan marketplace, for which the state may provide a subsidy through a Health Reimbursement Arrangement program. Notable, many states (20%) offer their retirees the option of staying on the active employee health care plan. Typically, active plans that were HMOs transform into an MA plan, while non-HMO active plans become secondary-to-Medicare Supplement plans.

As a data "extra," from the states which offered retirees continuation of their active plans post-Medicare, we find that the cost of a Medicare retiree (state+enrollee premium contributions) are only **1/3** the cost of a non-Medicare retiree. Obviously, this is due to the significant federal subsidy provided by Medicare.

CONCLUSION

Because Medicare Supplement plans place few restrictions on their enrollees, this means that 78% of states today (including Delaware) offer broad **CHOICES** and **ACCESS** to their retirees for their selection of health care providers. Medicare Advantage plans, on the other hand, have private networks, which are usually quite restrictive for enrollees who live out of state for any significant fraction of the year, as well as for patients currently battling life-threatening illnesses with non-network providers. This, along with the objections to denying or delaying the authorization of medical care, is the reason why so many public employees and retirees have vigorously protested when their government employers proposed or instituted mandatory transitions to the much less flexible Medicare Advantage only plans. And, since the Delaware retiree health insurance program encompasses such a broad range of people, it is inevitable that a significant number of them will be ill-served by Medicare Advantage.

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