



The Future of Medicare Supplement

12th Annual Market Projection | 2022

Andrew Ryba, FSA, MAAA | Brenton Pyle, FSA, MAAA | Brett Mushett, FSA, MAAA | Emily Reese, ASA, MAAA

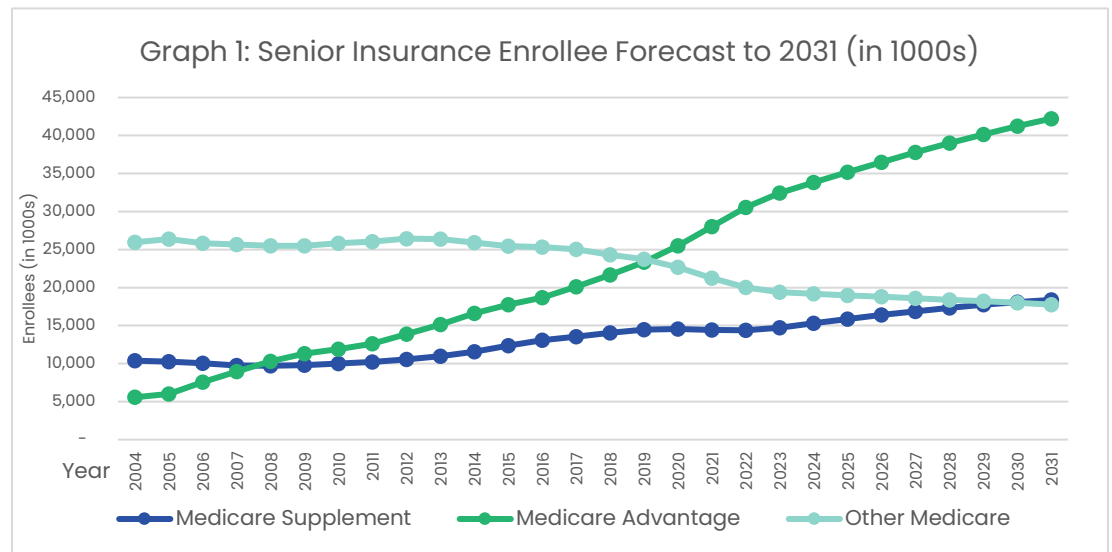
Introduction

The Medicare program continues to offer sustainable, long-term growth and opportunities. Over the next ten years it is expected that 40.6 million individuals will turn age 65 and that the Medicare-eligible population will grow from 65.0 million beneficiaries to 78.4 million beneficiaries. This means that approximately 13 million more individuals will be added to the Medicare program over the next 10 years, a 21% increase. Beyond 2031, an additional 5.5 million are projected to be added by 2040 (Table 2).

While Telos Actuarial research indicates a slight decrease in Medicare Supplement enrollments in 2022, it is anticipated that enrollments will return to a growth rate exceeding Medicare enrollment by 2024, creating robust opportunities for insurance carriers, reinsurers, agents and marketing organizations in the Medicare Supplement market (Graph 1).

Sources

1. 2022 Medicare Trustees Report
2. NAIC Medicare Supplement Experience Exhibits
3. CMS.gov
4. Other Public Company Sources
5. Telos Actuarial Projections



Methodology

There is a minimal amount of market projection information available regarding Medicare Supplement business. Telos Actuarial has compiled data from various sources and developed actuarial models to project future Medicare Supplement enrollments and premium levels over the next 10 years.

Current Medicare Eligibility Assessment

To determine how the Medicare Supplement market is expected to grow over the next 10 years, we first evaluated the current Medicare population using the following demographic factors:

- Plan Type
- Eligibility Status
- Age, Gender
- Income Level
- Area of Residence
- Health Status
- Living Arrangement



Table 1 provides a snapshot of each of these characteristics used in our projections.

Sources

1. 2021 Medicare Trustees Report
2. 2020 Medicare Current Beneficiary Survey
3. NAIC Medicare Supplement Insurance Experience Exhibits
4. CMS.gov
5. Other Public Company Sources

Disclaimers

Limited information is available for some of the categories, and assumptions have been made based on analysis of the data.

