

Members See the Value, Benefits of Medicare Advantage, Have Higher Satisfaction Than Those Enrolled in Commercial Plans

Kaiser Permanente Ranks Highest in Medicare Advantage Member Satisfaction

WESTLAKE VILLAGE, Calif.: 22 October 2015 — With nearly half strongly agreeing their health plan is a trusted partner in their health and wellness, members enrolled in Medicare Advantage are quite satisfied with their plan, according to the J.D. Power 2015 Medicare Advantage Member Satisfaction StudySM released today.

The inaugural study measures member satisfaction with Medicare Advantage plans—also called Medicare Part C—based on six factors (in order of importance): coverage and benefits (24%); provider choice (18%); customer service (16%); information and communication (16%); cost (15%); and claims processing (11%). Satisfaction is calculated on a 1,000-point scale.

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Overall satisfaction among Medicare Advantage members is 774, which is significantly higher than satisfaction among commercial health plan members (679).¹ Contributing to the high satisfaction with Medicare Advantage is that 46 percent of members strongly agree their health plan is a trusted partner in their health and wellness, which increases overall satisfaction by 177 points.

Coverage and benefits is the most influential factor in driving overall member satisfaction with their Medicare Advantage health plan. The study finds that 64 percent of members feel they have enough coverage for the care they need, resulting in a 102-point lift in overall satisfaction.

“Medicare Advantage health plan members tend to have a more favorable image of their health plan than do members of commercial plans on brand measures of trustworthiness, affordability, reputation and customer-centricity,” said **Rick Johnson, Director of the Healthcare Practice at J.D. Power**. “Members pay more to move from Medicare to Medicare Advantage, and the plans and the government do an excellent job demonstrating the value of the Medicare Advantage plan. Members feel the money spent is worth it.”

One of the key benefits Medicare Advantage plans offer is the choice of providers—primary care doctors, specialty doctors and hospitals. Continuity in plan networks is a strength of Medicare Advantage plans, with 73 percent of members indicating their doctors and 74 percent indicating their hospitals were not dropped from their plan’s network during the past year. That creates loyalty and trust, as the average doctor-member relationship is 8.6 years and 92 percent of members agree their doctor is a partner in their medical care.

¹ According to the J.D. Power 2015 Member Health Plan StudySM released March 9, 2015.

“People generally like to have a primary care doctor that they know and trust, and Medicare Advantage plans provide that for the vast majority of members,” said Johnson. “Having to switch providers because they are dropped from a plan adds a level of stress and a feeling of having to start over.”

KEY FINDINGS

- Among Medicare Advantage health plan members, the average wait time for an appointment with their primary care physician is 7.7 days, while wait times for a specialist appointment average 14.7 days, both comparable with wait times experienced by commercial health plan members.
- Satisfaction improves customer loyalty and advocacy. Among customers who are delighted (overall satisfaction 901 or higher) with their Medicare Advantage health plan, 89 percent say they “definitely will” renew their policy, and 88 percent say they “definitely will” recommend their plan to family and friends. Loyalty drops to 72 percent and advocacy to 64 percent among member who are pleased (satisfaction 751-900).
- Medicare Advantage members are more likely to completely understand how their plan works—including annual deductibles, out-of-pocket expenses and which doctors are covered— than members of commercial plans.
- Two-thirds (66%) of members indicate that their doctor submitted a claim on their behalf in 2014, while only 3 percent of members submit a claim themselves. Only 10 percent of doctor-submitted claims are denied, compared with 23 percent for member-submitted claims. When a member has a claim denied, overall satisfaction drops to 661 from 789.
- Among members with a prescription drug benefit, 92 percent indicate they had a prescription filled or refilled in 2014. While only 9 percent of members are provided with a verbal and written explanation of medical costs when filling a prescription, satisfaction among those who receive both is 806. Among the 65 percent of members who receive only a written explanation, satisfaction is 790, while among the 5 percent who are provided only a verbal explanation, satisfaction is 796. When no explanation is provided, satisfaction drops to 714.

Medicare Advantage Member Satisfaction

Kaiser Permanente ranks highest in Medicare Advantage Member Satisfaction with a score of 842. Kaiser Permanente performs particularly well in five of the six factors, including coverage and benefits, which is the most influential driver of overall satisfaction.

The 2015 Medicare Advantage Member Satisfaction Study is based on the responses of 2,731 members of Medicare Advantage plans across the United States. There are 10 national health plans that are rank eligible in the study; these plans represent 67 percent of the nation's Medicare Advantage market according to industry data source Mark Farrah Associates.

