



# Medicare AEP Shopping Experience 2024 Survey



# Executive Summary

With 31 million lives insured through Medicare Advantage<sup>1</sup> and growing competition for switching opportunities, it is critical to find the best ways to engage shoppers during the Annual Enrollment Period (AEP).

After more than a decade of consistent growth of Medicare Advantage, big jumps may be a thing of the past. 2023 was the first in nearly 15 years to see a reduction in the number of plans (now at 3,959 across the nation).<sup>1</sup> At the same time, consumers' satisfaction and inertia with their current plans are high. Therefore, understanding their experiences and preferences during the Medicare Annual Enrollment Period (AEP) is paramount.

Media Logic conducted its second consecutive survey, targeting 451 individuals enrolled in Medicare, aged 65 to 73, to delve into the 2024 AEP to gain perspective and provide marketing professionals with actionable insights.

1. <https://www.kff.org/medicare/issue-brief/medicare-advantage-2024-spotlight-first-look/>

# Executive Summary

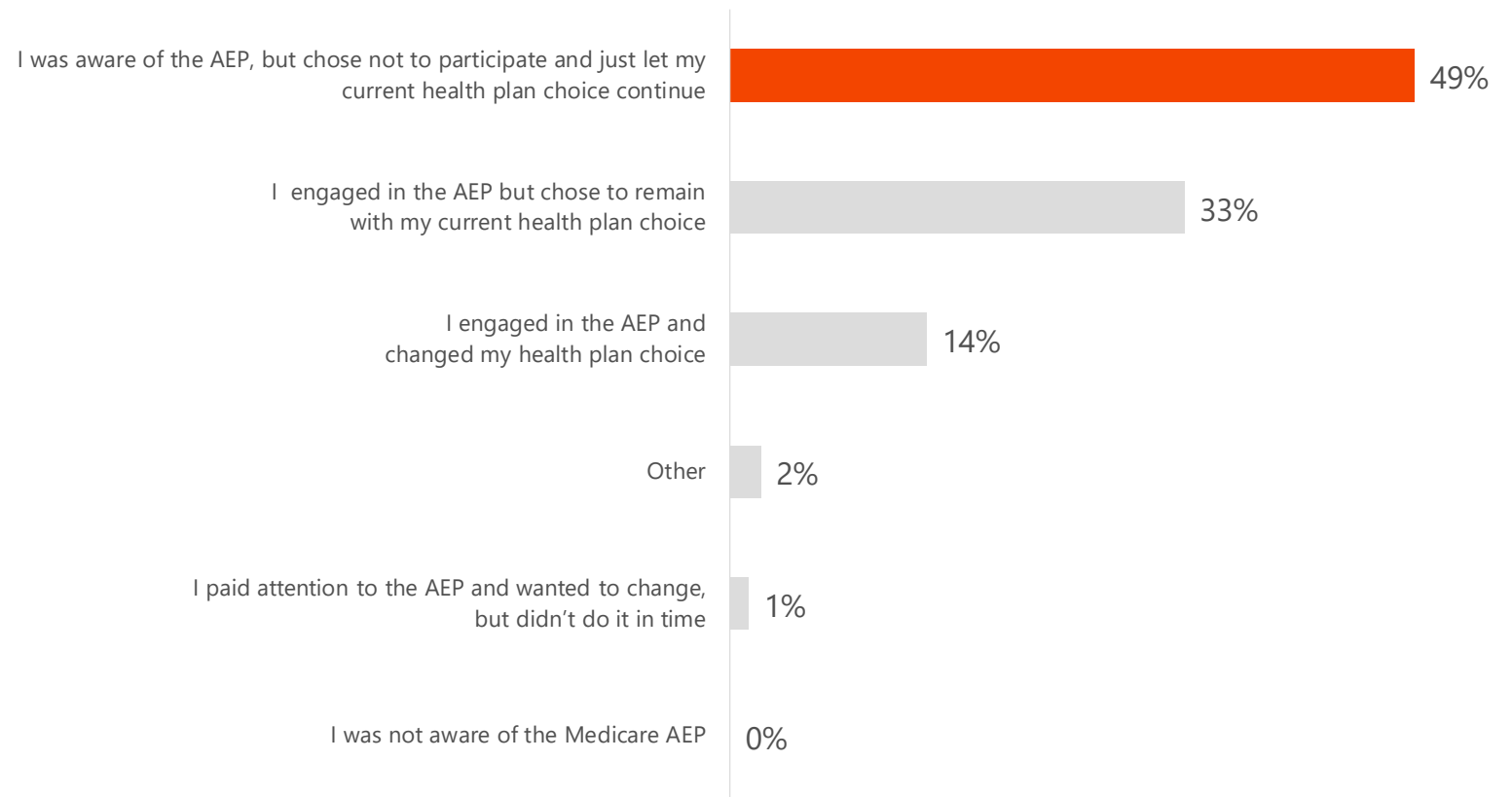
## Key Findings:

- 1. Increased Plan Loyalty/Inertia:** Compared to last year, more people reported renewing their plans without looking at other options.
- 2. Top Marketing Channels:** TV ads and mail were the most memorable and influential marketing channels, with over 80% recall. Email and online ads also had a notable impact.
- 3. Messages that Motivated:** Consumers were most motivated to action by TV ads with a low-pressure approach and those featuring information on eyecare, dental and vision benefits, freedom to choose doctors and plan savings.
- 4. Consumer Shopping Journey:** The Medicare shopping journey for consumers typically started online, with the health plan's website being the most helpful source early on.
- 5. Preference for Agents and Brokers:** Consumers preferred engaging with insurance agents and brokers over other sources and found them the most helpful when making their final decision.
- 6. Information Delivery Preference:** 53% of consumers preferred reviewing written communication to understand their health plan options.
- 7. Perceived Volume of Mail:** 39% of consumers found the volume of health plan mail to be excessive.
- 8. Usefulness of Mail:** Despite the negativity on volume, 39% of consumers considered Medicare AEP mail useful/helpful.

# Findings

49% of those surveyed chose not to participate in the AEP and just continued with their current plan.

**Q. When it comes to the Medicare AEP (Annual Election or Enrollment Period), what best describes your recent experience in fall 2023?**



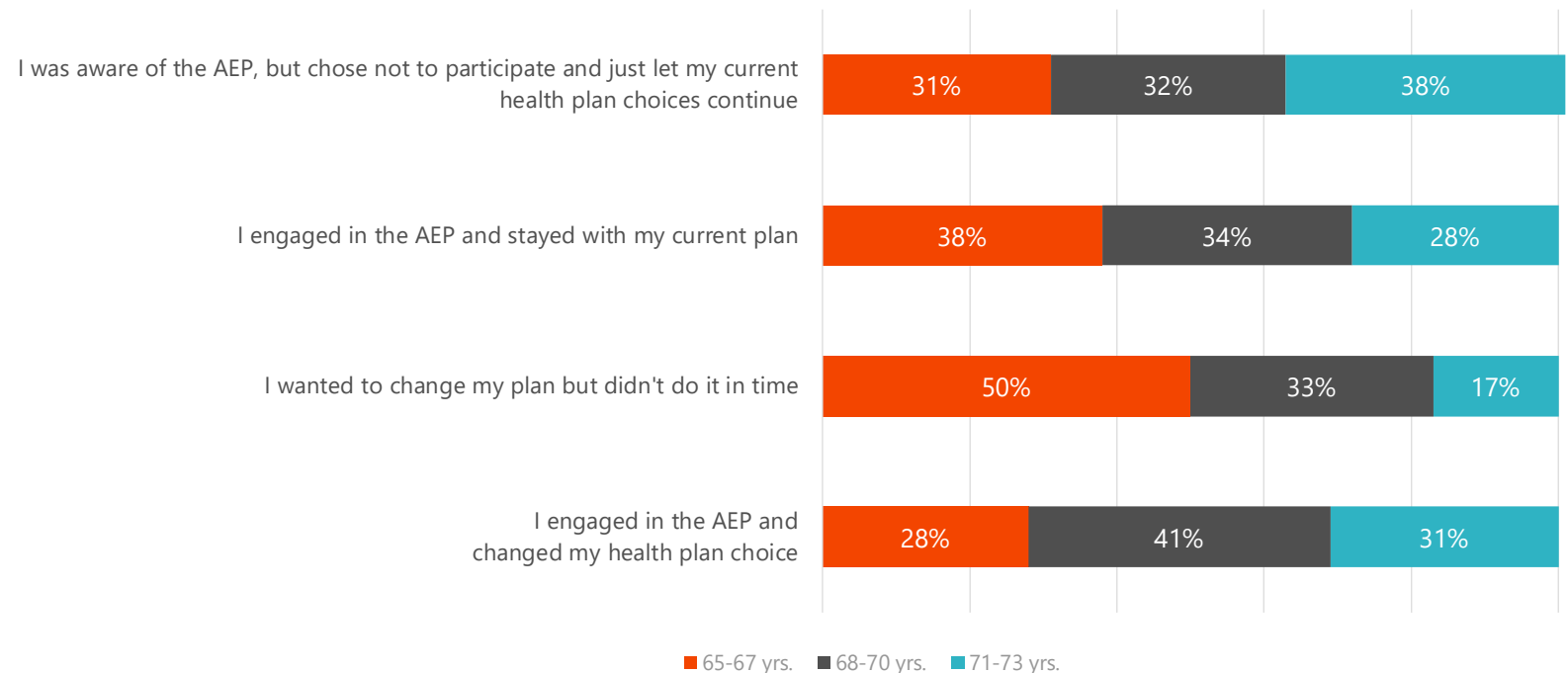
## AEP experience by cohort:

The highest percentage (38%) of consumers who **rolled over** their plans were in the **71-73 yrs. segment** – 56% of this segment.

Of those who **shopped but stayed** with their plan, the highest percentage was in the **65-67 yrs. segment**.

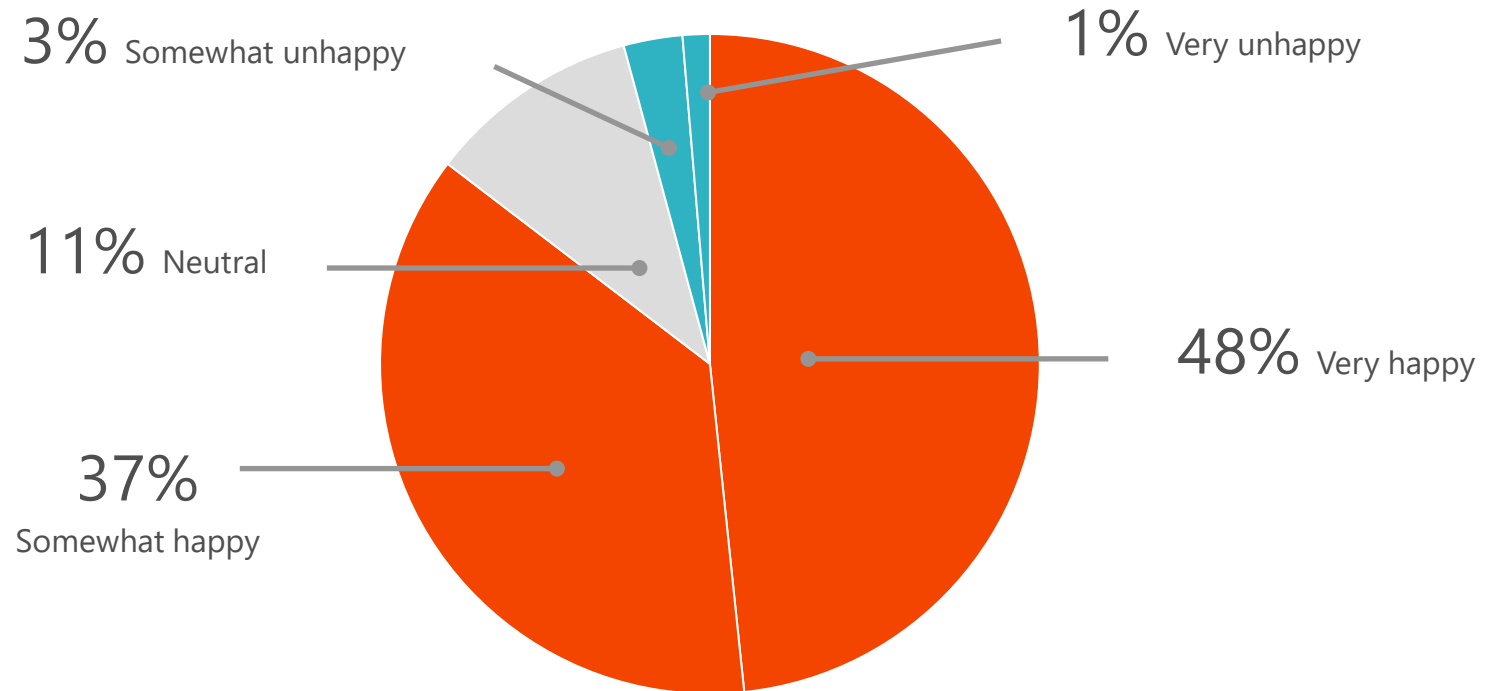
Amongst those who **shopped and changed** their plan, the highest percentage was in the **68-70 yrs. segment**.

