

**Table 13.1**  
**Health Maintenance Organization (HMO) Enrollment Growth:**  
**Selected Calendar Years 1990-2005**

Year	Medicare HMO Enrollment	Total HMO Enrollment
	Number in Millions	
1990	1.8	31.4
1994	2.6	47.1
1995	3.0	53.4
1996	3.8	63.3
1997	4.7	72.1
1998	6.3	78.6
1999	6.7	80.5
2000	6.6	78.9
2001	5.8	78.0
2002	5.2	74.2
2003	5.0	70.0
2004	5.2	66.1
2005	5.6	NA

NOTES: Medicare HMO enrollment numbers are for December of each year, except in 1996 (August data). The Medicare HMO enrollment includes, for all years, enrollment in all Risk plans--including HMO, Preferred Provider Organizations (PPO), and Provider Sponsored Organizations (PSO)---and in all Cost plans other than Health Care Prepayment Plans (HCPP). For all years, the Medicare HMO enrollment excludes enrollment in Private Fee-for-Service plans (PFFS) and demonstrations that were not PPO. Beginning with 2004, the Medicare HMO enrollment includes enrollment in PPO that were demonstrations. Total HMO enrollment numbers are InterStudy numbers for July of each year. NA is not available.

SOURCES: Centers for Medicare & Medicaid Services: Data from the Medicare Managed Care Contract (MMCC) reports, 1990-2005 and InterStudy, 1990-2004; data development by the Office of Research, Development, and Information.

**Table 13.2**  
**Percent of Medicare Population with Access to at Least One Risk/  
 Medicare+Choice (M+C)/Medicare Advantage (MA) CCP (1993-2005), M+C Private  
 Fee-for-Service (PFFS) (2000-2005), or M+C/MA Plan of Either Type (2000-2005)**

Year	Population with Risk/M+C/MA CCP Access	Population with M+C PFFS Access	Population with Access to M+C/MA Plan of Either Type
	Percent		
1993	49	NA	49
1994	57	NA	57
1995	61	NA	61
1996	68	NA	68
1997	72	NA	72
1998	74	NA	74
1999	72	NA	72
2000	69	38	84
2001	63	38	82
2002	62	36	79
2003	59	36	79
2004	61	31	75
2005	79	76	97

NOTES: PFFS became available in 2000. The 2005 data are as of December 2005. CCP is coordinated care plan which include Health Maintenance Organizations (HMO), Preferred Provider Organizations (PPO), Provider Sponsored Organizations (PSO), and PPO demonstrations. For purposes of access, plans available only to employer or union retirees were excluded from consideration. NA is not applicable.

SOURCES: Centers for Medicare & Medicaid Services: Analysis of plan data from the Plan Information Control System, 1993-2000; Geographic Service Area Reports, 2000-2005; data development by Office of Research, Development, and Information.

**Table 13.3**  
**Medicare Risk/Medicare+Choice/Medicare Advantage Contracts:**  
**Calendar Years 1987-2005**

Year	Risk Contracts
1987	161
1988	154
1989	131
1990	96
1991	93
1992	95
1993	109
1994	154
1995	183
1996	241
1997	307
1998	346
1999	309
2000	266
2001	179
2002	155
2003	151
2004	154
2005	302

NOTE: Data are as of December of each year.

SOURCE: Centers for Medicare & Medicaid Services: Data from the Medicare Managed Care Contract (MMCC) reports, 1987-2005; data development by the Office of Research, Development, and Information.

**Table 13.4**  
**Risk Contracts Non-Renewals, by Percent of Plans:**  
**Calendar Years 1986-2005**

Year	Non-Renewals Percent
1986	5
1987	18
1988	22
1989	29
1990	15
1991	13
1992	8
1993	4
1994	1
1995	0
1996	1
1997	3
1998	13
1999	13
2000	25
2001	13
2002	6
2003	4
2004	2
2005	1

NOTES: Refers only to risk non-renewals (including conversion to cost plans), not service area reductions. The 1989 figure includes 29 plans that had no enrollees. The percent for 1995 and 2005 were less than 1. The data for 1999 are based on the number of plans as of August 1999. The data for 2000 and 2001 are adjusted for contract consolidations (23 in 2001; 3 in 2002). The data for 2002 include one Medicare+Choice alternative payment demonstration project.