Totals may not sum to 100% due to rounding.

| Table 1 | | | | | | |
|--|---------------|--------|---------------------|--------|--------------------|--------|
| Medicare Beneficiary Data (in 1000s) – 2021 Year-End | | | | | | |
| Category | All Enrollees | | Medicare Supplement | | Medicare Advantage | |
| | Number | % Dist | Number | % Dist | Number | % Dist |
| Total Enrollment | 63,762 | | 14,438 | | 28,036 | |
| Age | | | | | | |
| Under 65 | 8,430 | 13.2% | 436 | 3.0% | 3,674 | 13.1% |
| 65–74 Years | 31,671 | 49.7% | 8,210 | 56.9% | 13,463 | 48.0% |
| 75 Years or Older | 23,661 | 37.1% | 5,792 | 40.1% | 10,899 | 38.9% |
| Gender | | | | | | |
| Male | 29,128 | 45.7% | 6,147 | 42.6% | 12,215 | 43.6% |
| Female | 34,634 | 54.3% | 8,291 | 57.4% | 15,821 | 56.4% |
| Annual Income | | | | | | |
| Less than \$25,000 | 21,014 | 33.0% | 2,635 | 18.3% | 11,417 | 40.7% |
| \$25,000 or more | 42,748 | 67.0% | 11,802 | 81.7% | 16,619 | 59.3% |
| Area of Residence | | | | | | |
| Urban | 51,579 | 80.9% | 11,067 | 76.7% | 24,243 | 86.5% |
| Rural | 12,183 | 19.1% | 3,371 | 23.3% | 3,793 | 13.5% |
| Health Status | | | | | | |
| Excellent | 11,003 | 17.3% | 2,975 | 20.6% | 4,570 | 16.3% |
| Very Good | 19,643 | 30.8% | 5,134 | 35.6% | 8,487 | 30.3% |
| Good | 18,947 | 29.7% | 4,160 | 28.8% | 8,384 | 29.9% |
| Fair | 10,620 | 16.7% | 1,701 | 11.8% | 4,976 | 17.7% |
| Poor | 3,549 | 5.6% | 467 | 3.2% | 1,619 | 5.8% |
| Living Arrangement | | | | | | |
| Lives Alone | 18,494 | 29.0% | 4,005 | 27.7% | 8,309 | 29.6% |
| With Spouse Only | 26,150 | 41.0% | 7,565 | 52.4% | 10,475 | 37.4% |
| With Spouse and Others | 6,287 | 9.9% | 1,076 | 7.5% | 2,845 | 10.1% |
| With Children Only | 5,868 | 9.2% | 837 | 5.8% | 3,028 | 10.8% |
| With Children and Others | 2,658 | 4.2% | 371 | 2.6% | 1,238 | 4.4% |
| With Others Only | 1,183 | 1.9% | 195 | 1.3% | 670 | 2.4% |
| With Non-Relative | 3,121 | 4.9% | 390 | 2.7% | 1,471 | 5.2% |

Key Observations from Table 1:

- The proportion of Medicare Supplement buyers who live outside of a metro area is higher than that same proportion of those with a Medicare Advantage plan.
- Income distribution data indicates that Medicare Supplement plans tend to appeal to insureds with higher income on average.



- The Medicare Supplement market continues to have a higher proportion of healthier individuals compared to the Medicare Advantage market.
- The Medicare Advantage market has a significantly higher percentage of under age 65 individuals than the Medicare Supplement market.

Medicare Eligibility Projection

Table 2 features the overall Medicare beneficiary projection. The growth projected by the 2022 Medicare Trustees Report is being driven by the influx of baby boomers turning 65 and joining the Medicare program. Although the actual growth rate from 2020 to 2021 is down slightly from prior projected amounts, the overall total number of Medicare beneficiaries is up slightly. While the 2022 Medicare Trustees Report projects a lower growth rate in 2022 than what was projected in the prior year's Report, those rates remain relatively consistent for 2023 and beyond. The 2022 Medicare Trustees Report is projecting 83.9 million Medicare beneficiaries in 2040, while the 2021 Report projected 83.8 million.

Source

1. 2022 Medicare Trustees Report

| Table 2 | | |
|---|---|-----------------------|
| Historical and Projected Medicare Beneficiaries - #s in 1000s | | |
| Year | Total Medicare Beneficiaries (1000s) | % Increase By Year |
| 2010 | 47,720 | 2.4% |
| 2011 | 48,896 | 2.5% |
| 2012 | 50,874 | 4.0% |
| 2013 | 52,504 | 3.2% |
| 2014 | 54,114 | 3.1% |
| 2015 | 55,589 | 2.7% |
| 2016 | 57,073 | 2.7% |
| 2017 | 58,683 | 2.8% |
| 2018 | 60,020 | 2.3% |
| 2019 | 61,534 | 2.5% |
| 2020 | 62,895 | 2.2% |
| 2021 | 63,762 | 1.4% |
| 2022 | 65,003 | 1.9% |
| 2023 | 66,602 | 2.5% |
| 2024 | 68,355 | 2.6% |
| 2025 | 70,033 | 2.5% |
| 2026 | 71,719 | 2.4% |
| 2027 | 73,275 | 2.2% |
| 2028 | 74,763 | 2.0% |
| 2029 | 76,156 | 1.9% |
| 2030 | 77,399 | 1.6% |
| 2031 | 78,407 | 1.3% |
| : | : | : |
| 2040 | 83,888 | 0.7% |



