

July 2015 | Data Note

## Data Note: Medicare Advantage Enrollment, by Firm, 2015

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In recent weeks, a number of potential mergers and acquisitions between large firms that offer health insurance have been reported in the press, including the [July 3, 2015 announcement](#) of a merger between Aetna and Humana. These mergers could affect consumers in the individual market, enrollees in the new federal and state Marketplaces, employees with employer-sponsored insurance, as well as people covered by public programs such as Medicare. [Nearly 17 million Medicare beneficiaries](#) – almost one-third of the total Medicare population – are enrolled in private Medicare plans, known as Medicare Advantage plans, raising questions about [the potential impact of these mergers on Medicare enrollees](#).

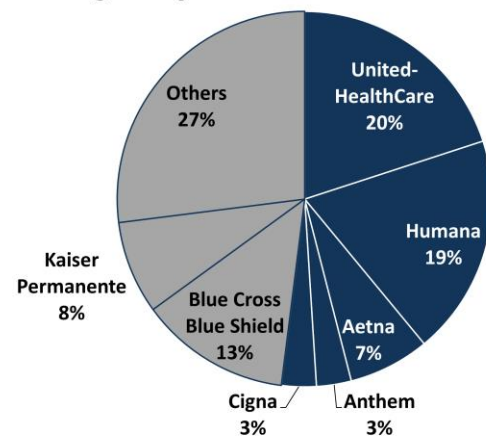
This Data Note examines the Medicare Advantage market share of large firms that have reportedly engaged in merger and acquisition discussions: Aetna, Anthem, Cigna, Humana, and UnitedHealthcare. Table 1 shows the Medicare Advantage market shares of these five firms nationally and by state. Table 2 highlights the counties in which the Aetna-Humana merger could have a relatively large impact on Medicare Advantage enrollees based on the combined market share of these two firms. Table 3 shows the market share of these five firms in the 50 counties with the largest number of Medicare Advantage enrollees. This Data Note uses Medicare Advantage enrollment data released by the Centers for Medicare and Medicaid Services in March 2015.

**Table 1** shows the market share of the five large firms, nationally and by state, that have reportedly been engaged in merger and acquisition discussions. Together, these five firms comprise more than half (52%) of the Medicare Advantage market (**Figure 1**).

If the announced deal between Aetna and Humana proceeds, the consolidated firm would provide coverage to more than one-quarter (26%) of all Medicare Advantage enrollees nationwide, making it the leading Medicare Advantage insurer, ahead of UnitedHealthcare, which has 20 percent of all Medicare Advantage enrollees.

Figure 1

### Medicare Advantage Market Share of Five Firms Reported to Be Discussing Mergers



Total Medicare Advantage Enrollment, 2015 = 16.8 Million

NOTE: BlueCross BlueShield excludes Blue Cross and Blue Shield plans operated by Anthem.  
SOURCE: Kaiser Family Foundation analysis of Centers for Medicare and Medicaid Services Enrollment files, 2015.

Mergers between insurers would play out differently across the country because Medicare Advantage market share by firm varies greatly across states and counties. In some counties and states, locally-owned firms play a larger role in the Medicare Advantage market than national firms, while other states are dominated by the large, national firms.

