

THE GREAT MA BENEFIT SQUEEZE: WHY 2.7 MILLION DISPLACED MEMBERS ARE YOUR BIGGEST GROWTH WINDOW

Agents fear the MA market is contracting. It's not — it's reshuffling.



THE UNDENIABLE SHIFT: RESTRUCTURING, NOT DYING



35 MILLION ENROLLED

More than half (54%) of Medicare-eligible Americans now choose MA over traditional Medicare.

3% YEAR-OVER-YEAR GROWTH

Down from the 9% historical average (2007–2024). General enrollment is decelerating.

SNPS DROVE 83% OF GROWTH

Special Needs Plans added nearly 900,000 enrollees, surging to 23% of the total MA market.

**THE ERA OF EASY, INDISCRIMINATE GROWTH IS OVER.
THE FUTURE BELONGS TO SPECIALIZED EXPERTISE.**

MARKET LEDGER: THE CORRELATION OF VALUE

The Value Investors (Gains)

Humana: +1,200,000 members
(Benefit value improved by 22%)

Smaller Regionals (<1M enrollees):
+734,000 members

Kaiser Permanente:
+64,000 members

The Benefit Cutters (Losses)

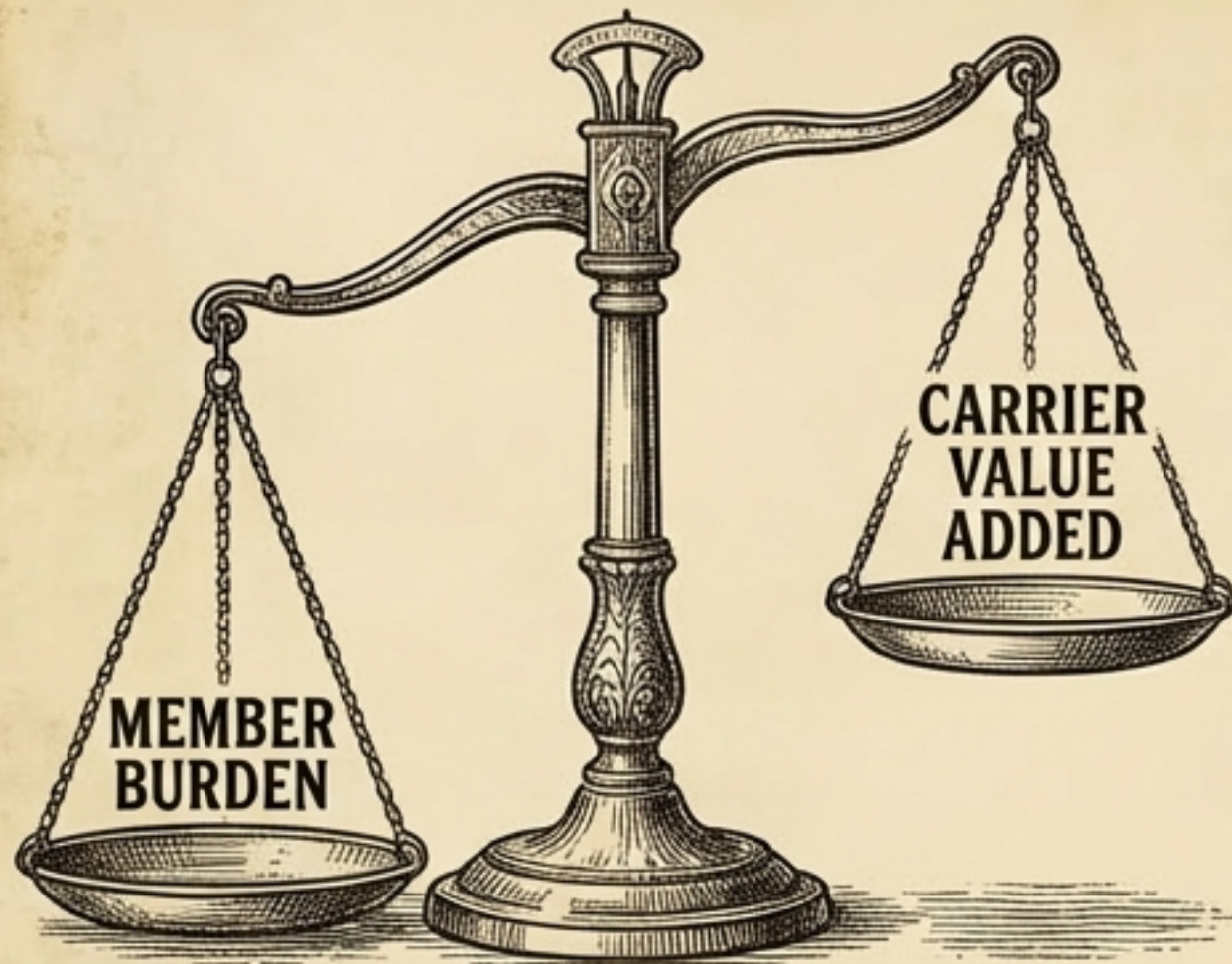
UnitedHealth Group:
-530,000 members

Elevance Health:
-368,000 members

CVS Health:
-29,000 members

Carriers that cut
benefits lost members.
The correlation is
absolute.

THE ANATOMY OF THE BENEFIT SQUEEZE



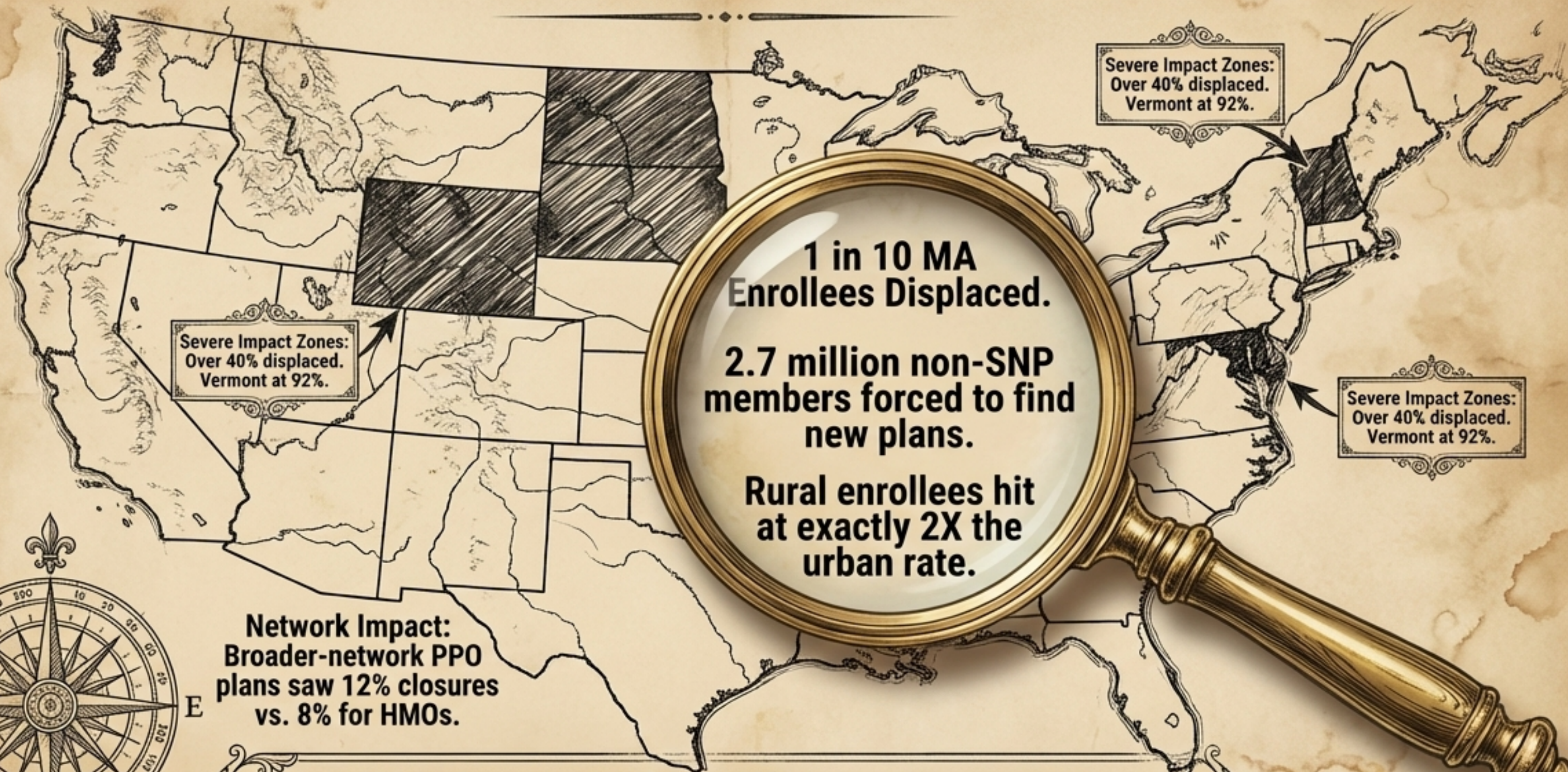
Premium increases (+\$1.64 *pmpm*) & Part D deductibles jumping from \$230 to \$375.