### Q. When it comes to the Medicare AEP (Annual Election or Enrollment Period), what best describes your recent experience in fall 2023?



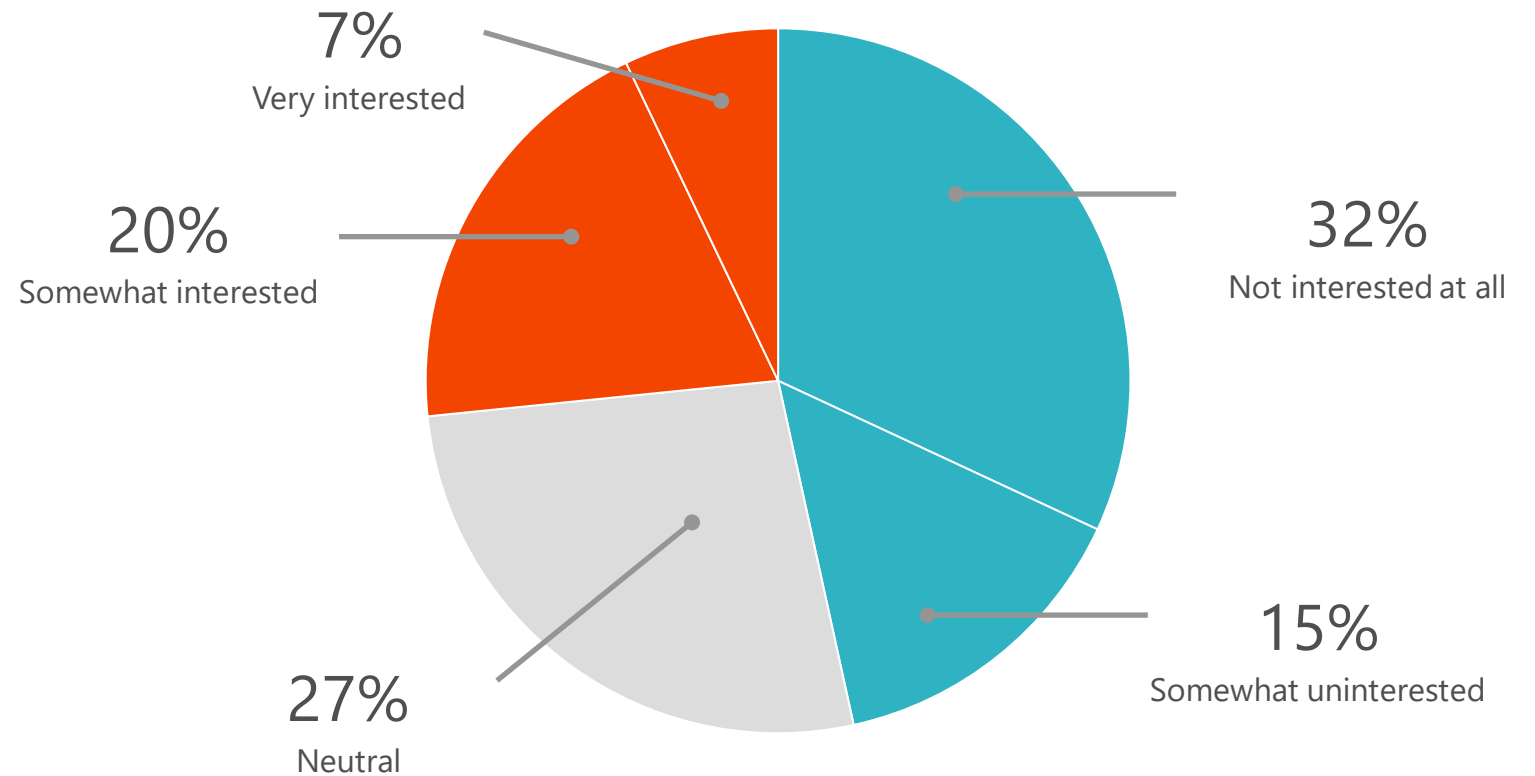
**85% were somewhat or very happy with their existing plan.** While only 4% of respondents expressed any degree of unhappiness.

**Q. If you think about your health plan for 2023, how happy were you with your plan?**



At the start of the AEP, only 27% were somewhat or very interested in getting a new health plan.

Q. And, if you think back to October or November of 2023, how interested were you in getting a new health plan? Please select one.

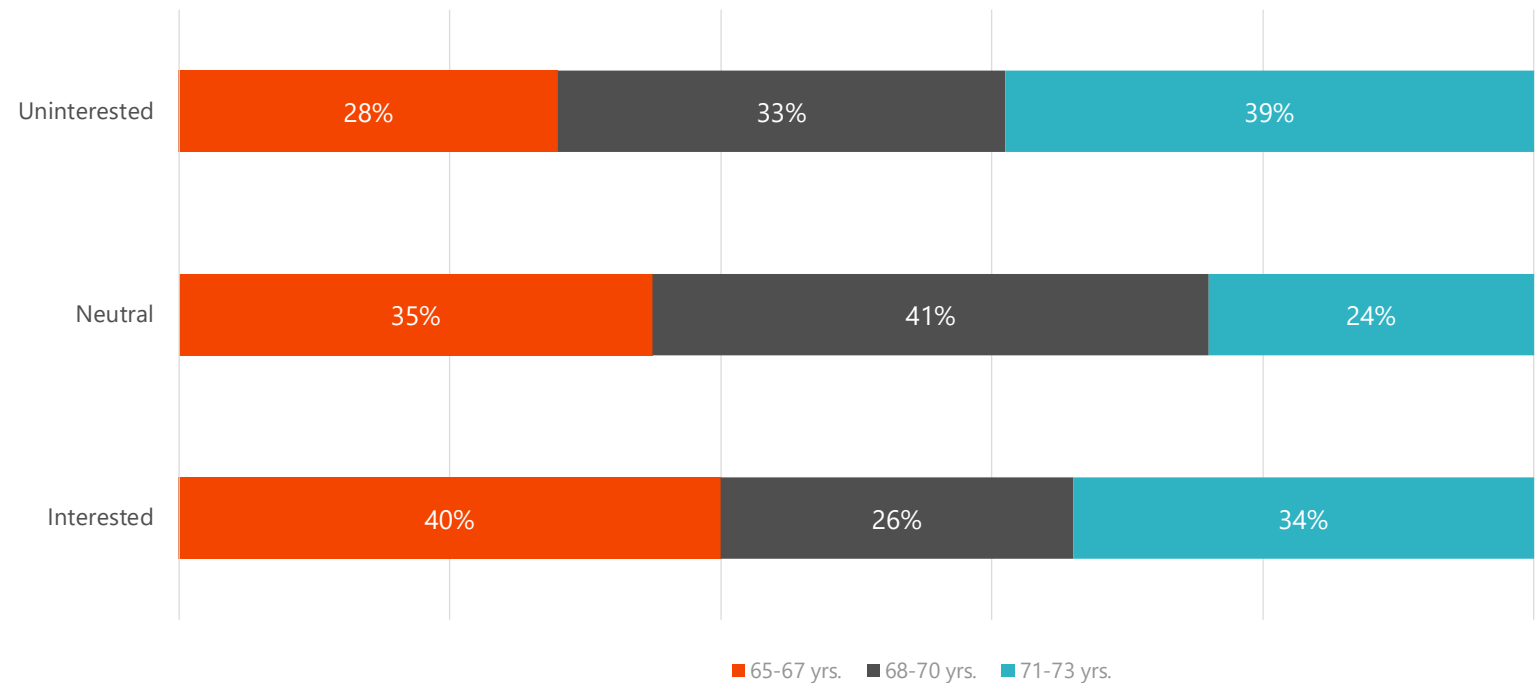




## Switching interest by cohort:

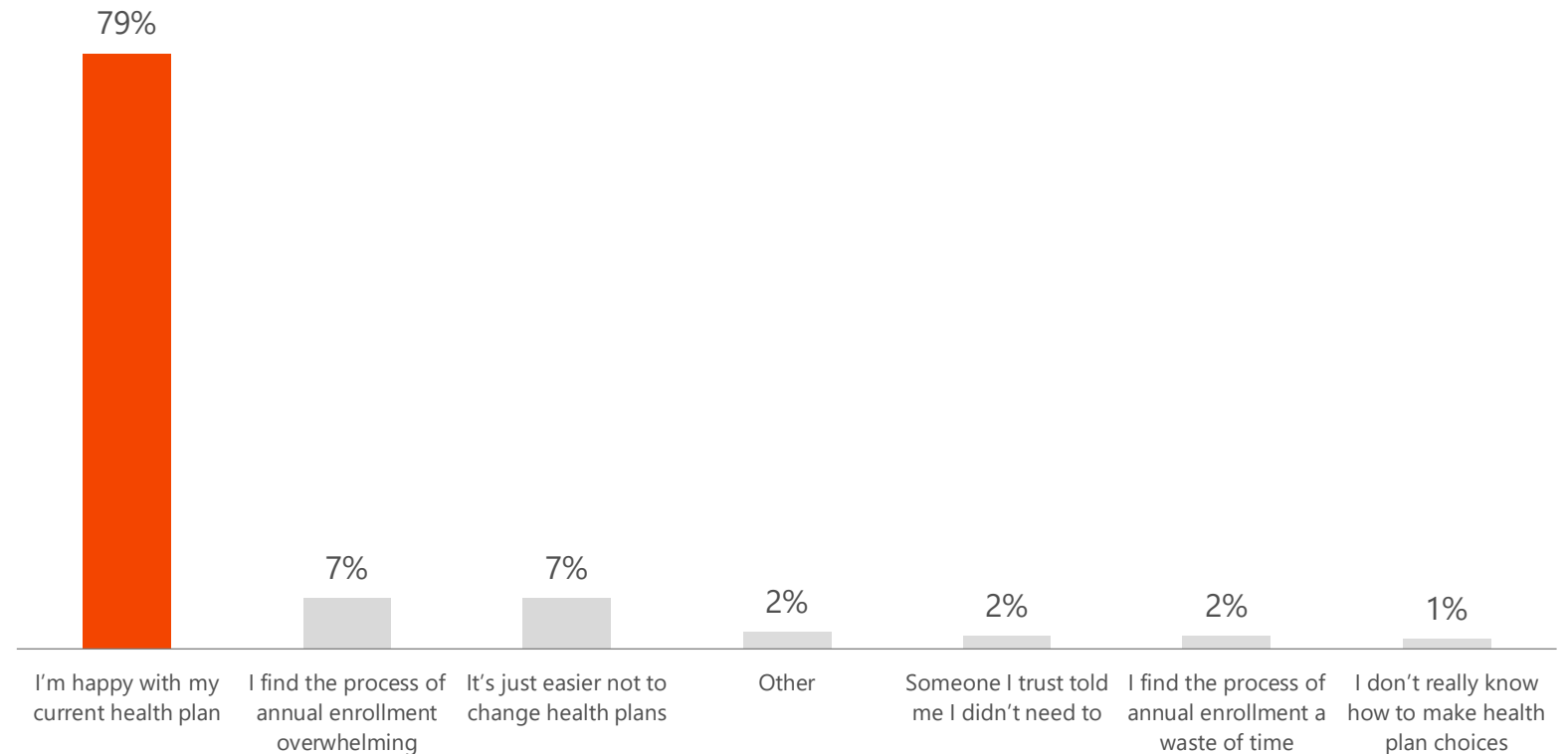
The highest percentage (40%) of consumers who were **interested** in getting a new health plan at the start of the AEP was in the **65-67 yrs. segment**.