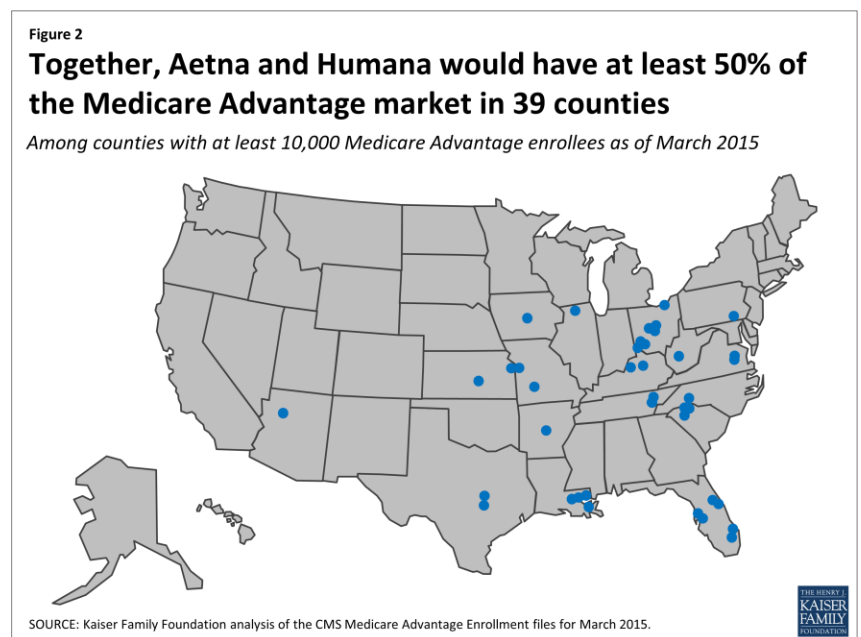
- Based on current enrollment numbers, the combined market share of Aetna and Humana would include at least half of all Medicare Advantage enrollees in 10 states and at least two-thirds of all enrollees in five states (KS, LA, MS, VA, and WV), unless they divest some Medicare Advantage plans in response to regulatory (antitrust) issues. By itself, Humana has more than half of the Medicare Advantage market in five states (KY, LA, MS, VA, and WV), including two states (MS and WV) in which it has more than two-thirds of all Medicare Advantage enrollees. Aetna has at least one-quarter of all enrollees in eight states (AK, DE, IA, KS, ME, MO, NE, and NJ).
- UnitedHealthcare currently has more than half of the market in four states (NE, NH, VT, and WY), including two states (VT and WY) in which it has more than two-thirds of the market. UnitedHealthcare has more than one-quarter of all enrollees in 19 other states and the District of Columbia. Anthem more than one-fifth of the market (23%) in Ohio. Cigna has more than one-third of the market (38%) in Delaware and about one-fifth of the market in three other states (TN, AL, and MD).

In seven states (CT, ME, MA, MT, NM, ND and SD), [the firm with the most Medicare Advantage enrollees is a locally operated firm](#) and thus mergers among the large, national firms would likely have a smaller impact in these states.

**Table 2** and **Figure 2** drill down to the county level to show the counties in which Humana and Aetna currently account for at least 50 percent of the Medicare Advantage market.

Among the 335 counties nationwide with at least 10,000 Medicare Advantage enrollees:

- Humana currently provides coverage to at least half of all Medicare Advantage enrollees in 21 counties, and at least two-thirds of all Medicare Advantage enrollees in six counties;
- Aetna currently provides coverage to more than half of all Medicare Advantage enrollees in two counties: Polk County, Iowa which includes Des Moines and Sedgwick County, Kansas which includes Wichita; and
- Together, Aetna and Humana currently cover at least half of all Medicare Advantage enrollees in 39 counties, and at least 75 percent of all Medicare Advantage enrollees in nine counties (Benton, AR; Polk County, IA; Winnebago County, IL; Johnson County, KS; Sedgwick County, KS; Livingston County, LA; Jackson County, MO; Anderson County, SC; and Kanawha County, WV).



**Table 3** shows the Medicare Advantage market shares of the five large, national firms in 50 counties with the largest number of Medicare Advantage enrollees. Together, these 50 counties account for about one-third (34%) of all Medicare Advantage enrollees nationwide.

- Humana has more enrollees than any other firm in 11 counties, while UnitedHealthcare has more enrollees than any other firm in 10 of the 50 counties. Anthem has a larger market share than any other firm in three counties. Cigna has the most Medicare Advantage enrollees in one of the 50 counties – Philadelphia County, PA.
- Humana has at least half of all Medicare Advantage enrollees in three counties in Florida (Broward County, Palm Beach County, and Volusia County). UnitedHealthcare has at least half of all Medicare Advantage enrollees in six counties, three of which are in Texas (Pima County, AZ; Clark County, NV; Bexar County, TX; Dallas County, TX; Tarrant County, TX; and Milwaukee County, WI). Anthem has more than half of all Medicare Advantage enrollees in Suffolk County, NY.
- Together, Aetna and Humana have more than half of all Medicare Advantage enrollees in six counties (Broward County, FL; Hillsborough County, FL; Palm Beach County, FL; Pasco County, FL; Volusia County, FL; and Franklin County, OH). In three of these six counties (Broward County, FL; Palm Beach County, FL; and Volusia County, FL), Humana already has at least half of all Medicare Advantage enrollees.