Historical Medicare Supplement Assessment

To project the future of the Medicare Supplement market, we started by evaluating historical trends. Table 3 shows the growth of Medicare Supplement policies in-force and premiums over the past decade. This growth is due to both increases in the size of the Medicare Beneficiary population in Table 2 and an increase in the market penetration rate.

Sources

1. NAIC Medicare Supplement Insurance Experience Exhibits
2. 2022 Medicare Trustees Report
3. Other Public Company Sources

| Table 3 | | | | | |
|---|------------------------|---------------|------------------------|-----------------------------|------------------------|
| Historical Medicare Supplement Values - #s in 1000s | | | | | |
| Year | Total Policies Inforce | Total Premium | Average Annual Premium | % of Medicare Beneficiaries | New Annualized Premium |
| 2010 | 10,006 | 21,239,556 | 2,123 | 21.0% | 2,850,000 |
| 2011 | 10,227 | 22,165,195 | 2,167 | 20.9% | 2,850,000 |
| 2012 | 10,555 | 23,155,774 | 2,194 | 20.7% | 3,100,000 |
| 2013 | 10,992 | 24,324,613 | 2,213 | 20.9% | 3,350,000 |
| 2014 | 11,572 | 25,732,303 | 2,224 | 21.4% | 3,600,000 |
| 2015 | 12,372 | 27,334,334 | 2,209 | 22.3% | 3,900,000 |
| 2016 | 13,094 | 29,039,669 | 2,218 | 22.9% | 4,200,000 |
| 2017 | 13,557 | 30,967,343 | 2,284 | 23.1% | 4,400,000 |
| 2018 | 14,046 | 32,393,125 | 2,306 | 23.4% | 4,500,000 |
| 2019 | 14,478 | 33,966,407 | 2,346 | 23.5% | 4,400,000 |
| 2020 | 14,533 | 35,056,236 | 2,412 | 23.1% | 4,100,000 |
| 2021 | 14,438 | 35,646,440 | 2,469 | 22.6% | 4,000,000 |

Sources

1. NAIC Medicare Supplement Insurance Experience Exhibits
2. CMS.gov

| Table 4 | | | | | | |
|--|--------------------|--------------------|---------------------|---------------------|--------------------|---------------------|
| Historical Medicare Advantage & Medicare Supplement Growth - #s in 1000s | | | | | | |
| Year | Medicare Advantage | | | Medicare Supplement | | |
| | Beneficiaries | Annual Growth Rate | Average Growth Rate | Beneficiaries | Annual Growth Rate | Average Growth Rate |
| 2010 | 11,885 | 5.1% | 7.6% | 10,006 | 2.3% | 3.0% |
| 2011 | 12,628 | 6.3% | | 10,227 | 2.2% | |
| 2012 | 13,877 | 9.9% | | 10,555 | 3.2% | |
| 2013 | 15,146 | 9.1% | 7.3% | 10,992 | 4.1% | 5.4% |
| 2014 | 16,632 | 9.8% | | 11,572 | 5.3% | |
| 2015 | 17,761 | 6.8% | | 12,372 | 6.9% | |
| 2016 | 18,658 | 5.1% | | 13,094 | 5.8% | |
| 2017 | 20,102 | 7.7% | 8.7% | 13,557 | 3.5% | 1.6% |
| 2018 | 21,669 | 7.8% | | 14,046 | 3.6% | |
| 2019 | 23,339 | 7.7% | | 14,478 | 3.1% | |
| 2020 | 25,509 | 9.3% | | 14,533 | 0.4% | |
| 2021 | 28,036 | 9.9% | | 14,438 | -0.7% | |



| Table 5 | | | | |
|--|----------------|--------------------|--------|------------------|
| Historical non-Med Adv & Med Supp Market Penetration – #s in 1000s | | | | |
| Year | Total Medicare | Med Adv & Med Supp | Other | Other % of Total |
| 2010 | 47,720 | 21,891 | 25,829 | 54.1% |
| 2011 | 48,896 | 22,855 | 26,041 | 53.3% |
| 2012 | 50,874 | 24,432 | 26,442 | 52.0% |
| 2013 | 52,504 | 26,138 | 26,366 | 50.2% |
| 2014 | 54,114 | 28,204 | 25,910 | 47.9% |
| 2015 | 55,589 | 30,133 | 25,456 | 45.8% |
| 2016 | 57,073 | 31,752 | 25,321 | 44.4% |
| 2017 | 58,683 | 33,660 | 25,023 | 42.6% |
| 2018 | 60,020 | 35,715 | 24,305 | 40.5% |
| 2019 | 61,534 | 37,817 | 23,717 | 38.5% |
| 2020 | 62,895 | 40,043 | 22,852 | 36.3% |
| 2021 | 63,762 | 42,474 | 21,288 | 33.4% |