**Q. If you think back to October or November of 2023, how interested were you in getting a new health plan? Please select one.**



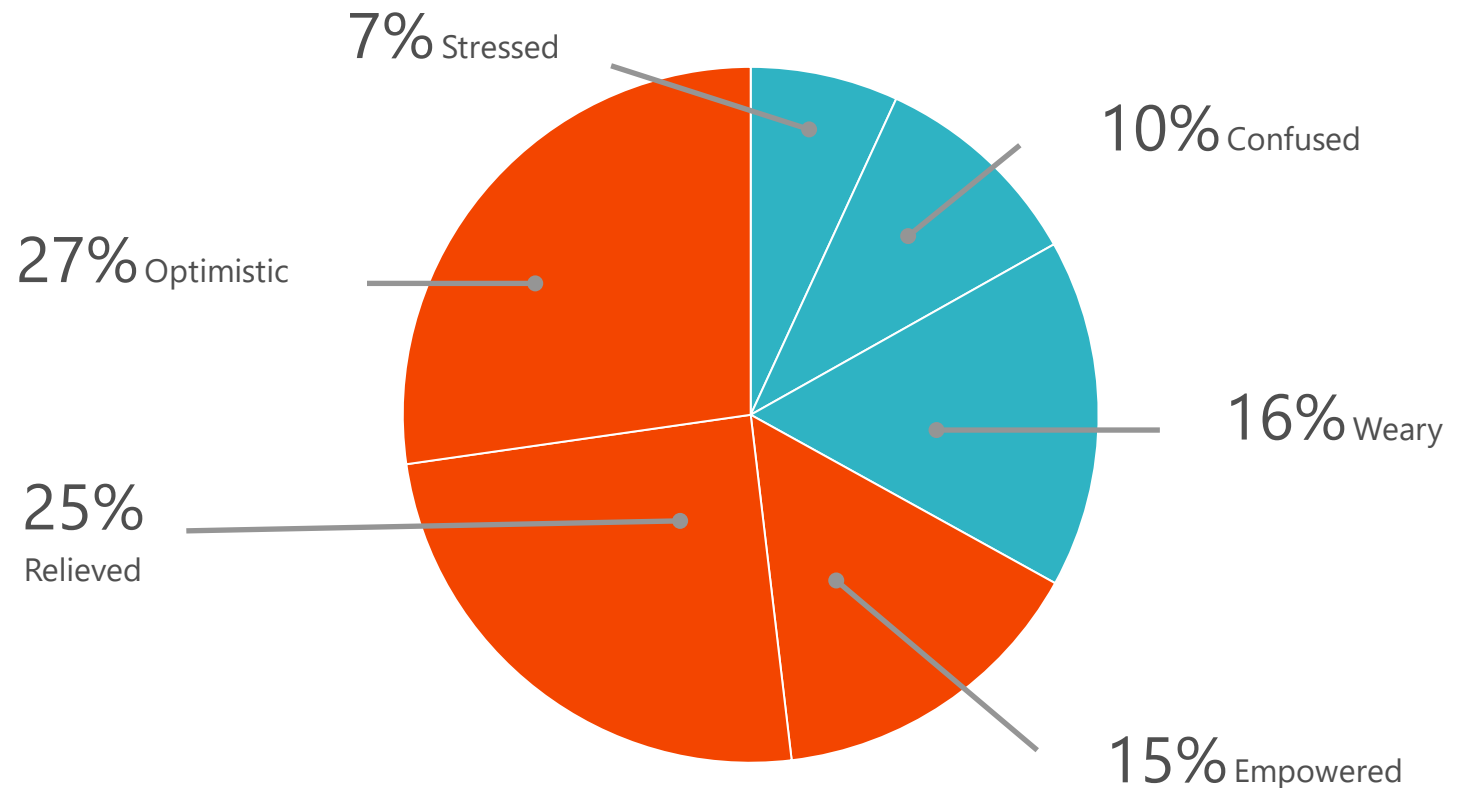
**Among those who did not participate in the AEP, the main reason was satisfaction with their current plan.** But it's worth noting that roughly one in seven stayed put due to either finding AEP overwhelming or feeling it was just easier to stay put.

**Q. You mentioned that you were aware of the Medicare AEP but didn't participate. Which of the following was the primary reason you didn't participate?**



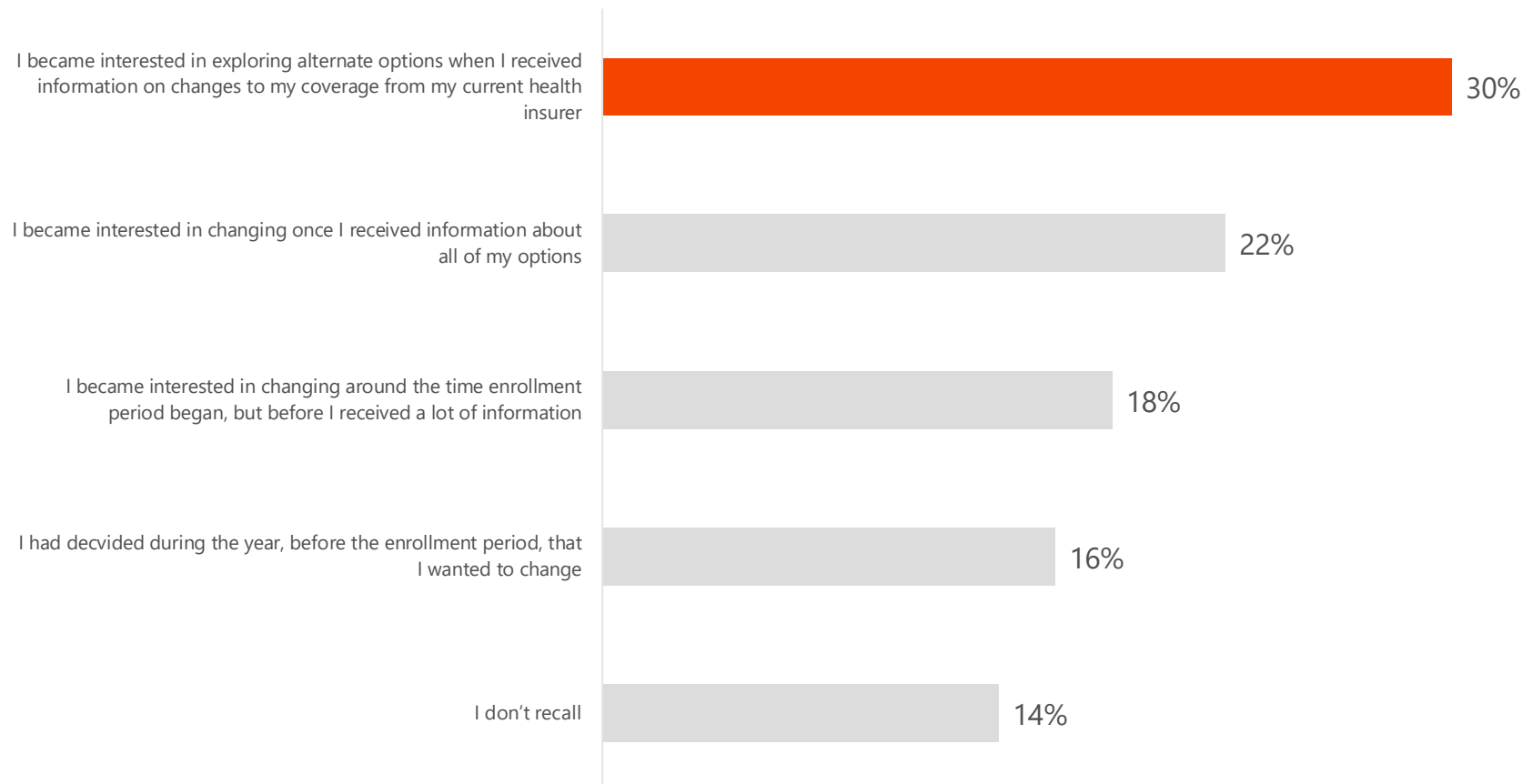
67% of consumers expressed more positive than negative emotions toward their AEP experience.

Q. Which of the following emotions best represent how you feel about the Medicare AEP experience?



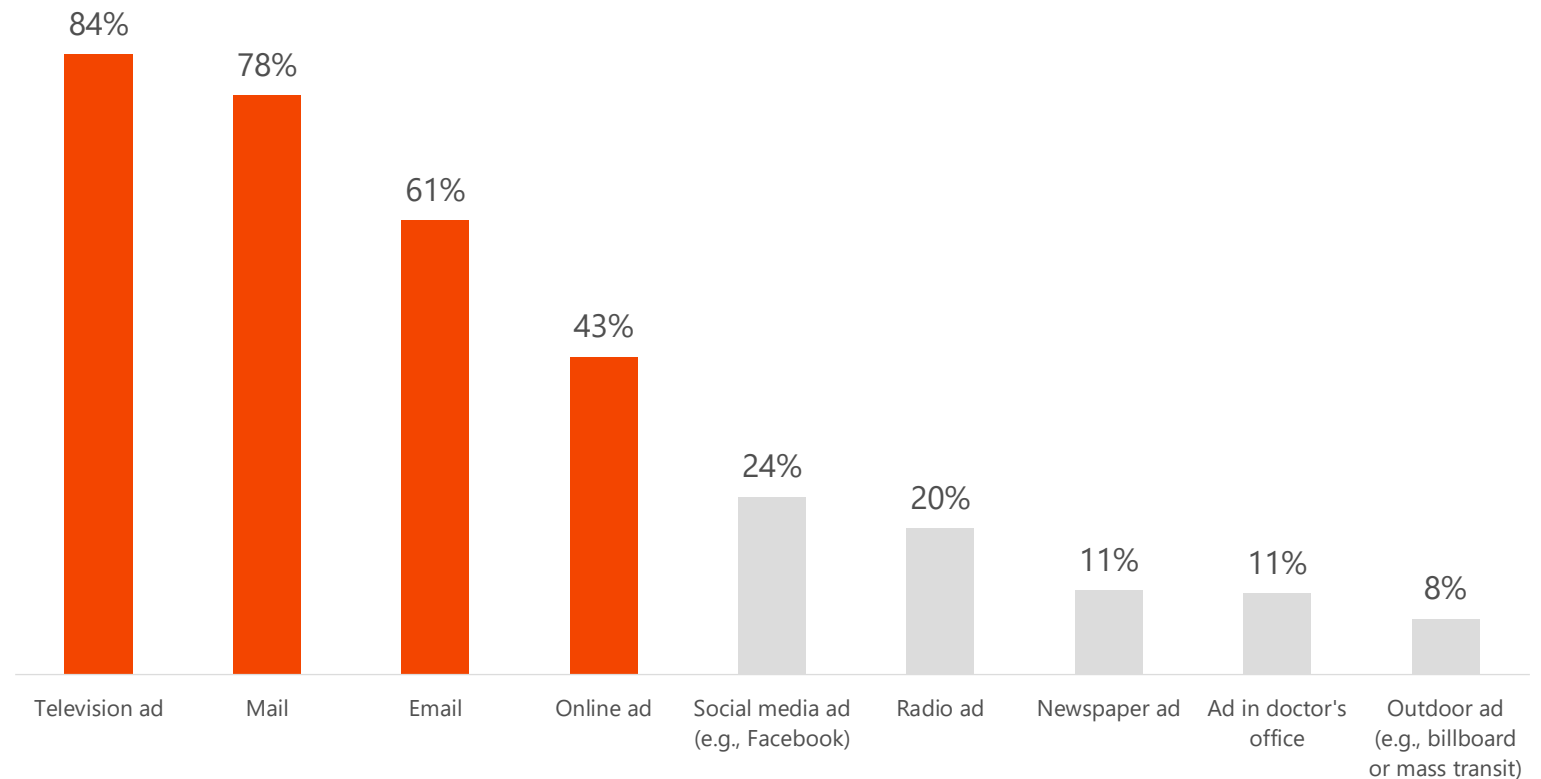
Consumers who were interested in exploring alternative Medicare plans were increasingly triggered by their ANOC letter.

