

Medicare & Medicare Advantage

The Landscape Ahead: Demographics, Costs & Coverage Choices

13,000+

Age onto Medicare
Every Day

67M+

Current Medicare
Beneficiaries

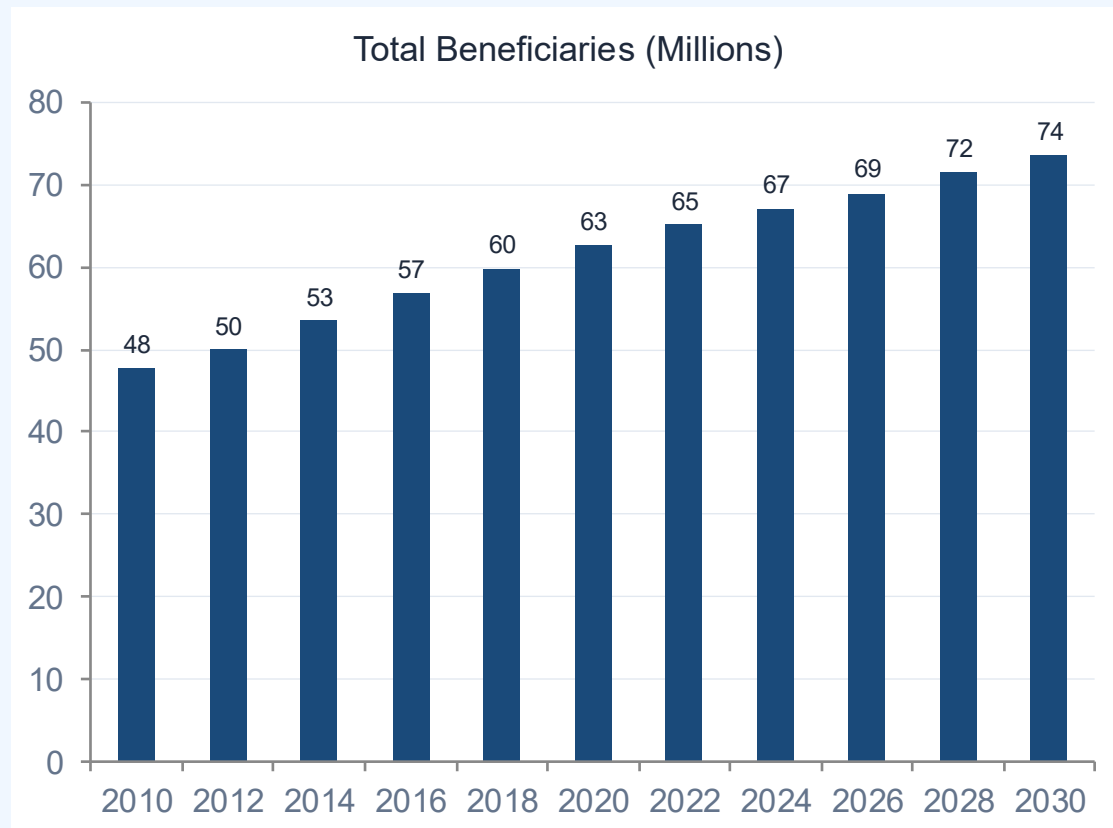
\$800B+

Annual Medicare
Spending

30%

Avg Supplement
Premium Increase (MI)

13,000 Americans Aging onto Medicare Every Day



2011–2029

Peak Boomer Era: ~10,000–13,000 people turn 65 daily as the largest generation moves through Medicare eligibility.