SOURCE: Centers for Medicare & Medicaid Services, Office of Research, Development, and Information: Analysis of Non-Renewal Reports, 1986-2005.

**Table 13.5**  
**Number and Percent of Medicare+Choice/Medicare Advantage Coordinated**  
**Care Plans (CCPs) Available to Beneficiaries: Calendar Years 1998 and 2005**

Number of Plans Available	1998	Percent	2005
0	26		20
1	11		10
2 to 4	25		31
5 to 9	24		26
10 or More	15		13

NOTES: Percents may not add to 100 because of rounding. The data shown represent CCP plans which include Health Maintenance Organizations (HMO), Preferred Provider Organizations (PPO), Provider Sponsored Organizations (PSO), PPO demonstrations, and exclude plans available only to employer or union-sponsored retirees.

SOURCE: Centers for Medicare & Medicaid Services, Office of Research, Development, and Information: Analysis of Medicare Compare and Geographic Service Area Report data, March 1998 and December 2005.

**Table 13.6**  
**Percent Distribution of Disabled and Aged Beneficiaries in Medicare Advantage Plans**  
**and Fee-for-Service: September 2005**

Enrollment	Total	Aged Percent	Disabled
Medicare Advantage	100.0	92.4	7.6
Fee-for-Service	100.0	82.8	17.2

SOURCE: Centers for Medicare & Medicaid Services: Analysis of plan data from the Plan Information Control System, 2005; data development by the Office of Research, Development, and Information.

**Table 13.7**  
**Percent Distribution of Disabled and Aged Beneficiaries, Medicare Advantage**  
**Plans Versus Fee-for-Service: September 2005**

Beneficiary	Medicare Advantage	Fee-for-Service
	Percent	
<b>Disabled</b>	100	100
<b>Male</b>		
Under 35 Years	1	5
35-44 Years	5	10
45-54 Years	14	17
55-59 Years	12	11
60-64 Years	17	11
<b>Female</b>		
Under 35 Years	1	4
35-44 Years	5	8
45-54 Years	13	14
55-59 Years	13	10
60-64 Years	18	10
<b>Aged</b>	100	100
<b>Male</b>		
65-69 Years	10	13
70-74 Years	11	10
75-79 Years	9	8
80-84 Years	6	6
85 Years or Over	4	4
<b>Female</b>		
65-69 Years	13	15
70-74 Years	15	12
75-79 Years	13	11
80-84 Years	10	9
85 Years or Over	8	9

NOTES: Percents may not add to 100 because of rounding. The methodology to compute the penetration rate was changed beginning with 2005 data and may yield results that are not exactly comparable to earlier years.

SOURCE: Centers for Medicare & Medicaid Services: Analysis of plan data from the Plan Information Control System, 2005; data development by the Office of Research, Development, and Information.

**Table 13.8**  
**Medicare Advantage and Other Private Health Plan Penetration, (Percent of**  
**Medicare Beneficiaries Enrolled), by Geographic Area: September 2005**

Geographic Area	Health Plan Penetration Percent	Geographic Area	Health Plan Penetration Percent
Alabama	9.2	Nebraska	4.8
Alaska	0.3	Nevada	28.5
Arizona	26.9	New Hampshire	0.8
Arkansas	0.4	New Jersey	8.1
California	31.5	New Mexico	16.2
Colorado	26.7	New York	19.3
Connecticut	5.5	North Carolina	6.2
Delaware	0.6	North Dakota	1.4
District of Columbia	7.1	Ohio	13.0
Florida	19.9	Oklahoma	8.3
Georgia	2.5	Oregon	32.4
Hawaii	32.4	Pennsylvania	24.8
Idaho	10.8	Puerto Rico	23.4
Illinois	5.3	Rhode Island	33.2
Indiana	2.6	South Carolina	1.7
Iowa	5.4	South Dakota	0.6
Kansas	3.8	Tennessee	9.7
Kentucky	2.8	Texas	8.5
Louisiana	12.4	Utah	5.7
Maine	0.1	Vermont	0.1
Maryland	4.3	Virgin Islands	0.4
Massachusetts	16.2	Virginia	2.1
Michigan	1.6	Washington	15.3
Minnesota	17.1	West Virginia	6.2
Mississippi	0.3	Wisconsin	9.0
Missouri	12.4	Wyoming	1.5
Montana	1.3		
Guam	0.1		
American Samoa	0.4		
Northern Mariana Islands	0.0	Out of Country	0.7

SOURCE: Centers for Medicare & Medicaid Services: Market Penetration - Quarterly State/County Data File, September 2005; data development by the Office of Research, Development, and Information.