Sources

1. 2022 Medicare Trustees Report
2. NAIC Medicare Supplement Insurance Experience Exhibits
3. CMS.gov
4. Other Public Company Sources

For the first time in fifteen years, the number of Medicare Supplement beneficiaries experienced a decrease from 2020 to 2021. The decrease followed the declining annual growth rates that were observed in 2019 and 2020. This slowdown can be directly attributable to the growth in the Medicare Advantage market. Many Medicare Advantage plans have grown in popularity due to the availability of \$0 monthly premium plans, additional supplemental benefits, and presence of simplified enrollment processes. Carriers in the Medicare Supplement market are continuing to find ways to simplify their own enrollment processes whether by offering electronic applications both on an agent and consumer facing basis.

Despite the slowdown over the last three years, the Medicare Supplement market has demonstrated sustained growth over time, attributable to several factors:

1. **The number of Medicare beneficiaries has grown by 34% since 2010, averaging an additional 1.5 million beneficiaries per year (Table 2).**
2. **Employers have continued to remove Medicare-aged retirees from their employer health plans,** with some providing them with a stipend to purchase individual coverage. These actions have resulted in a steady decline in the percentage of Medicare beneficiaries without a Medicare Advantage or Medicare Supplement plan (“Other” column in Table 5 & “Other Medicare Enrollees” in Graph 1), including in 2021.
3. **Relatively low increases in average Medicare Supplement premiums** have been observed in recent years. This is driven by a shift to more Plan G and Plan N and by competitive pressures in the market as carriers attempt to gain and maintain market share.



4. **Medicare Supplement plans offer consistent benefits year over year.** After paying premium rates and satisfying any Medicare deductibles, Medicare supplement beneficiaries have minimal concern about potential out of pocket medical expenses. Medicare Supplement plans provide the same benefits on an annual basis, all without the restrictions of a provider network.

These factors and our expectation of the degree to which they would continue were included in the development of Telos Actuarial's Medicare Supplement market projection.

Cost Sharing Plans and First Dollar Coverage

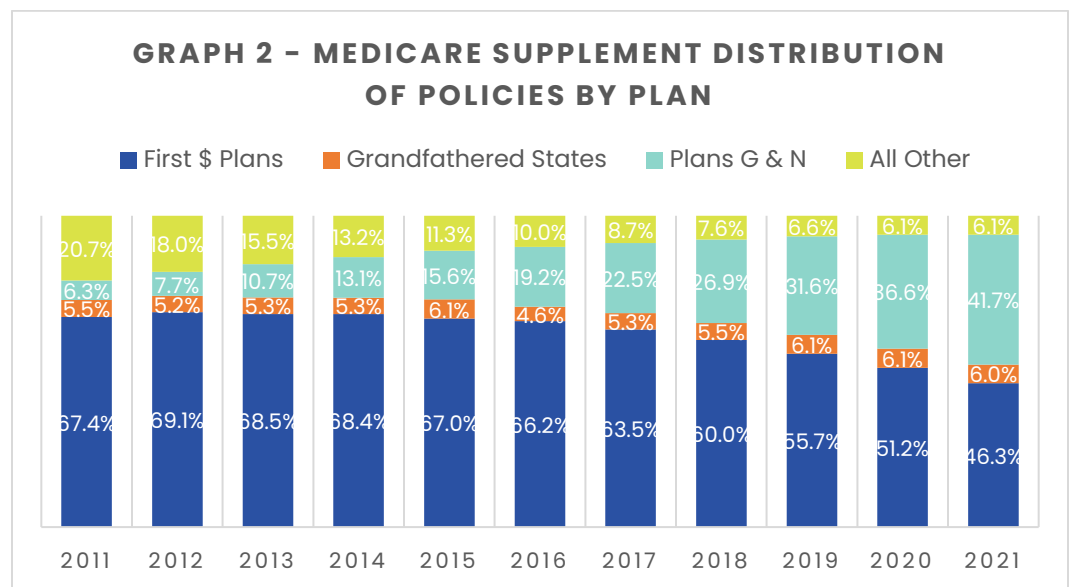
Plans G and N began to see significant increases in market share beginning in 2013. Over that time period the enrollment in these plans has increased from 10.7% of covered lives to 41.7% in 2021. A large portion of the growth in market share for Plans G and N is at the expense of plans providing first dollar coverage (Graph 2).