2030 Inflection

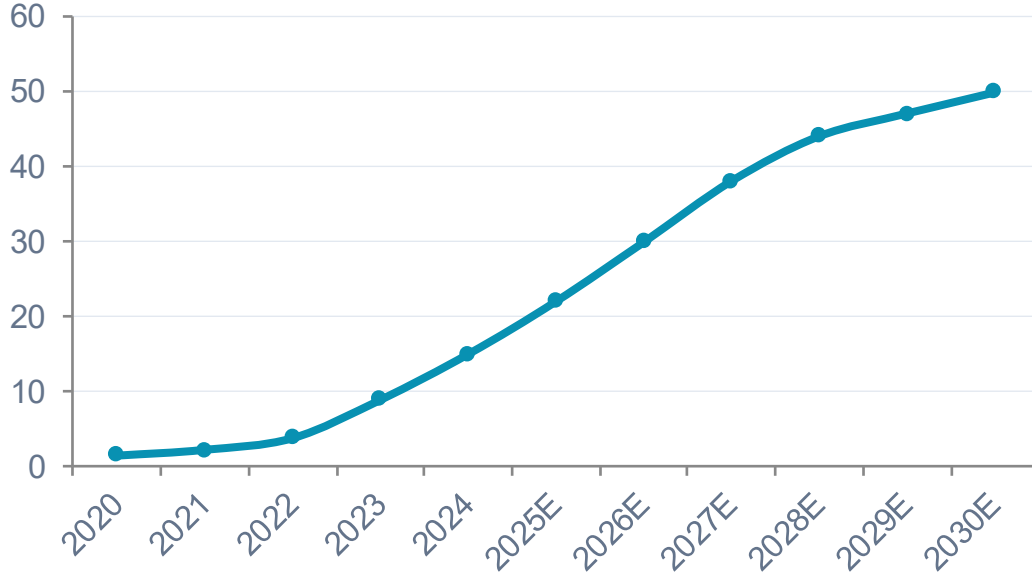
Growth slows as the youngest Boomers (born 1964) turn 66. Net enrollment gains begin moderating.

Post-2034 Shift

Gen X begins entering Medicare. Enrollment growth declines sharply — but total enrolled remains near record highs.

The GLP-1 Revolution: Users, Costs & the Horizon

GLP-1 Users in the U.S. (Millions)



~15M Users (2024)

GLP-1 prescriptions have surged 300% since 2020, driven by Ozempic, Wegovy & Mounjaro.

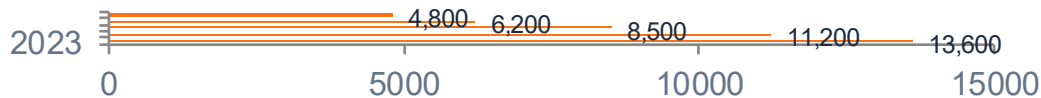
\$13,600/yr Today

Annual cost per patient is high, but biosimilars & generics entering 2026–2028 may cut costs 50–65%.

Medicare Part D Impact

IRA negotiations & biosimilar competition expected to significantly reduce costs by 2028–2030.

Avg Annual Cost Per Patient (↓ with generics)



CV Benefits Proven

SELECT trial showed 20% reduction in major cardiac events — driving broader utilization debates.

Original Medicare & Rising Supplement Premiums in Michigan

How Original Medicare Works

Part A

Hospital Insurance

\$0 premium (most)

Inpatient, SNF, hospice. \$1,676 deductible/benefit period (2024).

Part B

Medical Insurance

\$202.90/mo base (2026)

Doctor visits, outpatient, preventive. 20% coinsurance with NO out-of-pocket max.

Part D

Prescription Drugs

Varies by plan

Stand-alone drug plan required. \$2,100 OOP cap (IRA).