While the large, national firms have a substantial presence in many counties with a relatively large number of Medicare Advantage enrollees, none of these five large, national firms have the largest Medicare Advantage market share in 25 of the 50 counties.

Gretchen Jacobson and Tricia Neuman are with the Kaiser Family Foundation; and Anthony Damico is an independent consultant.

**Table 1. Medicare Advantage Market Share of the Five Firms Reported to be Discussing Mergers, by State, 2015**

State	Total Medicare Advantage Enrollment	Percent of Enrollees in Firm's Plans					
		Aetna	Anthem	Cigna	Humana	United-Healthcare	All Others
<b>Total U.S.</b>	<b>16,761,673</b>	<b>7%</b>	<b>3%</b>	<b>3%</b>	<b>19%</b>	<b>20%</b>	<b>48%</b>
Alabama	238,091	0%	0%	22%	20%	16%	43%
Alaska	56	55%	0%	0%	0%	45%	0%
Arizona	425,454	1%	4%	10%	14%	37%	34%
Arkansas	114,326	6%	0%	2%	38%	29%	25%
California	2,127,666	1%	4%	0%	3%	16%	76%
Colorado	281,467	1%	0%	0%	14%	39%	46%
Connecticut	157,692	20%	3%	0%	0%	31%	46%
Delaware	13,841	40%	0%	38%	8%	12%	2%
District of Columbia	11,033	7%	0%	9%	0%	28%	56%
Florida	1,570,845	6%	2%	3%	37%	22%	30%
Georgia	460,670	9%	1%	4%	22%	49%	15%
Hawaii	110,465	0%	0%	0%	10%	19%	71%
Idaho	87,837	0%	0%	0%	10%	13%	77%
Illinois	371,007	11%	0%	5%	26%	39%	19%
Indiana	264,104	3%	14%	1%	35%	25%	21%
Iowa	81,541	40%	0%	0%	24%	24%	12%
Kansas	61,600	42%	0%	0%	48%	8%	1%
Kentucky	212,948	2%	17%	0%	60%	16%	5%
Louisiana	232,445	1%	0%	0%	65%	1%	33%
Maine	66,307	26%	2%	0%	7%	13%	52%
Maryland	76,375	10%	0%	19%	2%	13%	56%
Massachusetts	233,084	1%	0%	0%	0%	18%	81%
Michigan	595,239	1%	0%	0%	10%	1%	88%
Minnesota	480,474	0%	0%	0%	7%	0%	93%
Mississippi	76,776	1%	0%	11%	66%	1%	22%
Missouri	311,364	30%	2%	0%	22%	31%	15%
Montana	34,758	0%	0%	0%	20%	4%	76%
Nebraska	34,982	30%	0%	0%	16%	51%	3%
Nevada	146,094	4%	4%	0%	33%	45%	14%
New Hampshire	17,295	3%	12%	0%	17%	55%	14%
New Jersey	222,846	25%	3%	0%	0%	44%	27%
New Mexico	113,807	1%	2%	0%	13%	19%	65%
New York	1,212,239	5%	10%	0%	1%	18%	67%
North Carolina	512,924	8%	0%	1%	31%	34%	26%
North Dakota	17,878	0%	0%	0%	9%	1%	90%
Ohio	811,503	21%	23%	0%	29%	8%	19%
Oklahoma	111,013	3%	0%	0%	29%	29%	40%
Oregon	323,765	0%	0%	0%	1%	12%	87%
Pennsylvania	1,001,864	22%	0%	6%	4%	3%	65%
Puerto Rico	552,888	0%	0%	0%	9%	0%	91%
Rhode Island	71,009	0%	0%	0%	0%	28%	72%
South Carolina	209,812	2%	0%	4%	45%	45%	4%
South Dakota	26,400	7%	0%	0%	21%	1%	71%
Tennessee	412,042	1%	1%	22%	31%	18%	27%
Texas	1,098,678	12%	3%	10%	24%	33%	18%
Utah	113,034	8%	0%	0%	7%	45%	40%
Vermont	8,984	8%	0%	0%	0%	80%	12%
Virginia	206,427	4%	3%	0%	62%	18%	13%
Washington	348,467	0%	0%	0%	9%	25%	65%
West Virginia	99,454	14%	0%	0%	71%	2%	13%
Wisconsin	388,732	0%	1%	0%	19%	33%	47%
Wyoming	2,071	11%	0%	0%	4%	72%	12%