Using data from the NAIC, Telos Actuarial grouped the Medicare Supplement lives for 2011 to 2021 into 4 categories:

1. Plans providing first dollar coverage (Plans C, F, and J)
2. Plans in Grandfathered States
3. Plans G and N
4. All Other Plans

Source

1. NAIC Medicare Supplement Insurance Experience Exhibits



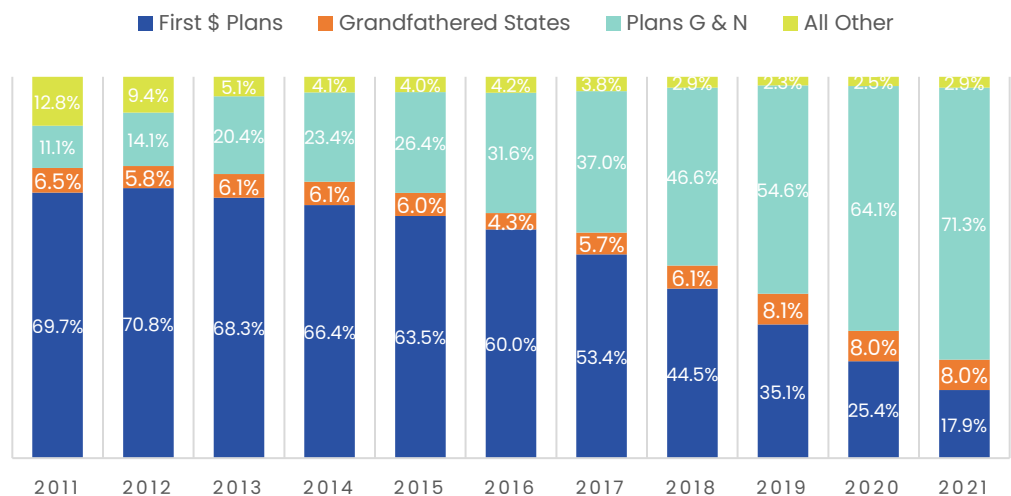
This shift to Plans G and N is more pronounced when considering recently issued Medicare Supplement policies. Graph 3 below displays the same information as Graph 2, but only includes the prior 3 issue years for each experience year. In 2021, Plans G and N made up over 71% of the lives issued between 2019 and 2021 compared to 11% in 2011 (for lives issued between 2009 and 2011). Over that same timeframe, first dollar coverage plans (largely Plan F) have decreased from 67% in 2011 to 18% in 2021.

Upon further analysis of the Plan G and Plan N aggregate cohort, Plan N has continued to steadily add lives each year since 2011 but has demonstrated a slowdown in recent years while Plan G has continued to surge. Graph 4 below shows the distribution between Plan G and Plan N for the prior 3 issue years' cohorts. As demonstrated in this graph, the 2021 15% distribution for Plan N is down significantly from its 2011 peak of 59%.

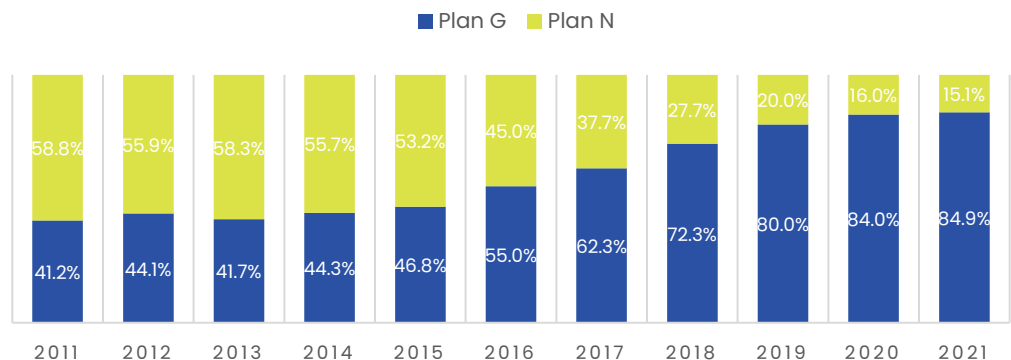
Source

1. NAIC Medicare Supplement Insurance Experience Exhibits

GRAPH 3 - MEDICARE SUPPLEMENT DISTRIBUTION OF POLICIES BY PLAN (3 YEARS)



GRAPH 4 - MEDICARE SUPPLEMENT DISTRIBUTION OF POLICIES PLANS G AND N (3 YEARS)



The Impact of MACRA

In 2016 the NAIC revised the Medicare Supplement model regulation to conform to the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). Under this new regulation Medicare Supplement policies are no longer able to provide coverage for the Part B deductible in policies sold to those newly eligible for Medicare as of January 1, 2020 or later.