**Q. You mentioned that you were previously interested in getting a new plan. Which of the following best describes the timing of this interest?**



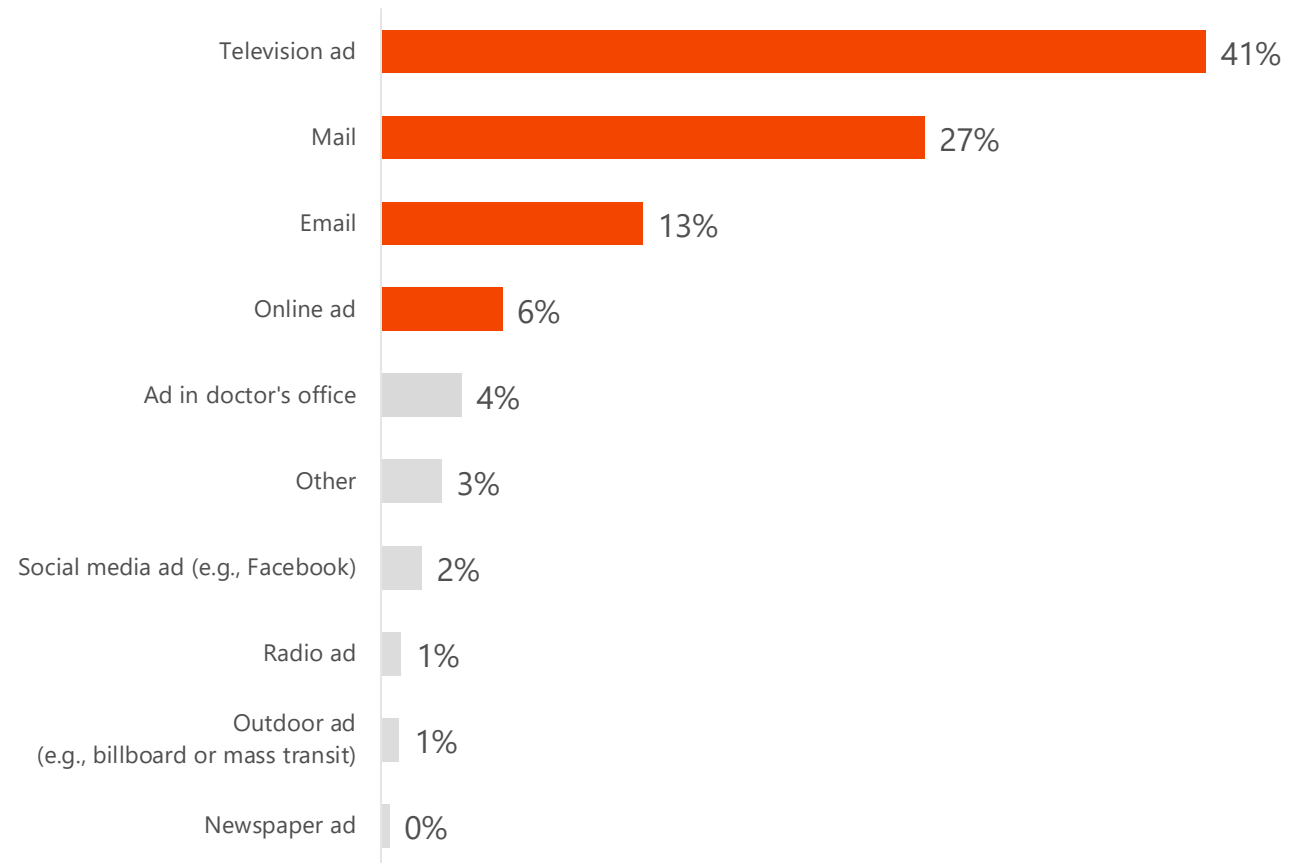
The most memorable types of AEP marketing communications for consumers were TV ads and mail, followed by email and online ads.

Q. Which of the following advertising communications do you recall?



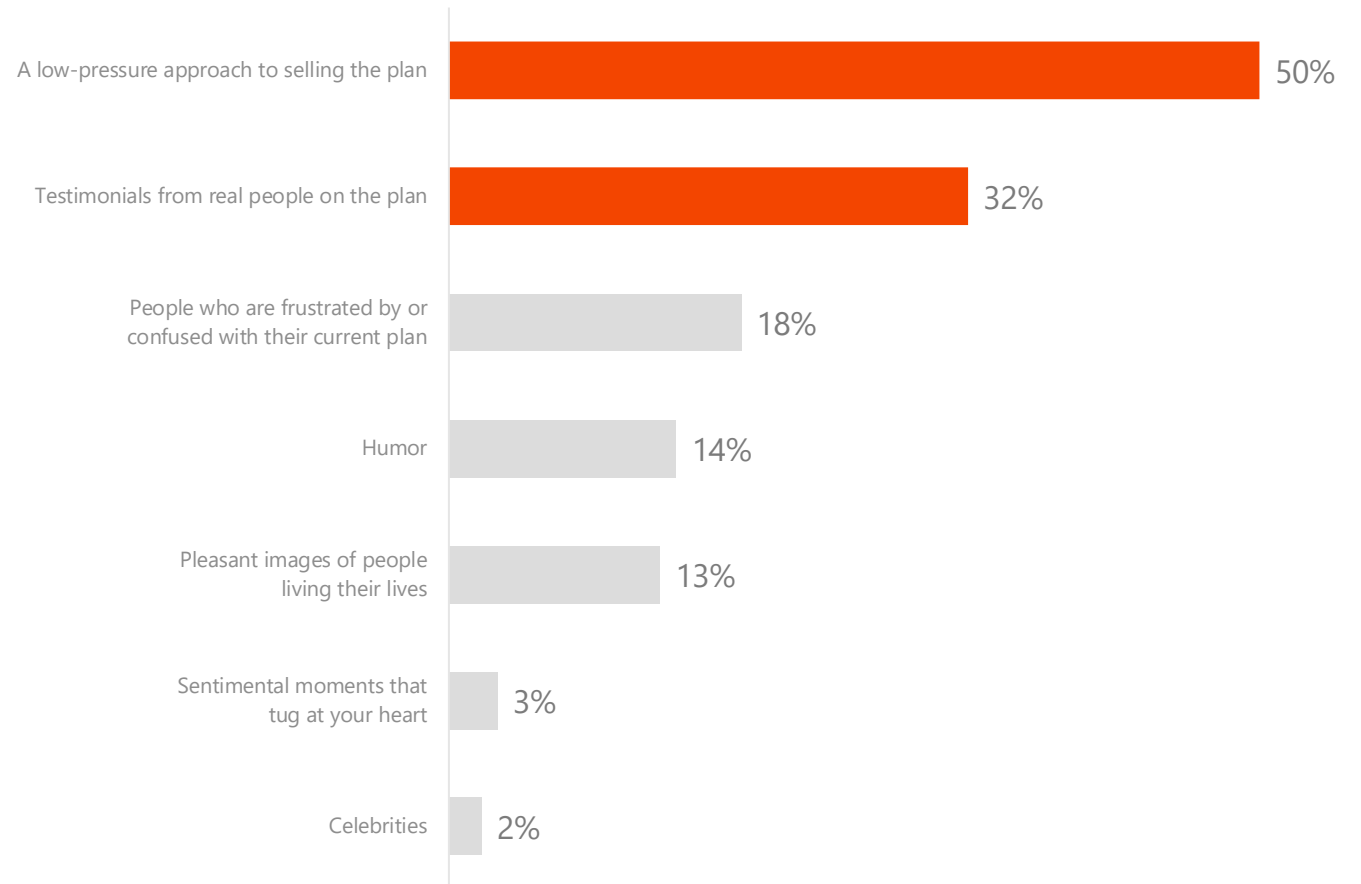
The media that were most memorable were also the most influential, with TV, mail, email and online ads topping the list.

**Q. Of those advertising communications that you recall, which type made you most want to find out more?**



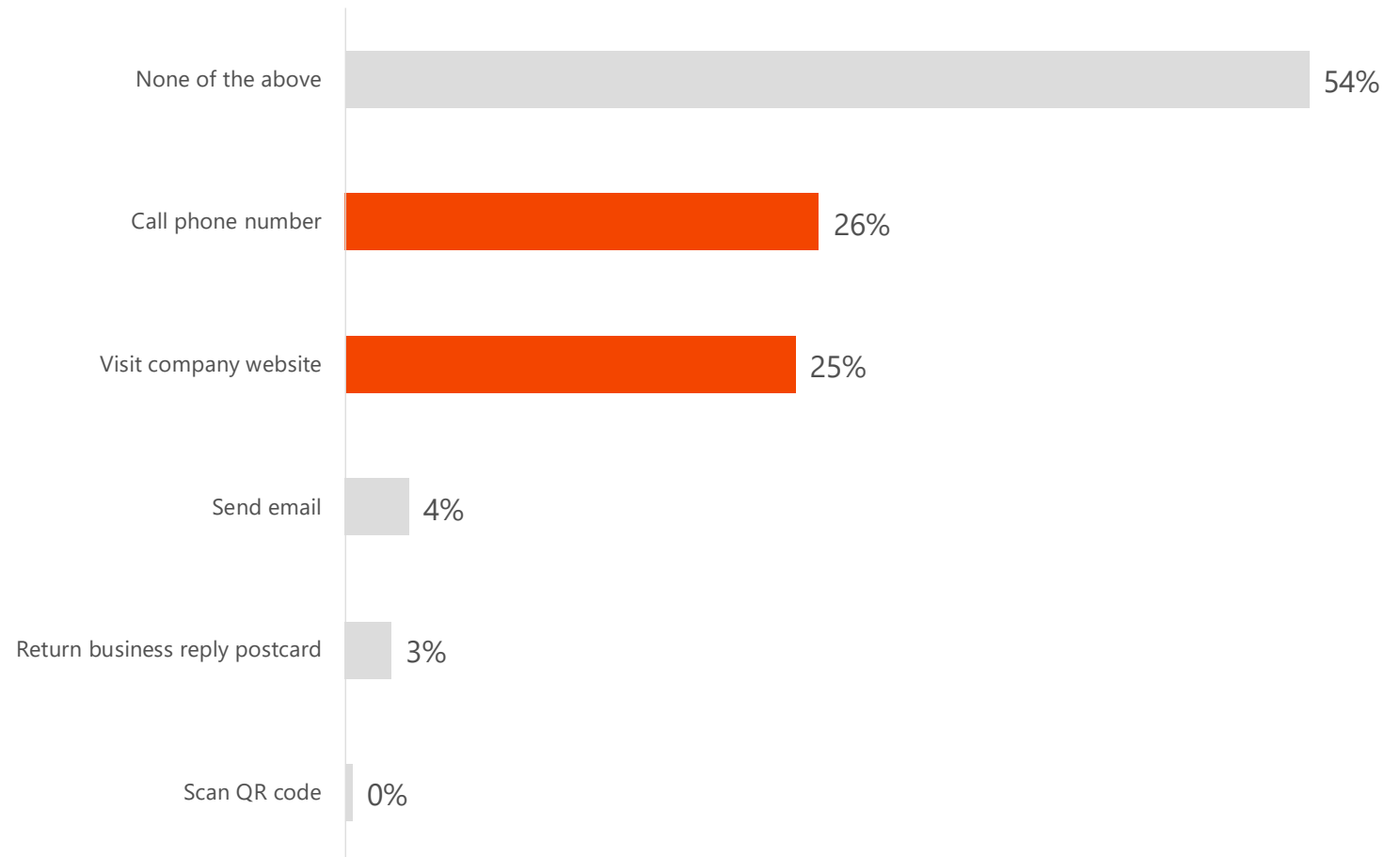
Consumers said that they are most motivated to action by TV ads with a low-pressure approach followed by those featuring testimonials from real people. Tugging at heartstrings and using celebrities were deemed least motivating.