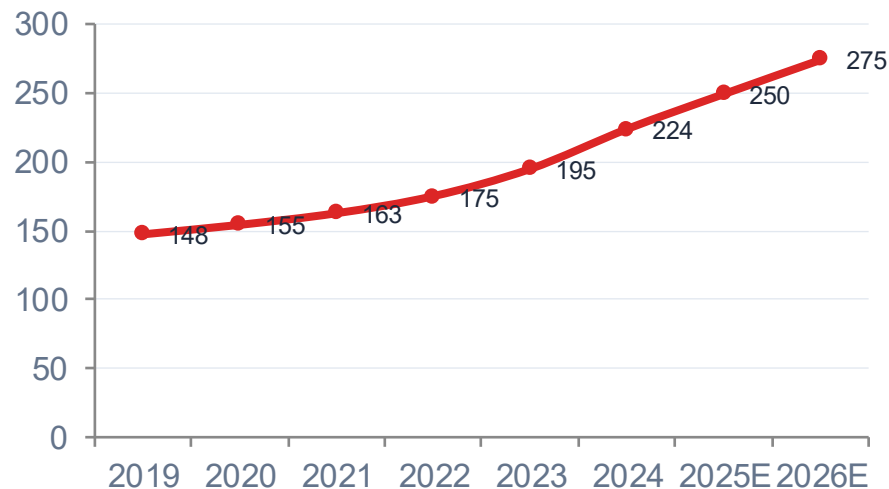
Supplement

Medigap (Optional)

Avg \$150–\$350/mo

Covers gaps: deductibles, coinsurance. Plans G & N most popular. Premiums rising ~30% in MI.

Michigan Medigap Average Monthly Premium

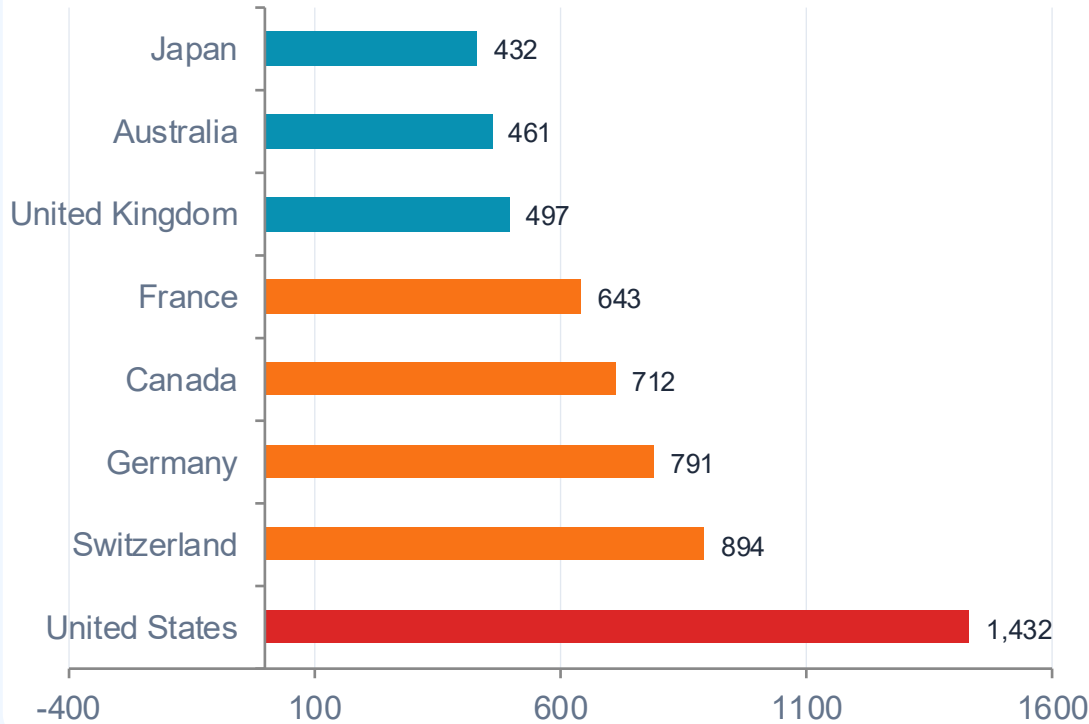


⚠ Michigan Supplement Alert

Plan G premiums in Michigan have increased an average of ~30% over the past 2 years. Many carriers are filing 15–22% annual rate increases. Beneficiaries on fixed incomes face significant affordability pressure — making Medicare Advantage a growing consideration.