This change effectively eliminates first dollar coverage plans as an option for individuals who become newly eligible for Medicare in 2020 or later. However, Plans C, J, F, and high deductible F can still be sold after 2020 to individuals who were eligible for Medicare prior to 2020. Existing policyholders with these plans can also retain their policies in 2020 and beyond.

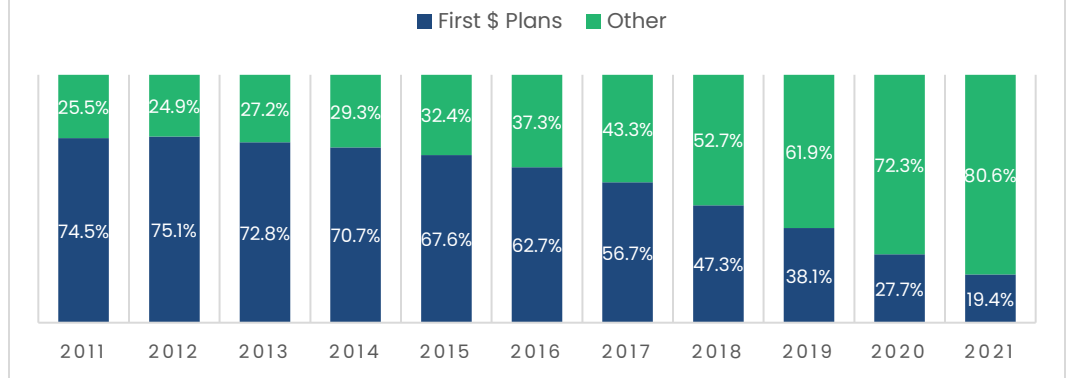
MACRA also requires that carriers offer Plans D and G (previously C and F) in guaranteed issue situations to individuals who are newly eligible in 2020 or after. Additionally, carriers have the opportunity to offer a high deductible Plan G to both existing and newly eligible beneficiaries starting in 2020.

Based on current observations of carrier behavior in response to MACRA, Telos Actuarial has seen the following developments in the market regarding the two primary plans being sold:

- Plan F is no longer sold to age 65 open enrollment individuals. Therefore, Plan F blocks have shifted towards having a higher proportion of replacement (largely underwritten) business. We have seen several carriers position their Plan F premiums to reflect the improved risk profile of the MACRA Plan F sales. However, despite this positioning of premium rates, sales of first-dollar coverage plans have declined significantly as shown in Graph 5 below.
- A large percentage of the age 65 open enrollment sales have been shifting from Plan F to Plan G. This will most likely lead to higher claim costs for Plan G, resulting in the need for higher Plan G premiums. However, the average Plan G premiums for the most competitive Plan G products in the market have remained fairly steady as carriers position themselves to capture the growth of this plan.



GRAPH 5 - MEDICARE SUPPLEMENT DISTRIBUTION OF POLICIES (3 YEARS)



Source

1. NAIC Medicare Supplement Insurance Experience Exhibits

COVID-19

The COVID-19 pandemic began to spread in the United States beginning in March of 2020. The pandemic led to an immediate decrease in non-essential and elective services such as surgeries, doctors' visits, etc. This resulted in significantly lower reported claims in 2020 as evidenced by the industry wide reported incurred loss ratio of 72%, which was down from 80% in 2019. For reference, the lowest reported loss ratio reported going back to 2006 was 77%. Lower claims experience continued throughout 2021 but began climbing back to traditional levels with a 2021 industry wide incurred loss ratio of 77%.

While the decreased loss ratio represents an immediate impact of COVID-19, there is still uncertainty around how it will impact the Medicare market in the long term:

- Will there be prolonged upward pressure on claims experience due to "COVID long haulers"?
- Will COVID-19 impact how Medicare beneficiaries view their need for medical benefits? Will they be more apt to favor the consistent benefit structure of Medicare Supplement plans?

Our projections do not consider any additional future impacts of COVID-19 on the market's growth.