**Q. Medicare TV commercials including which of the following made or might make you more interested in learning about a plan?**



When consumers acted on a Medicare ad, they generally responded by phone or visited the health plan's website.

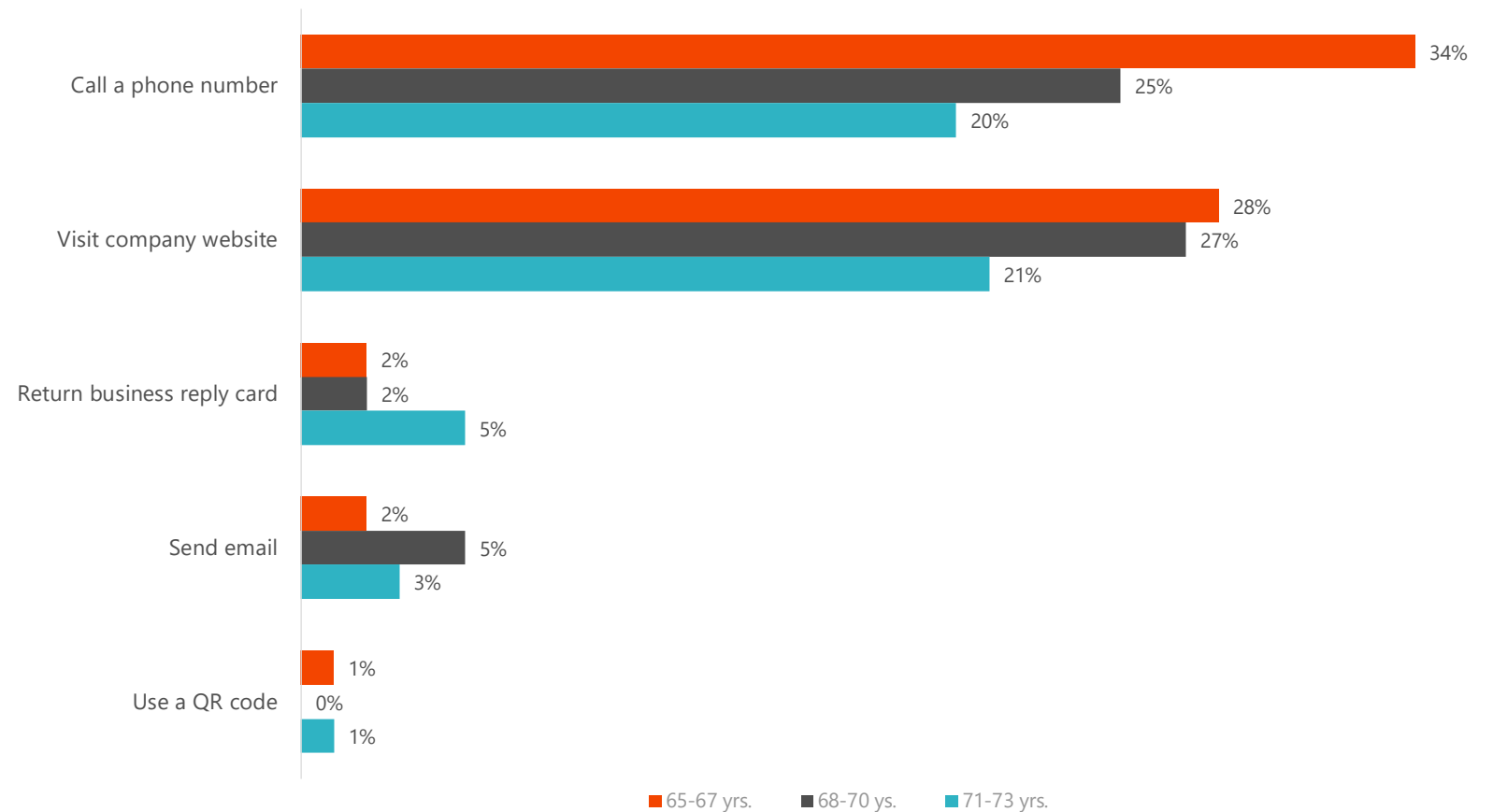
**Q. Which of the following ways to respond to a Medicare ad did you use?**





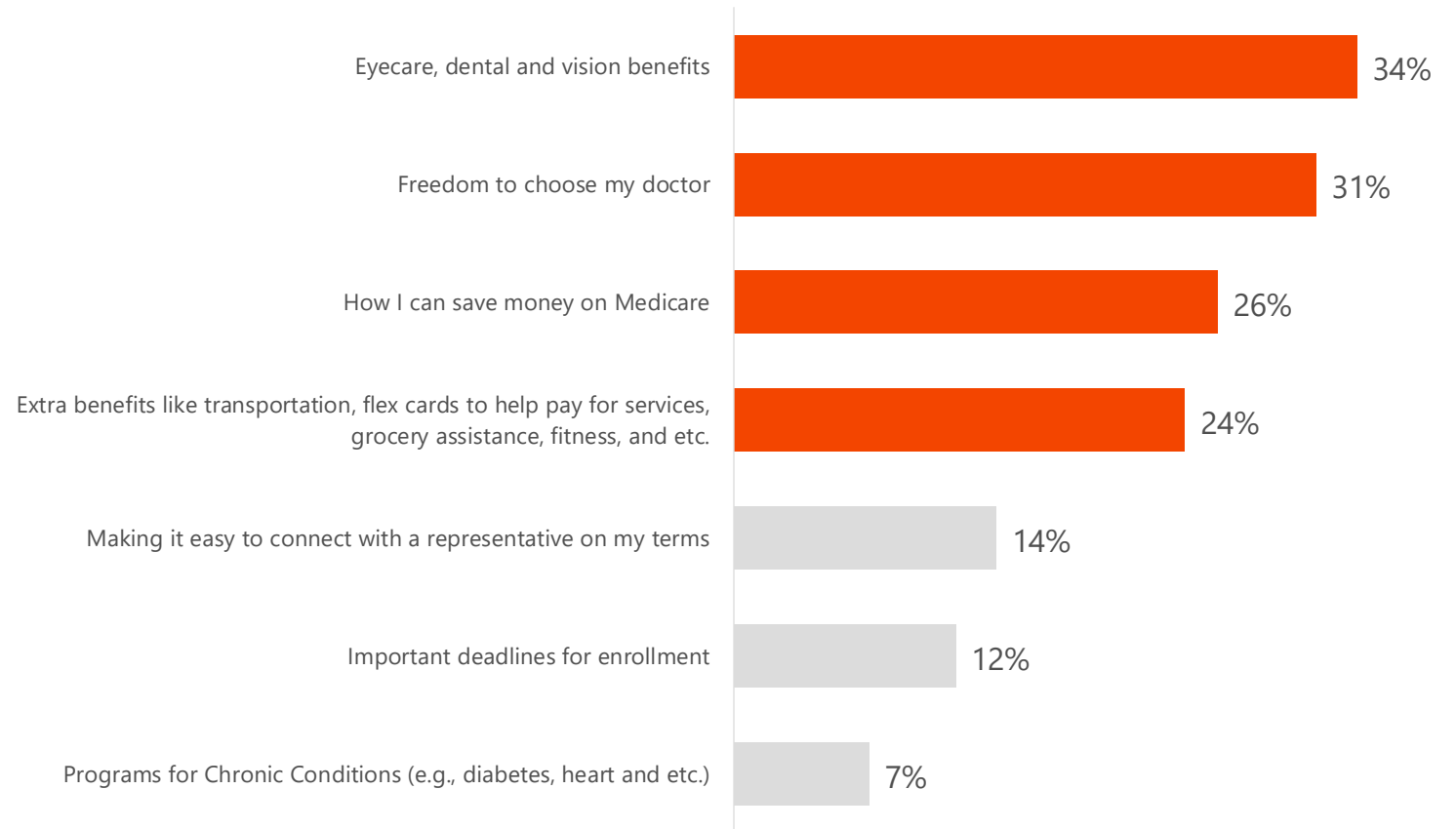
Across age segments, a phone number or URL as CTA in ads elicited more responses than the others stated. It's worth noting that while shoppers who **used a BRC** were nearly twice as likely to be in the **71-73 segment**, this oldest segment was still over 4X more likely to visit the company website (21%) than to use a BRC (5%).