**Table 13.9**  
**Historical Prevalence of Zero Premiums and Drug Coverage in Medicare**  
**Risk/Medicare+Choice Contracts: Calendar Years 1987-1998**

Year	Contracts with	
	Zero Premium Basic Package	Drugs in Basic Package
	Percent	
1987	10	NA
1988	13	NA
1989	9	NA
1990	18	35
1991	25	33
1992	23	NA
1993	25	32
1994	33	38
1995	51	50
1996	65	61
1997	69	68
1998	70	67

NOTE: NA is not available.

SOURCES: Centers for Medicare & Medicaid Services, Office of Research, Development, and Information: Analysis of Medicare Managed Care Contract (MMCC) reports for 1990-1998 and the adjusted community rate proposals for 1987-1989.

**Table 13.10**  
**Changes in Access to or Coverage Under a Zero Premium Plan:**  
**Calendar Years 1999-2005**

Year	Medicare+Choice/Medicare Advantage Coordinated Care Plans	
	Overall Medicare Population with Access to Zero Premium	Enrollees with Zero Premium Plan
	Percent	
1999	61	68
2000	53	61
2001	39	45
2002	34	39
2003	29	38
2004	40	48 <sup>1</sup>
2005	42	58

<sup>1</sup> A change in methodology applies beginning in 2004. Because health plans are reporting enrollments by benefit package to CMS when an organization offers more than one benefit package in a given county, the 2004 and 2005 figures for enrollees choosing zero premium plans show enrollment at the actual "plan" level (that is, by benefit package). In prior years, enrollees were assigned to zero premium plans if one was offered by the organization in the county of residence of the individual. The figures for 2004 and 2005 would be a higher number if the methodology used in prior years were continued for 2004 and thereafter.

NOTE: The 2005 data are as of March 2005.

SOURCES: Centers for Medicare & Medicaid Services, Office of Research, Development, and Information and MedPAC: Analysis of Medicare Compare and Health Plan Management System data.

**Table 13.11**  
**Access to Medicare+Choice (M+C)/Medicare Advantage (MA) Coordinated Care Plans (CCPs),**  
**Private Fee-for-Service (PFFS) Plans, or Preferred Provider Organization (PPO)**  
**Demonstration Projects, Rural Areas, by Type of Coverage: Calendar Years 1999-2005**

Year	Any M+C/MA CCP, PFFS Plan, or PPO Demo Plan	Any M+C/MA CCP Plan	Any Zero Premium Plan	Any Plan with Drug Coverage
Percent				
1999	---	23	14	19
2000	62	21	9	16
2001 <sup>1</sup>	60	14	4	8
2002	59	13	2	9
2003	59	13	2	8
2004 <sup>2</sup>	62	15	13	26
2005 <sup>2</sup>	97	40	54	94

<sup>1</sup>Includes 53 counties, with 99,000 beneficiaries, where PFFS became available in December 2001.

<sup>2</sup>The 2004 and 2005 data reflect the reclassification of the metropolitan statistical area (MSA) status of a number of counties. There was a net reduction in the number of Medicare beneficiaries residing in non-MSA (rural) counties of about one million. About 1.5 million beneficiaries were in the counties changing from non-MSA to MSA status, and about half a million beneficiaries were in counties that changed from MSA status to non-MSA status (generally because of being assigned to the new category of micropolitan areas).

NOTES: The 2005 data are as of October 2005. In all years, only plans available to all Medicare beneficiaries in a county are included. That is, plans such as those available only to members of an employer group, or special needs plans (available as of 2005), are excluded.

SOURCES: Centers for Medicare & Medicaid Services, Office of Research, Development, and Information: Analysis of Health Plan Management System data and M+C rates; MedPAC Annual Reports 1999 and 2000.