SOURCE: Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment files for March 2015.

**Table 2: Market Shares of Aetna and Humana in Counties in Which the Combined Enrollment of Aetna and Humana Includes At Least Half of the Medicare Advantage Market  
(Among counties with at least 10,000 Medicare Advantage enrollees as of March 2015)**

State	County	Total Medicare Advantage Enrollment	Percent of Enrollees in Firm's Plans		
			Aetna	Humana	Aetna-Humana Combined
Arkansas	Benton	11,447	56%	20%	76%
Arizona	Mohave	15,339	54%	1%	55%
Florida	Broward	151,997	55%	9%	64%
Florida	Flagler	12,004	50%	3%	53%
Florida	Hillsborough	94,334	48%	6%	53%
Florida	Palm Beach	106,636	62%	7%	69%
Florida	Pasco	60,336	47%	2%	50%
Florida	Volusia	58,661	55%	1%	56%
Iowa	Polk	12,103	22%	55%	77%
Illinois	Winnebago	15,413	35%	41%	76%
Kansas	Johnson	22,473	40%	45%	86%
Kansas	Sedgwick	14,426	40%	57%	98%
Kentucky	Fayette	13,038	69%	2%	72%
Kentucky	Jefferson	39,769	56%	3%	58%
Louisiana	East Baton Rouge	29,042	71%	1%	73%
Louisiana	Jefferson	44,677	59%	1%	60%
Louisiana	Livingston	10,020	78%	0%	78%
Louisiana	St. Tammany	21,344	61%	3%	63%
Missouri	Greene	22,276	25%	36%	61%
Missouri	Jackson	40,693	45%	35%	80%
North Carolina	Gaston	13,517	39%	12%	51%
Ohio	Butler	23,968	31%	23%	54%
Ohio	Clark	13,177	19%	45%	64%
Ohio	Clermont	14,573	35%	17%	53%
Ohio	Delaware	10,438	35%	31%	66%
Ohio	Franklin	70,369	35%	22%	57%
Ohio	Hamilton	50,269	36%	19%	55%
Ohio	Lorain	18,927	30%	27%	57%
Pennsylvania	Lancaster	36,445	9%	47%	56%
South Carolina	Anderson	12,271	77%	1%	78%
South Carolina	Greenville	25,729	63%	1%	64%
South Carolina	Spartanburg	20,307	56%	0%	56%
Tennessee	Blount	11,226	68%	1%	69%
Tennessee	Knox	32,821	71%	0%	71%
Texas	Travis	28,423	52%	12%	64%
Texas	Williamson	16,731	41%	13%	54%
Virginia	Chesterfield	10,201	58%	5%	63%
Virginia	Henrico	10,226	60%	4%	64%
West Virginia	Kanawha	13,620	64%	18%	82%

**SOURCE:** Kaiser Family Foundation analysis of the CMS Medicare Advantage enrollment files for March 2015.

**Table 3. Medicare Advantage Market Share of the Five Firms in the 50 Counties with the Most Medicare Advantage Enrollees, 2015**