**Q. Which of the following ways to respond to a Medicare ad did you use?**



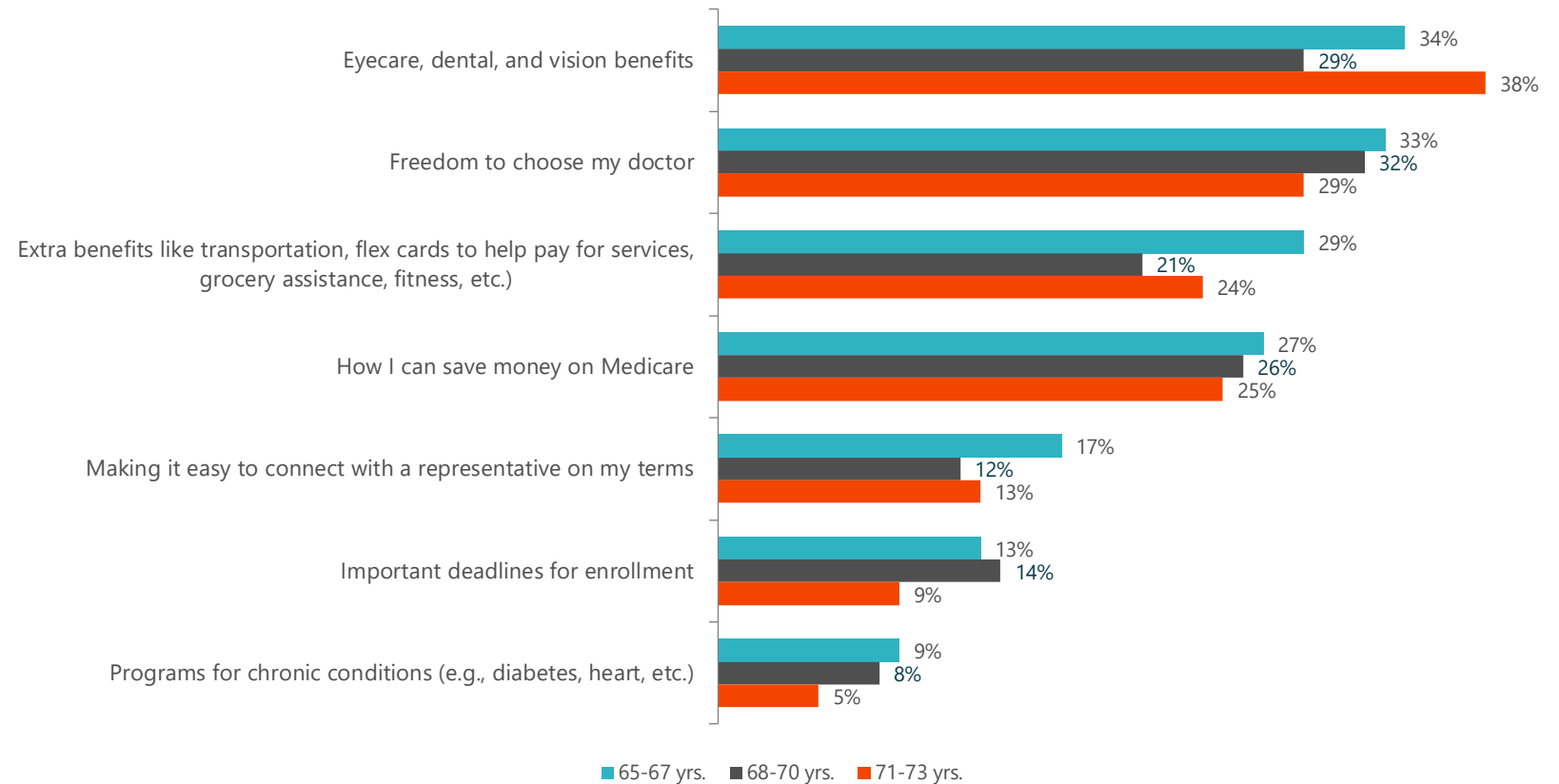
Information about supplemental benefits and provider network were the most motivating messages — followed closely by cost savings.

**Q. What information in Medicare television ads motivates you to act?**



Consumers across each age segment were similarly motivated by various types of information in TV ads.

**Q. What information in Medicare television ads motivates you to act?**



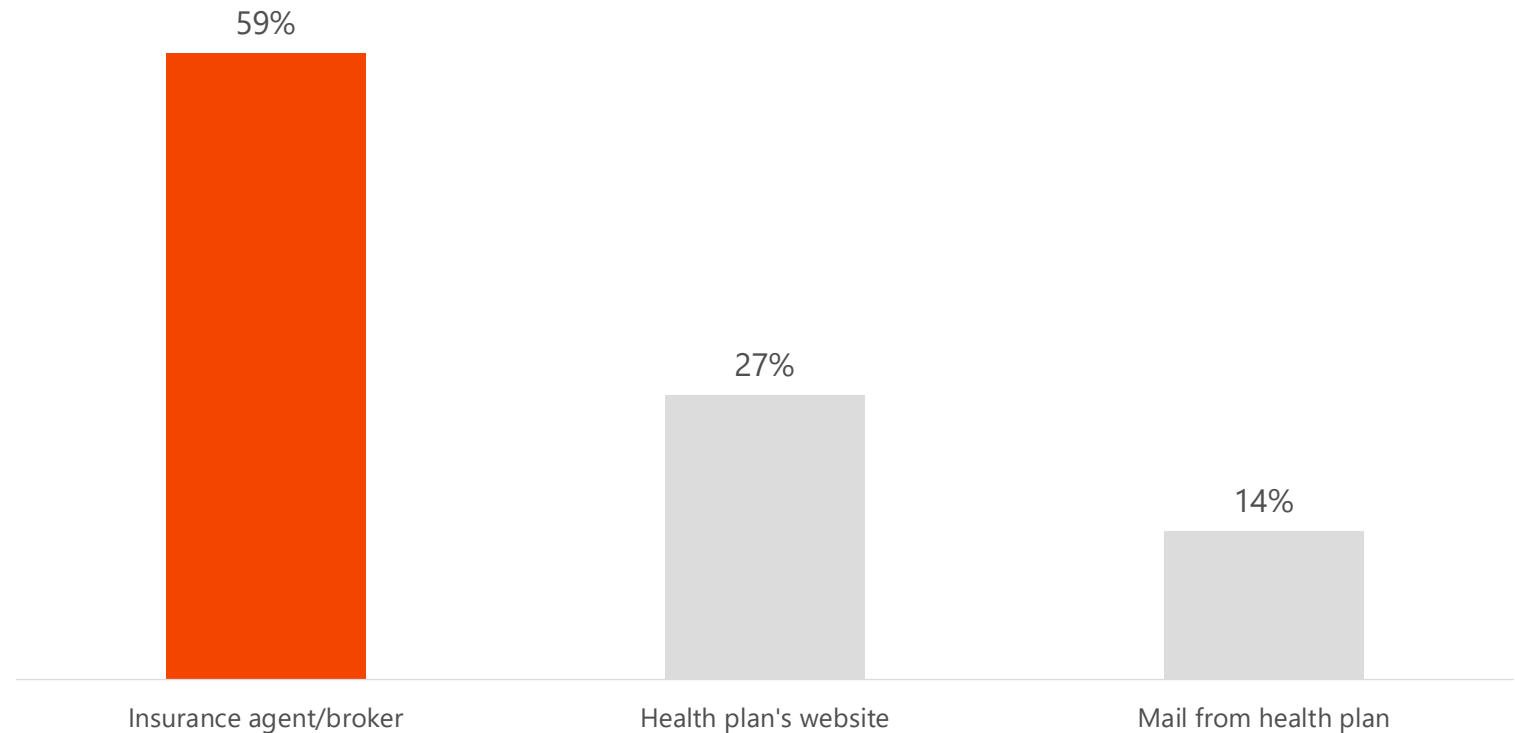
Once consumers decided to shop for a new plan, they most frequently started their journey with a visit to the advertiser's website. Subsequent actions were taken in the diagrammed order of preference.

**Q. After you became interested in shopping for a new plan, what was the order of the actions you took?**

- ✓ **1 Visit** the Medicare company website
- ✓ **2 Search** the internet for the best plan
- ✓ **3 Call** Medicare companies directly
- ✓ **4 Ask** friends/family
- ✓ **5 Request** more information on plans through the mail
- ✓ **6 Speak** with my insurance agent or broker

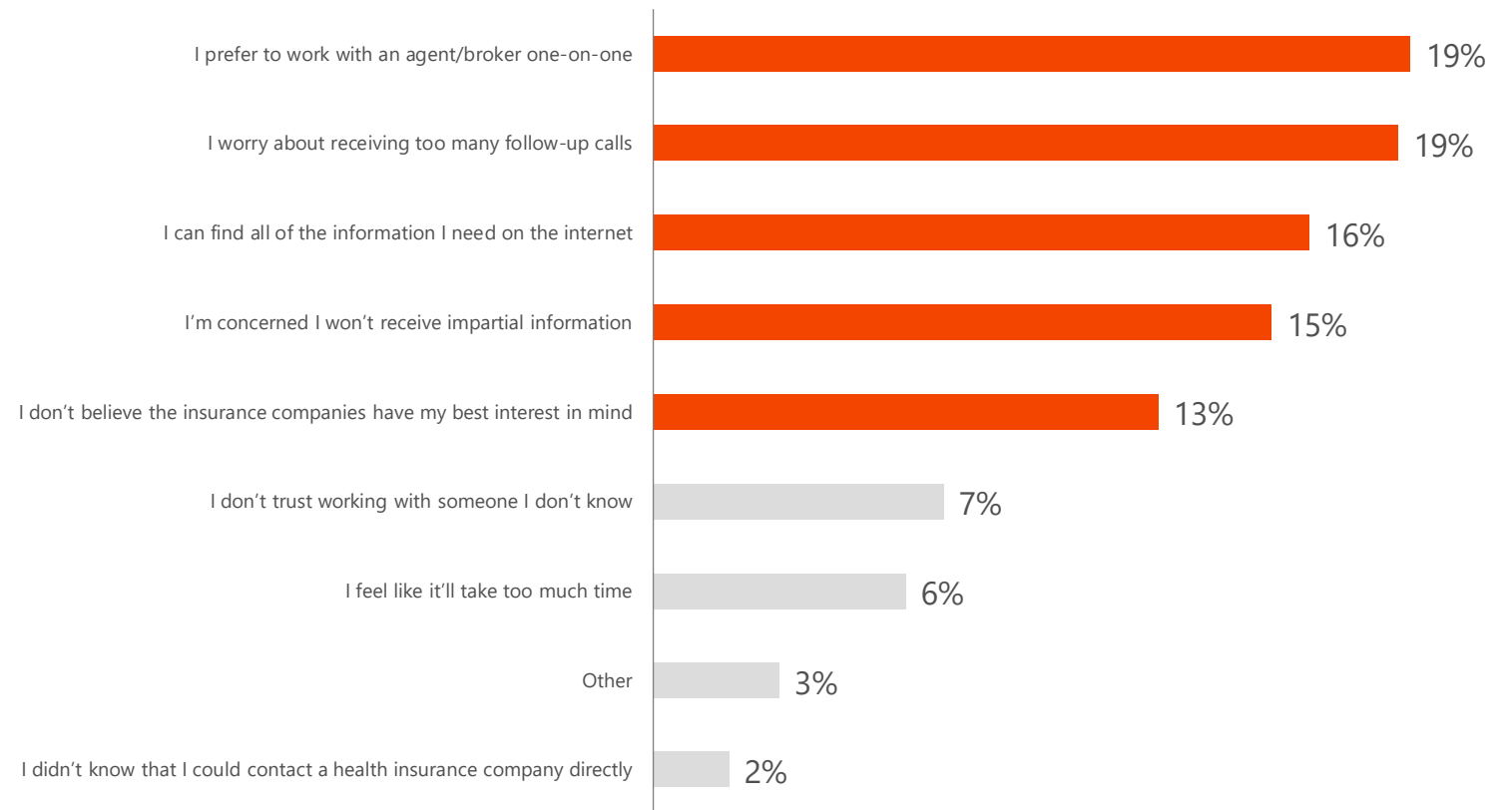
**Of all the steps shoppers took to enrollment, speaking with insurance agents/brokers was deemed the most helpful to making their final decision.** The plan's website and mail were less important at the final stage in their journey.