U.S. Pharmaceutical Spending vs. Peer Nations

Annual Per Capita Drug Spending (USD, 2023)



178% More on All Drugs

The US pays 178% more on pharmaceuticals overall than comparable countries. (RAND, 2022)

422% More on Brand-Name

US brand-name drug prices are 422% higher than peer nations. (RAND, 2022)

\$1,432 Per Capita (US)

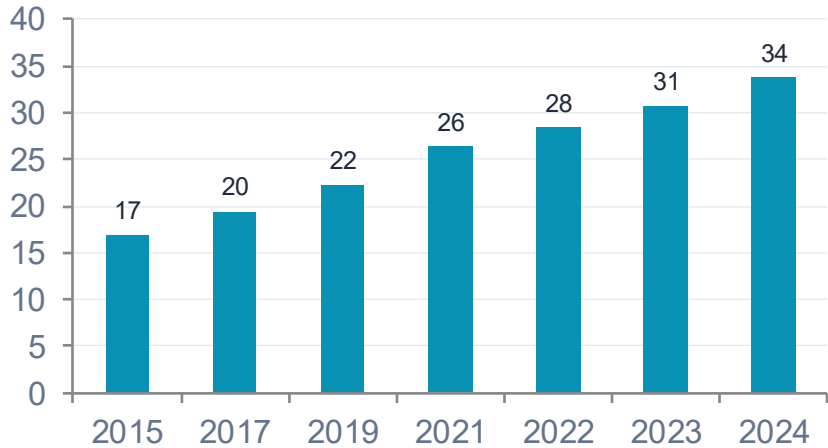
The highest pharmaceutical spend per capita of any nation measured.

2025 IRA Price Negotiation

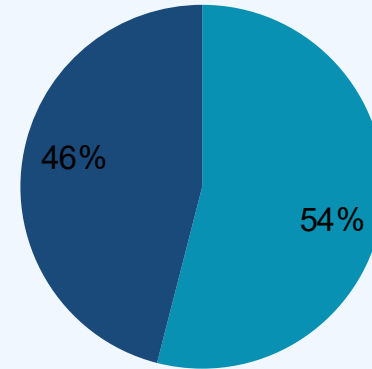
First 10 Medicare drug prices negotiated; savings begin rolling in through 2026–2028.

Medicare Advantage: Growth, Pros & Cons

Medicare Advantage Enrollment (Millions)



2024: MA Now >50% of Medicare



■ Medicare Advantage (~54%) ■ Original Medicare (~46%)

✓ Advantages of Medicare Advantage

- \$0 or low premiums
- Dental, vision & hearing often included
- Out-of-pocket maximums (Original Medicare has none)
- Care coordination / disease management

✗ Considerations & Trade-offs

- Network restrictions (HMO/PPO)
- Prior authorization requirements
- Plan changes annually — benefits can shift
- Out-of-area coverage limitations

Key Takeaways

01

Enrollment Wave Continues

13,000 Americans turn 65 daily through 2029. Plan for sustained growth in Medicare population, then a gradual moderation post-2030.

02

GLP-1 Costs Are Peaking

Utilization will grow to 50M+ users by 2030, but costs per patient should drop 50–65% as biosimilars arrive in 2026–2028.

03

Michigan Supplement Premiums Are Unsustainable

Average 30% premium increases in Michigan are pushing beneficiaries toward Medicare Advantage for cost relief.

04

Drug Pricing Reform Is Underway

The US pays 2–3× more per capita on drugs than peer nations. IRA negotiations are beginning to address the gap — watch 2025–2028.

05

Medicare Advantage Now Dominates

For the first time, >54% of Medicare beneficiaries chose MA in 2024. Plan design and prior auth concerns remain key issues.