Medicare Advantage vs. Medicare Supplement

With the growth in the number of Medicare enrollees over the past decade, both Medicare Advantage and Medicare Supplement have experienced significant growth during that time period. Both products play an important

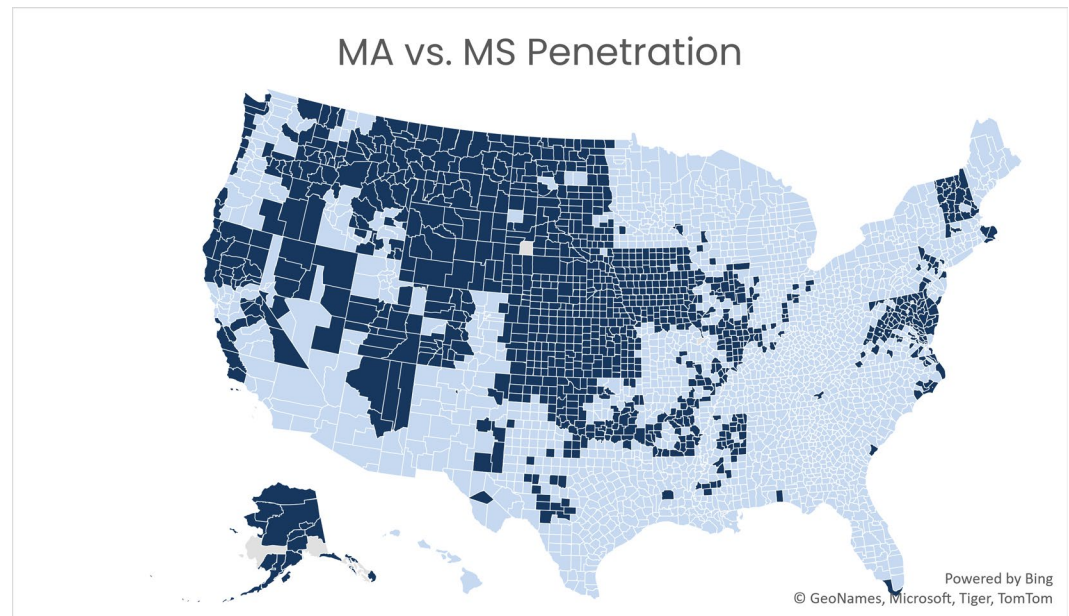


role in providing health insurance coverage for seniors in the United States but do so in different ways and in different areas of the country.

The display below shows counties where Medicare Advantage has higher enrollment in light blue and counties where Medicare Supplement enrollment is higher in dark blue. Medicare Advantage tends to have a higher penetration in urban areas, and Medicare Supplement tends to have higher penetration in rural areas. 64% of the counties in the U.S have higher Medicare Advantage enrollment, and 36% have higher Medicare Supplement enrollment.

Source

1. NAIC Medicare Supplement Insurance Experience Exhibits
2. CMS.gov
3. Other Public Company Sources



As the overall Medicare market continues to grow, Telos Actuarial expects both Medicare Supplement and Medicare Advantage to continue to play important roles in the overall Medicare market. Each product offers advantages and disadvantages, offering seniors the opportunity to choose the one that best fits their needs.

Medicare Supplement Projection

Telos Actuarial's Medicare Supplement projection is featured in Table 6 below. Assumptions include:

- Demographic characteristics of current Medicare beneficiaries are reported accurately and do not materially change.
- Current policy lapse and replacement rates will not materially change in the future.
- Annual Medicare Supplement claim and rate increase trends will not materially change in the future. We have observed a slightly higher claim trend in recent years, but this does not materially impact our estimates of future claim trends.

- Any significant, out-of-the-ordinary changes in Medicare Supplement premium rates for existing business will be offset by rate changes for newly eligible beneficiaries in 2022 and after.
- Regulatory requirements for Medicare Supplement and Medicare Advantage plans do not materially change

This projection assumes average premiums will experience moderate increases over the projection horizon. The effect of trends in Medicare Advantage, retiree health benefits, and other types of supplemental coverage were also considered.