Total value eroded >7%. Supplemental benefits (dental/OTC) slashed by \$7 *pmpm*.

| THE GOLDEN ERA (2024) | THE SQUEEZE ERA (2026) |
|---|--|
| <ul style="list-style-type: none">• Zero-premium plans abundant.• Only 23% of members faced a Part D deductible. | <ul style="list-style-type: none">• 231 zero-premium plans eliminated (9.5% drop).• A staggering 83% of members now face a drug deductible. |

VALUE HASN'T DISAPPEARED—IT HAS SHIFTED FROM THE CARRIER'S LEDGER TO THE MEMBER'S WALLET.

THE DISPLACEMENT WAVE: A MAP OF ABANDONED CLIENTS



Severe Impact Zones:
Over 40% displaced.
Vermont at 92%.

Severe Impact Zones:
Over 40% displaced.
Vermont at 92%.

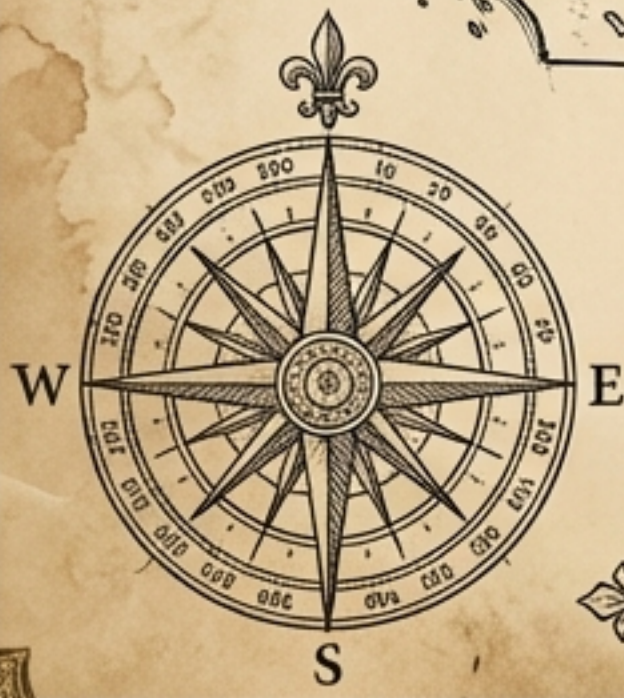
Severe Impact Zones:
Over 40% displaced.
Vermont at 92%.

**1 in 10 MA
Enrollees Displaced.**

**2.7 million non-SNP
members forced to find
new plans.**

**Rural enrollees hit
at exactly 2X the
urban rate.**

**Network Impact:
Broader-network PPO
plans saw 12% closures
vs. 8% for HMOs.**



**This is not a cold-calling environment.
This is a rescue mission for abandoned clients.**

THE RESCUE SCRIPT



CLIENT ADVISORY PROTOCOL // INITIATE IMMEDIATELY

I know this is frustrating. You lost your coverage through no fault of your own.

Let me pull up exactly what's available in your county today to get your doctors back in network.

Re-establish control.

