

# Key Trends Shaping Medicare Marketing in 2024

## 1. More plan options than ever

We've seen an explosion of plan options since 2019, when CMS removed the "meaningful difference" requirement that Medicare Advantage (MA) plans offer substantially different coverage levels across plan offerings. The average Medicare beneficiary can now choose from 43 different MA plans—twice the average number of options in 2018. This expansion hits all populations, too: Almost all (98%) of Medicare-eligible Americans have at least 10 MA plans to choose from in their counties, and the number of MA plans in rural counties has more than doubled in the last year.

**Key outcome:** More plans means more market competition. That competitive pressure falls on agents to connect with beneficiaries and create differentiation.

## 2. Marketing leaders are more accountable for hard numbers

Rising expectations on marketing teams within Medicare Advantage Organizations (MAOs) have moved beyond soft lead generation numbers. Marketing leaders need to be able to measure the ROI of their marketing—and improve that ROI continually. Moreover, they're accountable for hard numbers: They need to deliver incremental revenue and net-new members.

**Key outcome:** Marketing teams need to prioritize cross-selling to expand share-of-wallet among existing members. While retention rates typically sit above 80%, that's because most MA plans automatically renew to avoid coverage lapses. Marketers need to turn passive renewals into opportunities to make policy updates, cross-sell other services, and ultimately better meet members' needs while driving growth for the business.

## 3. Rising expectations for digital-first engagement

Today's Medicare-eligible population is increasingly digital-savvy and brings the same expectations for omnichannel convenience and digital-first engagement that dominate the broader B2C world. They expect to have information at their fingertips, want self-service options, and don't want to interact with a human agent for many (or even most) interactions.

**Key outcome:** Digital-first engagement doesn't mean the human touch is going away. Rather, that human connection is more valuable than ever. Marketing teams need to marry digital and human touch points and identify the right time and the right situation to reach out with that human connection.



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# The Uber-Trend: Tightening CMS Regulations on Medicare Sales and Marketing

The constant evolution of CMS rules has always presented a challenge for Medicare marketers. The regulations change every year, and while the changes are rarely dramatic, the relative subtlety of new rules amplifies the burden of keeping up with the finer details.

But today, the speed and scope of those CMS rule changes is rapidly growing. Responding to [record-high beneficiary complaints](#) and [major media attention](#) around questionable sales and marketing practices, both legislators and regulators are moving to introduce sweeping changes.

## CMS pushing to simplify MAO communications to reduce barriers to care

CMS is cracking down on what it sees as deceptive marketing practices that obscure the actual benefits and/or confuse beneficiaries. [New proposed rules](#) target predatory marketing practices, reign in pre-authorization programs, and add requirements around utilization of supplemental benefits that MA plans use to stand out. In essence, CMS seeks to implement additional consumer protection measures that will prohibit many of the most common and most effective marketing strategies that traditionally dominate the B2C marketing world.

**Key outcome:** As CMS proposes major changes to Medicare marketing rules, marketers are becoming more anxious and more conservative to ensure their messages and tactics are compliant. But savvy Medicare marketers see that the mandate isn't to do less, but rather to change the nature of how they engage with beneficiaries: They need to evolve toward being educational and consultative—genuinely helping beneficiaries to find the best plan, instead of aggressively selling a product.

## CMS changing Star Ratings to enhance beneficiary decision-making

The CMS Star Rating system is intended to provide an objective standard to empower informed decision-making for beneficiaries. New rules finalized in 2023 changed the criteria for the Star Rating system—introducing a new Health Equity Index (HEI) that factors in social risk factor (SRF) population measures, among other new factors impacting Star Ratings.

**Key outcome:** The changes to the Star Rating system have already lowered the overall average rating among MA plans. Lower average ratings make incremental improvement in star rating even more valuable for an MAO, and it's clearer than ever that beneficiaries' satisfaction is largely impacted by their experience with marketing communications. Moreover, MAOs know that star ratings are an oversimplification of the complexities of choosing the right plan. So, the onus is on marketing teams to provide education to fill in those gaps and support beneficiaries in making informed decisions. This effective guidance will create a positive cycle: better guidance = better member experience = higher star ratings.

## The cycle of effective marketing guidance for Medicare Advantage Organizations