**Q. Considering all the different sources of information you engaged with, which one provided the greatest help in making your decision?**



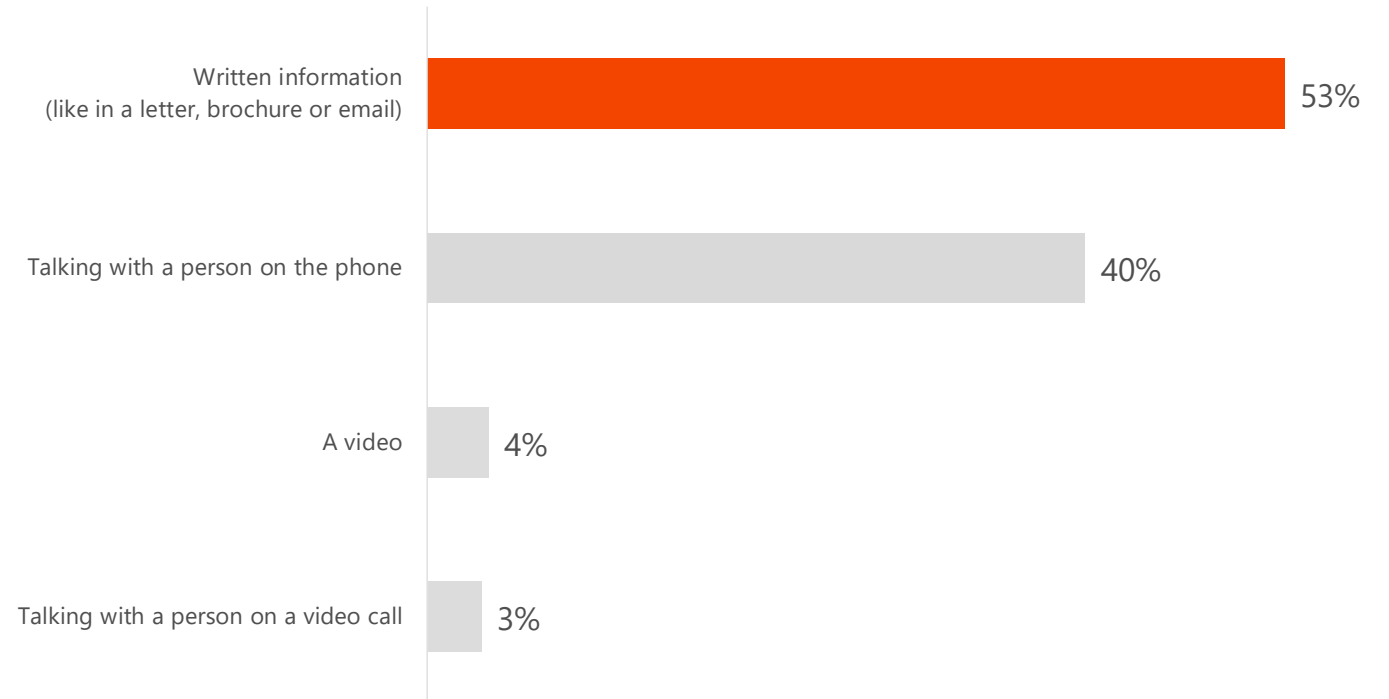
There were multiple reasons chosen for why consumers avoid contacting a health plan directly — including preferred engagement with their agent/broker, concern about too many follow up calls, preference to self-serve online and even issues of trust.

**Q. What might keep you from contacting a health insurance company directly to learn about your options during the Medicare AEP? Please select any that apply.**



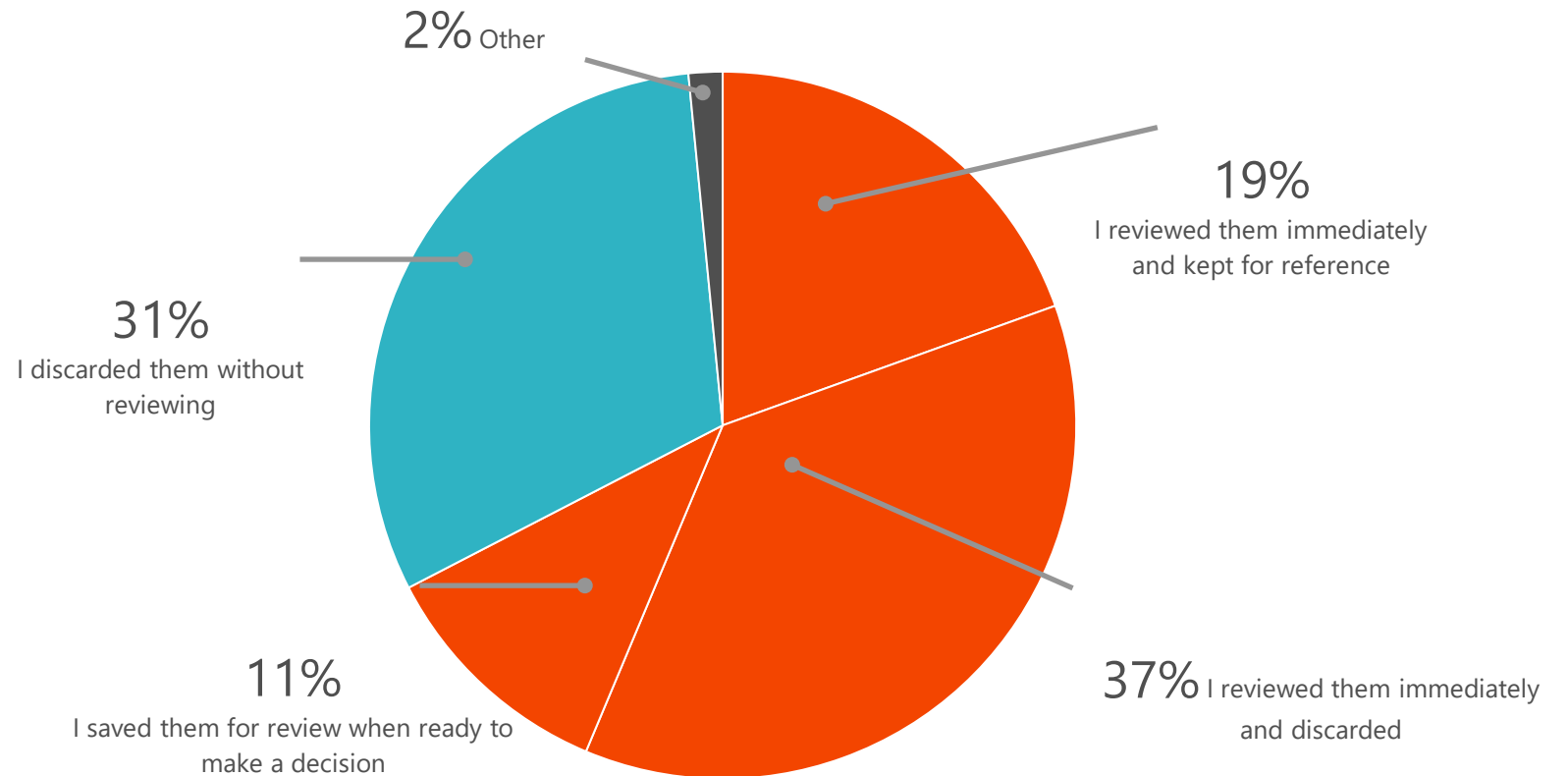
Consumers preferred to learn about plans via written information or by speaking with someone over the phone.

**Q. Which is the best format for companies to tell you about your options?**



After receiving AEP-related direct mail, 56% of consumers reviewed it right away, and 30% kept it for future reference. Only 31% discarded it without reviewing.

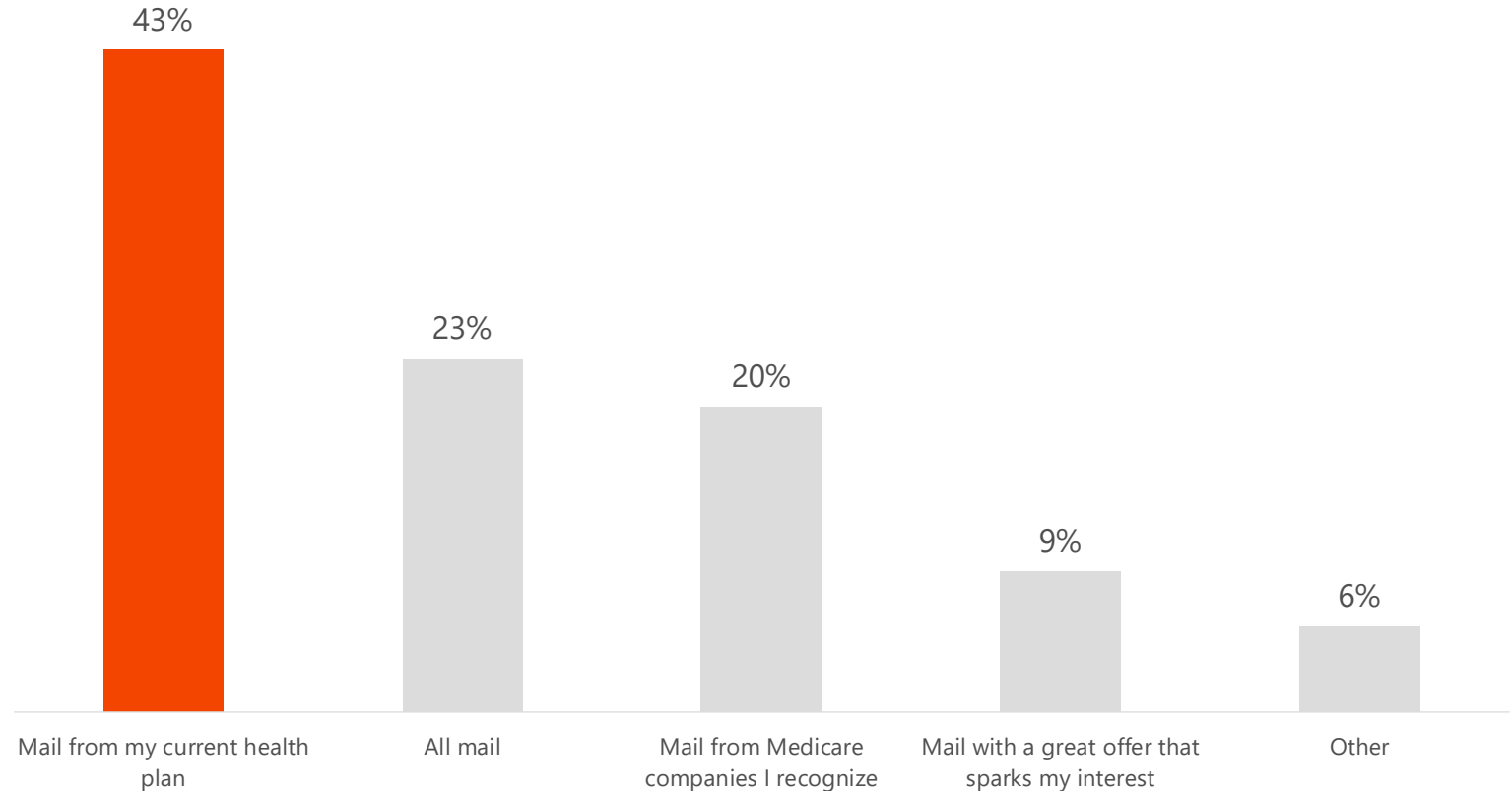
**Q. When it came to the mail pieces you received from insurance companies during the Medicare AEP, which best describes what you did with it?**