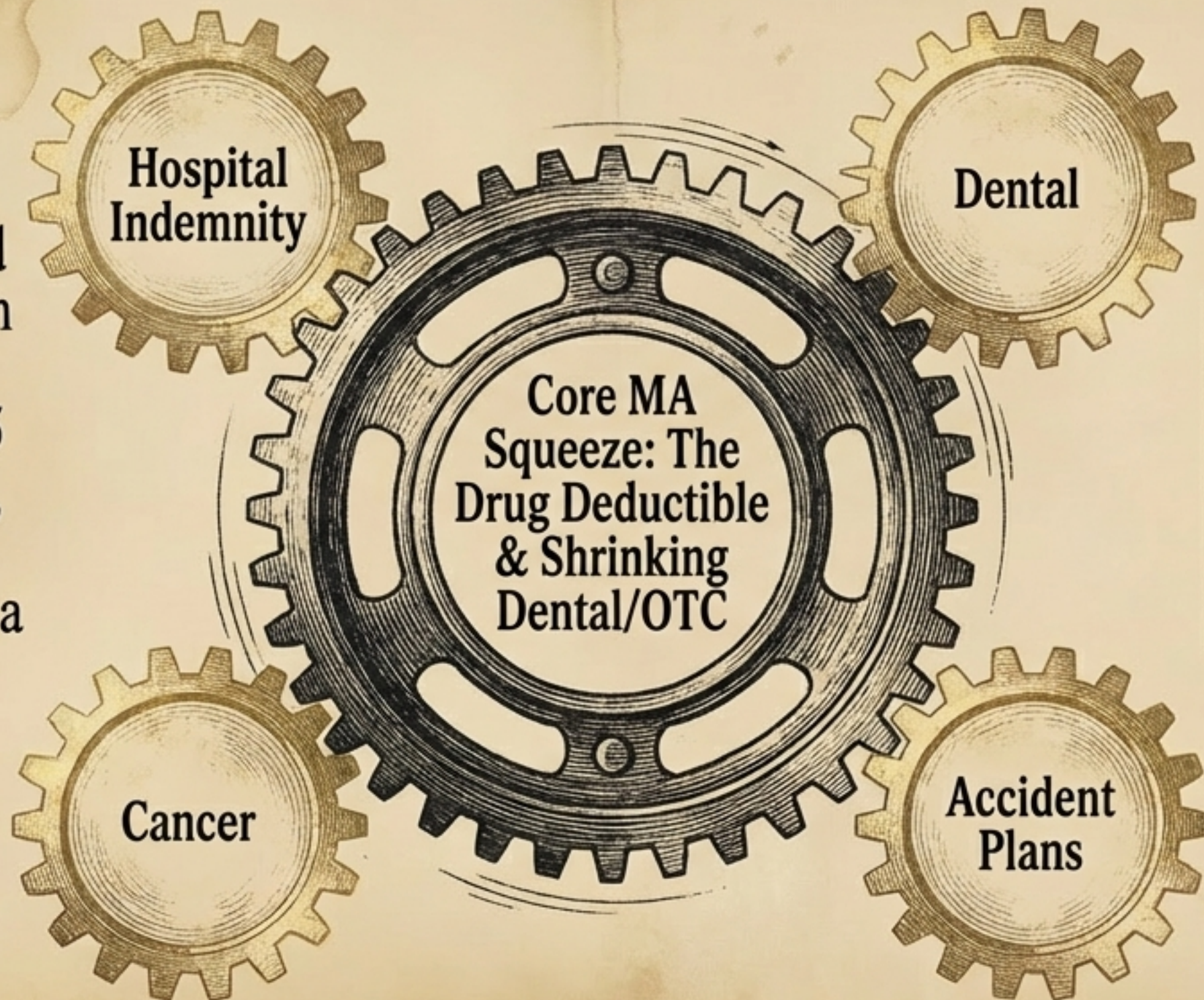
De-escalate anxiety.

Displaced members **are warm leads.** They are confused, anxious, and actively shopping.

The agent who reaches them first and explains their options builds a relationship that lasts for years.

The Cross-Sell Opening

Clients feeling the squeeze are primed for solutions. When their primary MA plan creates a \$375 out-of-pocket void, supplemental coverage becomes a mathematical necessity, not a luxury.



PSM's Marketing Hub has co-branded, compliance-ready cross-sell materials waiting for you.

The Immediate Go-Do

- PULL** your county's MA displacement data and carrier exit lists this week.
- IDENTIFY** displaced members within your existing book of business immediately.
- REACH OUT** first. If you don't call them, your competitor will.
- CONTRACT FAST.** Use PSM's contracting support to add access to the smaller regional carriers and SNPs that are absorbing this volume.