Sources

1. 2022 Medicare Trustees Report
2. NAIC Medicare Supplement Insurance Experience Exhibits
3. Other Public Company Sources
4. Telos Actuarial Projections

Table 6

Historical and Projected Medicare Supplement Values - #s in 1000s

| Year | Total Policies Inforce (End of Year) | Total Earned Premium | Average Premium | % of Medicare Beneficiaries | New Annualized Premium |
|------|---|-------------------------|--------------------|--------------------------------|---------------------------|
| 2010 | 10,006 | 21,239,556 | 2,123 | 21.0% | 2,850,000 |
| 2011 | 10,227 | 22,165,195 | 2,167 | 20.9% | 2,850,000 |
| 2012 | 10,555 | 23,155,774 | 2,194 | 20.7% | 3,100,000 |
| 2013 | 10,992 | 24,324,613 | 2,213 | 20.9% | 3,350,000 |
| 2014 | 11,572 | 25,732,303 | 2,224 | 21.4% | 3,600,000 |
| 2015 | 12,372 | 27,334,334 | 2,209 | 22.3% | 3,900,000 |
| 2016 | 13,094 | 29,039,669 | 2,218 | 22.9% | 4,200,000 |
| 2017 | 13,557 | 30,967,343 | 2,284 | 23.1% | 4,400,000 |
| 2018 | 14,046 | 32,393,125 | 2,306 | 23.4% | 4,500,000 |
| 2019 | 14,478 | 33,966,407 | 2,346 | 23.5% | 4,400,000 |
| 2020 | 14,533 | 35,056,236 | 2,412 | 23.1% | 4,100,000 |
| 2021 | 14,438 | 35,646,440 | 2,469 | 22.6% | 4,000,000 |
| 2022 | 14,398 | 36,201,501 | 2,514 | 22.1% | 4,100,000 |
| 2023 | 14,715 | 37,678,350 | 2,560 | 22.1% | 4,300,000 |
| 2024 | 15,290 | 39,868,924 | 2,608 | 22.4% | 4,500,000 |
| 2025 | 15,842 | 42,067,883 | 2,655 | 22.6% | 4,700,000 |
| 2026 | 16,387 | 44,312,237 | 2,704 | 22.8% | 5,000,000 |
| 2027 | 16,874 | 46,468,144 | 2,754 | 23.0% | 5,200,000 |
| 2028 | 17,331 | 48,601,658 | 2,804 | 23.2% | 5,400,000 |
| 2029 | 17,747 | 50,682,610 | 2,856 | 23.3% | 5,600,000 |
| 2030 | 18,105 | 52,654,444 | 2,908 | 23.4% | 5,800,000 |
| 2031 | 18,380 | 54,435,255 | 2,962 | 23.4% | 6,000,000 |

Prior Projection Comparisons

In last year's version of the Medicare Supplement projection, Telos Actuarial projected 14.6 million policies would be in force at the end of 2021, whereas actual results were lower by about 168,000 policies. The 2021 Earned Premium was projected to be \$35.9 billion, but the actual total was \$35.6 billion primarily due to the reduced in force policy count.



Conclusions

Despite the recent downturn in Medicare Supplement growth rates, future projections continue to suggest the Medicare Supplement market offers strong growth opportunities for carriers, reinsurers, marketing organizations, and agents. As covered in detail in this paper, some of the primary drivers of this future growth and opportunity will be 1) the overall growth in Medicare beneficiaries, 2) a decrease in company-provided retiree health benefits, and 3) the consistent benefit structure of Medicare Supplement plans that limit the potential financial risk for policyholders.

As the number of Medicare beneficiaries continues to grow, from 64 million in 2021 to over 77 million in 2030 (Table 2), it is anticipated that an increasing proportion of those individuals will turn to private insurance to help cover their healthcare needs through purchase of either Medicare Supplement or Medicare Advantage coverage. While some individuals will receive retiree health benefits, get coverage through Medicaid, or choose traditional Medicare coverage without any sort of supplemental coverage (these combined are labeled “Other Medicare” in Graph 1 and labeled “Other” in Table 5), these individuals will increasingly make up a smaller proportion of the total Medicare beneficiaries.

The effects of COVID-19 on the market’s future growth are still uncertain at this point but it was evident that carriers experienced lower claims in 2020 and in the early stages of 2021. This could potentially impact the size of rate actions that carriers take in 2022, resulting in lower premium rates for Medicare Supplement beneficiaries. The long-term impact is more uncertain as it is not clear how COVID-19 will impact the healthcare decisions of Medicare beneficiaries in how they receive their benefits.

Telos Actuarial believes other factors such as overall market stability and low barriers to market entry will also result in continued growth in the Medicare Supplement market. Additionally, many experienced administrators, distributors, and reinsurers are available to provide support as needed for companies wishing to enter the market. In summation, Telos Actuarial believes the future outlook for the Medicare Supplement market continues to be very favorable for entities looking to seize on the robust opportunity.



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13220 Birch Drive, Suite 220 Omaha, NE 68164

info@telosactuarial.com • 402.702.2750

telosactuarial.com