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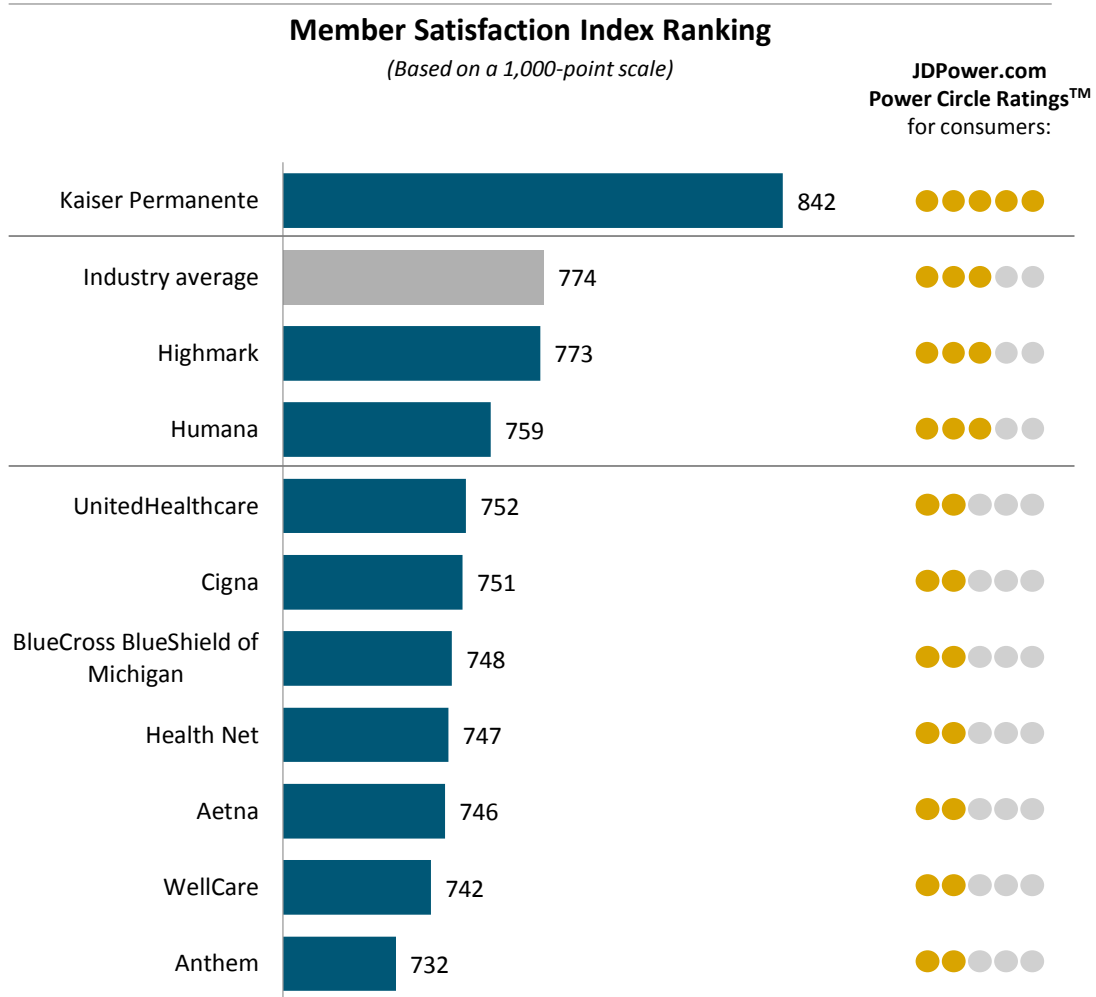
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Note: Two charts follow.

J.D. Power 2015 Medicare Advantage Member Satisfaction StudySM



Note: Industry average includes Medicare Advantage health plans that do not meet study requirements to be ranked individually

Source: J.D. Power 2015 Medicare Advantage Member Satisfaction StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

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J.D. Power

2015 Medicare Advantage Member Satisfaction StudySM

Award-Eligible Health Plan Providers Included in the Study

<u>Company Name</u>	<u>CEO Name</u>	<u>Company Address</u>
Aetna	Mark Bertolini	Hartford, Conn.
Anthem	Joseph Swedish	Indianapolis, Ind.
Blue Cross Blue Shield of Michigan	Daniel Loepp	Detroit, Mich.
Cigna	David Cordani	Bloomfield, Conn.
Health Net	Jay Gellert	Woodland Hills, Calif.
Highmark	David Holmberg	Pittsburgh, Pa.
Humana	Bruce Broussard	Louisville, Ky.
Kaiser Permanente	Bernard Tyson	Oakland, Calif.
UnitedHealthcare	Stephen Hemsley	Minnetonka, Minn.
WellCare	Kenneth Burdick	Tampa, Fla.

Source: J.D. Power 2015 Medicare Advantage Member Satisfaction StudySM

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