State	County	Total Medicare Advantage Enrollment	Percent of Enrollees in Firm's Plans					
			Aetna	Anthem	Cigna	Humana	United-Healthcare	All Others
Arizona	Maricopa	251,368	1%	2%	16%	13%	30%	38%
Arizona	Pima	87,014	1%	12%	0%	8%	53%	26%
California	Alameda	91,850	0%	0%	0%	3%	6%	90%
California	Contra Costa	80,756	0%	0%	0%	8%	3%	89%
California	Los Angeles	579,072	1%	6%	0%	1%	15%	77%
California	Orange	209,338	1%	7%	0%	2%	21%	69%
California	Riverside	166,613	3%	2%	0%	7%	19%	70%
California	Sacramento	101,377	0%	0%	0%	1%	14%	84%
California	San Bernardino	134,393	3%	4%	0%	3%	19%	71%
California	San Diego	195,134	2%	2%	0%	2%	32%	62%
California	Santa Clara	93,191	1%	4%	0%	1%	8%	86%
Florida	Broward	151,997	9%	0%	0%	55%	13%	23%
Florida	Hillsborough	94,334	6%	1%	0%	48%	20%	25%
Florida	Miami-Dade	260,533	7%	7%	17%	28%	24%	17%
Florida	Orange	69,567	1%	1%	0%	39%	14%	45%
Florida	Palm Beach	106,636	7%	0%	0%	62%	17%	14%
Florida	Pasco	60,336	2%	0%	0%	47%	18%	32%
Florida	Pinellas	101,445	4%	1%	0%	39%	25%	32%
Florida	Polk	62,279	9%	6%	0%	33%	25%	27%
Florida	Volusia	58,661	1%	0%	0%	55%	14%	30%
Hawaii	Honolulu	78,819	0%	0%	0%	9%	22%	69%
Illinois	Cook	132,940	4%	0%	11%	32%	29%	24%
Massachusetts	Middlesex	54,970	0%	0%	0%	0%	18%	81%
Michigan	Oakland	67,658	1%	0%	0%	8%	1%	90%
Michigan	Wayne	98,745	1%	0%	0%	8%	0%	91%
Minnesota	Hennepin	95,706	0%	0%	0%	5%	0%	94%
Missouri	St. Louis	67,505	27%	2%	0%	4%	35%	32%
Nevada	Clark	112,875	5%	5%	0%	38%	51%	1%
New Mexico	Bernalillo	54,649	0%	2%	0%	6%	9%	82%
New York	Bronx	99,732	2%	8%	0%	0%	11%	79%
New York	Erie	104,339	2%	0%	0%	0%	4%	94%
New York	Kings	136,552	4%	9%	0%	0%	18%	69%
New York	Monroe	89,841	7%	0%	0%	0%	10%	84%
New York	Nassau	57,586	4%	35%	0%	1%	13%	47%
New York	New York	89,688	3%	8%	0%	0%	23%	65%
New York	Queens	139,785	4%	14%	0%	0%	26%	56%
New York	Suffolk	55,316	4%	55%	0%	1%	14%	27%
Ohio	Cuyahoga	89,639	18%	33%	0%	23%	12%	14%
Ohio	Franklin	70,369	22%	10%	0%	35%	9%	24%
Oregon	Multnomah	63,484	0%	0%	0%	2%	14%	84%
Pennsylvania	Allegheny	154,168	17%	0%	0%	1%	1%	81%
Pennsylvania	Philadelphia	105,432	11%	0%	41%	2%	1%	45%
Pennsylvania	Westmoreland	55,381	24%	0%	0%	1%	0%	75%
Texas	Bexar	104,465	10%	4%	3%	27%	50%	7%
Texas	Dallas	86,485	12%	0%	3%	15%	54%	15%
Texas	El Paso	54,977	6%	12%	5%	21%	36%	20%
Texas	Harris	181,054	10%	8%	17%	9%	14%	42%
Texas	Tarrant	92,344	8%	4%	2%	9%	65%	12%
Washington	King	96,623	1%	1%	0%	7%	30%	62%
Wisconsin	Milwaukee	59,870	0%	2%	0%	14%	73%	11%

SOURCE: Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment files for March 2015.