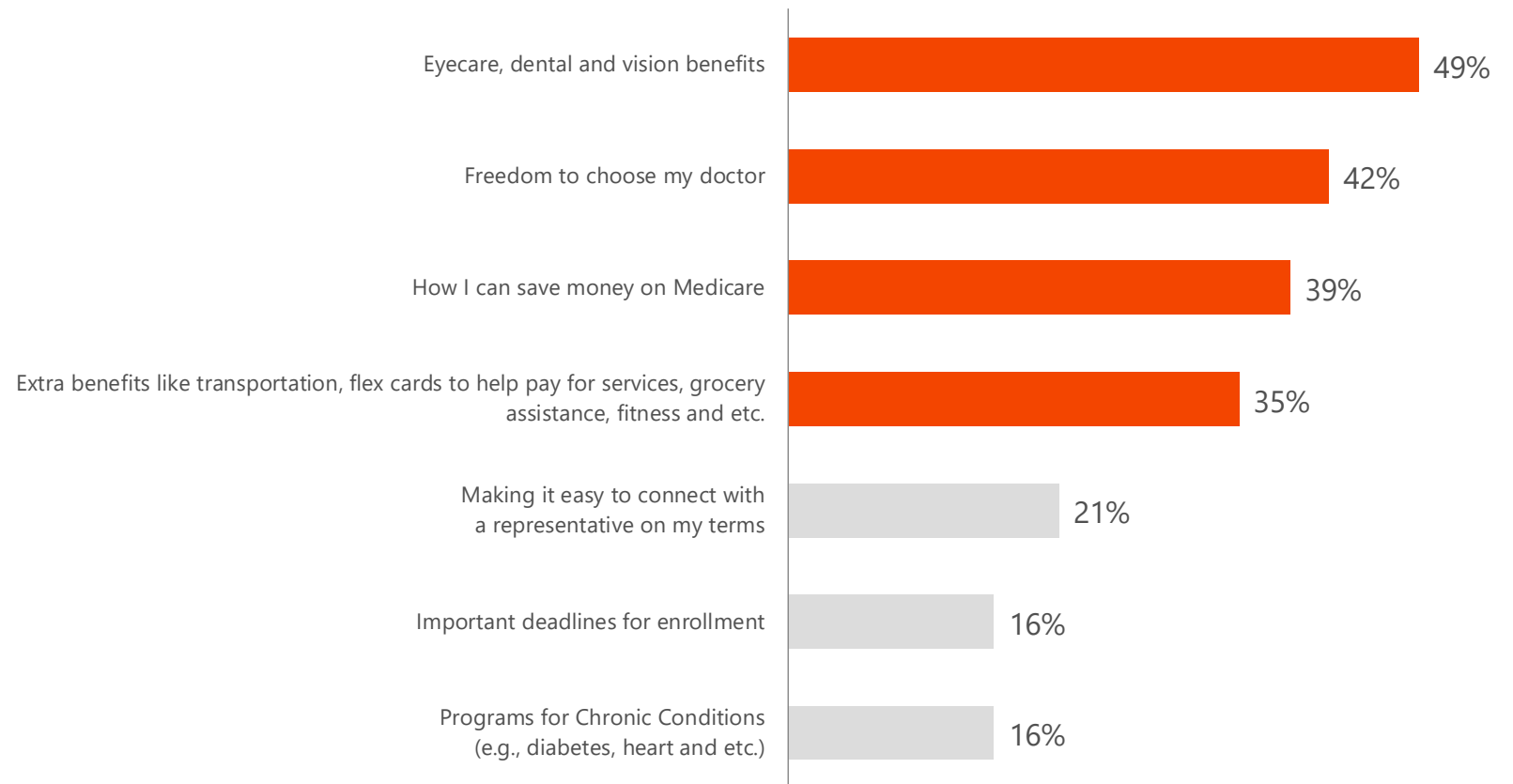
**Among consumers who paid attention to mail, the sender mattered.** Consumers were more likely to look at mail from their existing health plan than from anyone else, even if the mail from elsewhere featured a great offer.

**Q. Which of the following best describes the pieces of mail you were most likely to look at?**



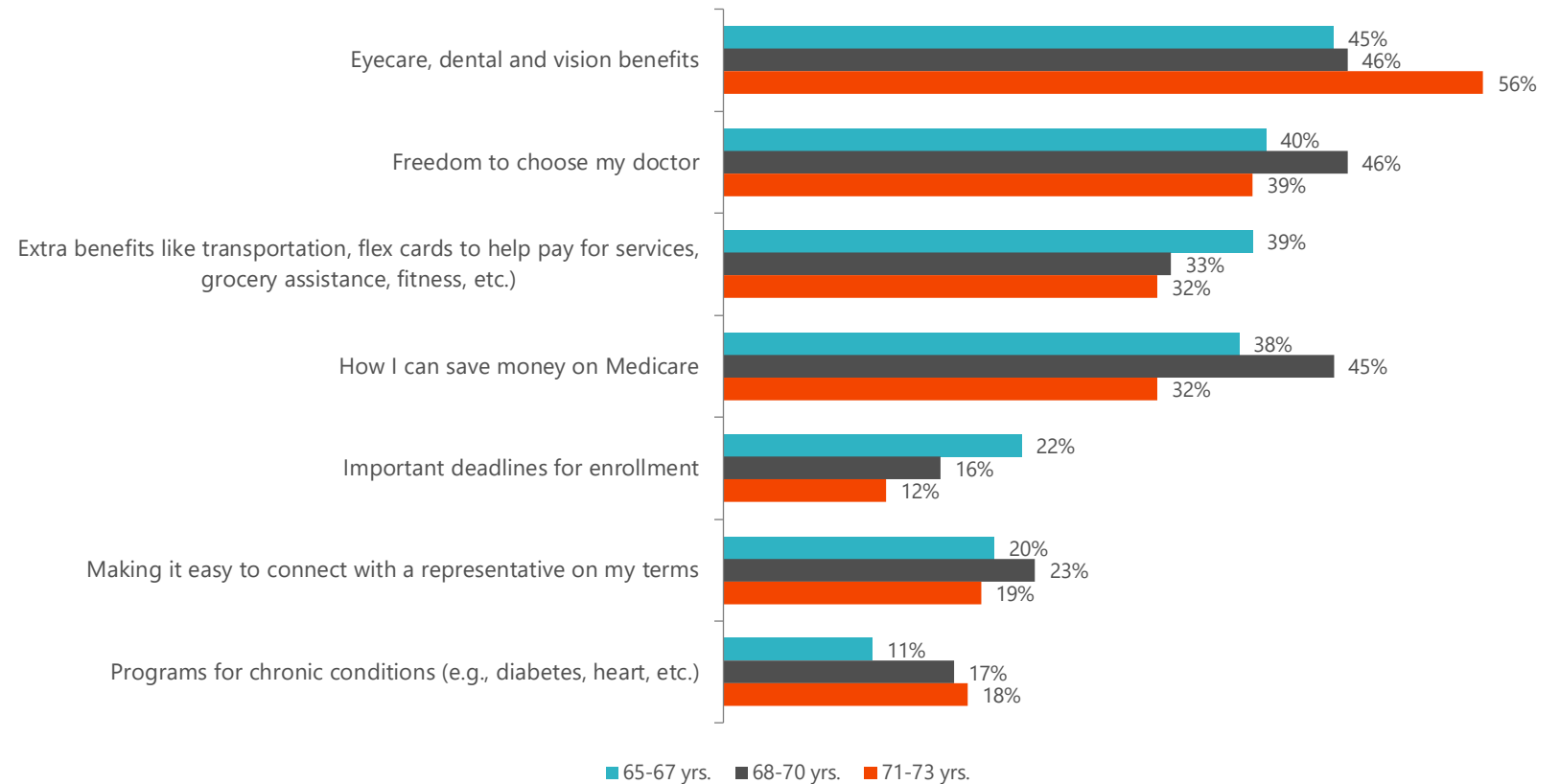
Consistent with their response to TV ad content, **consumers said that the most helpful information in mail pertained to supplemental benefits, doctor networks and cost savings.**

**Q. What kind of information in your Medicare mail do you find most helpful?**



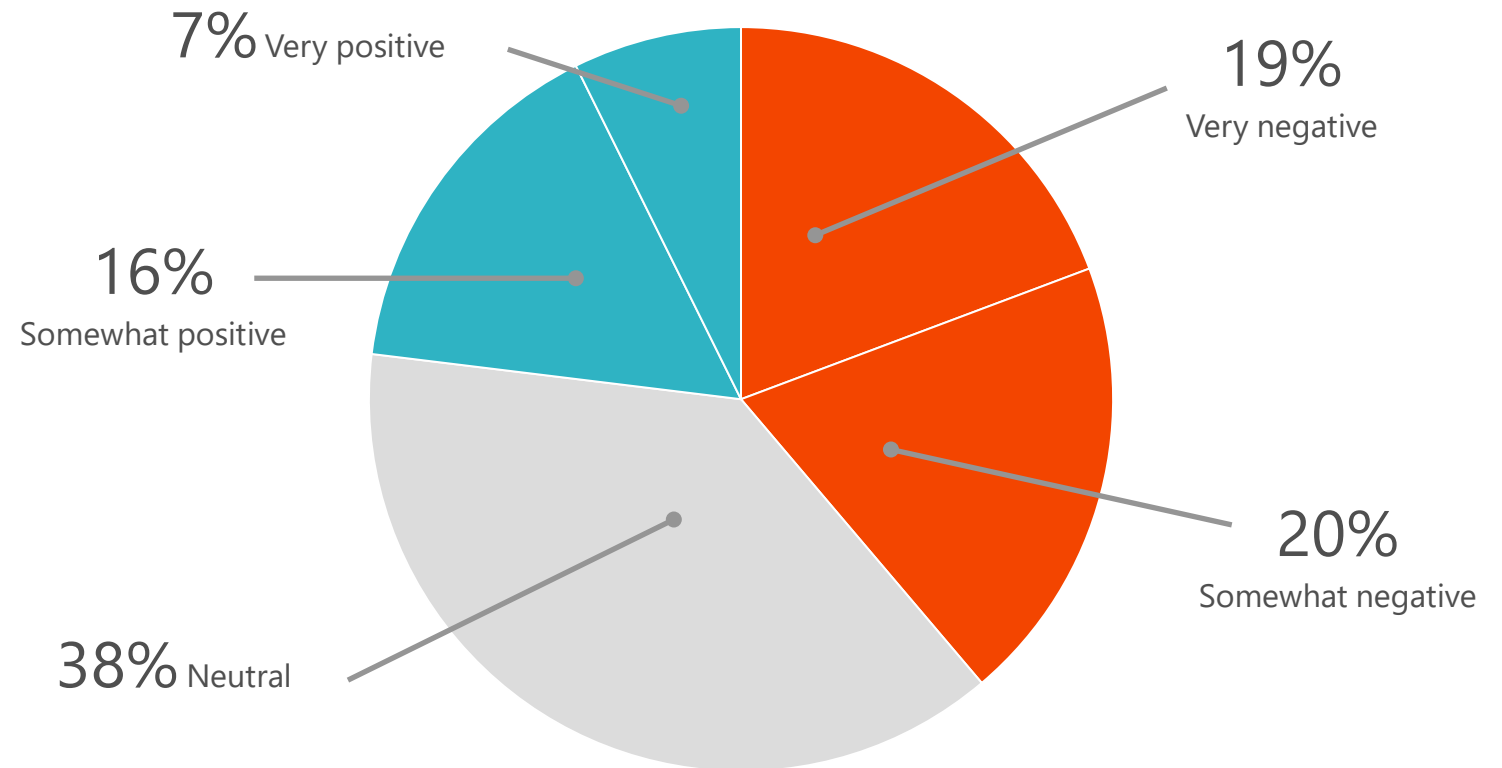
Taking a closer look at age segments, **while all groups prioritized helpful information similarly, the oldest segment showed more interest in supplemental benefits than the younger groups.**

**Q. What kind of information in your Medicare mail do you find most helpful?**



**The majority of consumers felt either neutral or positive about the volume of mail they received.** However, it is worth noting that 39% felt negative — which may have implications for the number of drops used by marketers.

**Q. When it comes to Medicare AEP mail, how do you feel about the amount of mail you received?**





**Consumer In Sight** (CIS) is an investigative research series conducted by Media Logic, with the aim of gaining new insights into consumer preferences and behaviors in the healthcare and financial services industries. Using an industry-leading software platform, we survey geo-targeted and national panels to track the changing marketing landscape and support clients in connecting with consumers through creative executions and multichannel media.

# About Media Logic

Media Logic is a national leader in healthcare marketing — providing strategic, breakthrough solutions that drive business. Media Logic offers deep experience in branding and lead generation and is an expert in turning research and segmentation data into actionable plans. Leveraging more than two decades of health plan marketing knowledge, Media Logic understands the nuances of Medicare, group and individual exchange prospects. From traditional ad campaigns to retention efforts and content marketing, everything Media Logic does is focused on generating results for clients...giving them an edge in a competitive, constantly changing environment.

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