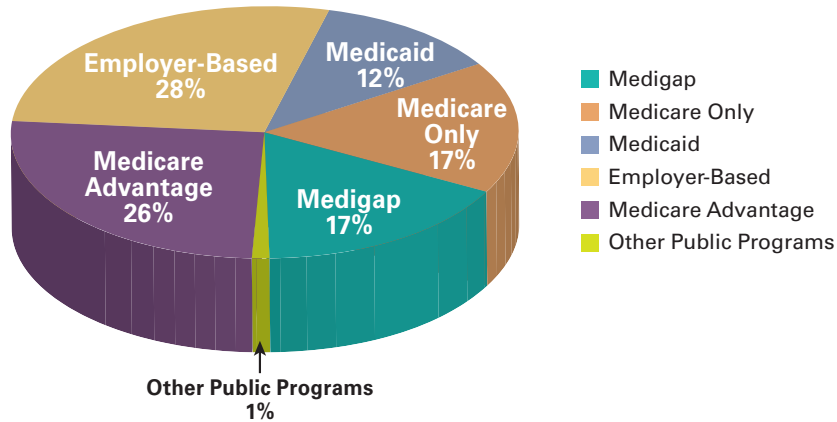


DEMOGRAPHICS OF MEDIGAP ENROLLEES

Types of Coverage for Noninstitutionalized Medicare Beneficiaries (2010)

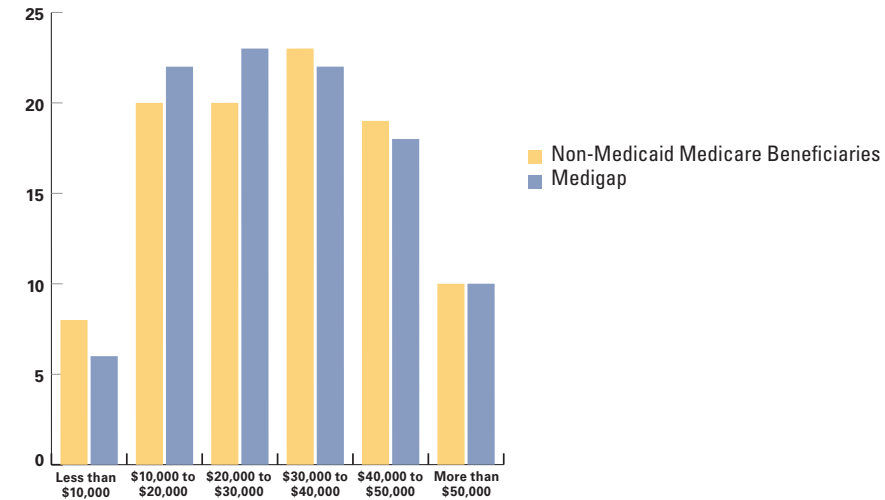
Seventeen percent of Medicare beneficiaries choose Medigap.



Source: Low-Income & Rural Beneficiaries with Medigap Coverage, 2010 (AHIP Study 2012), citing data from the Medicare Current Beneficiary Survey Access to Care files 2010 (CMS).

Income Range of Medigap Policyholders

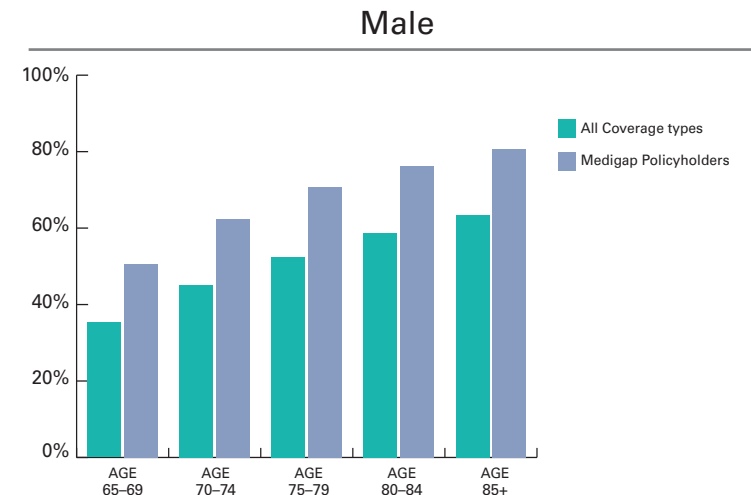
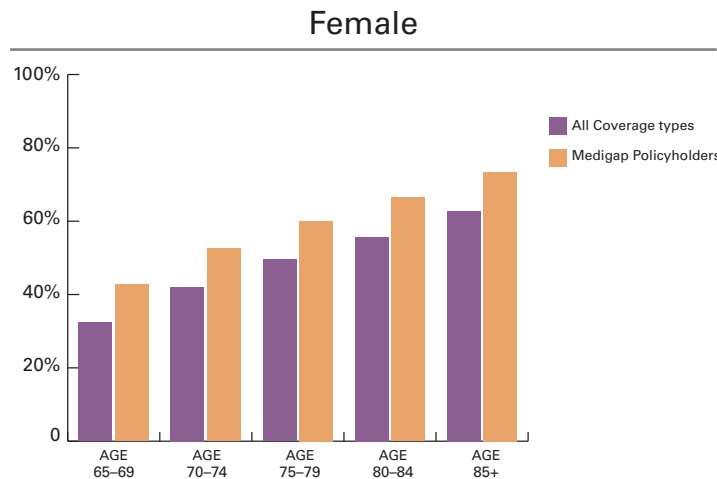
More than half of Medigap policyholders have incomes below \$30,000 and about one-third have incomes below \$20,000.



Source: Medicare Current Beneficiary Survey Access to Care files, 2010 (CMS)

Percentage of Medicare & Medigap Beneficiaries with One or More Health Conditions (HCC codes), By Sex and Age Cohort, 2001, 2002, and 2004

On average, Medigap policyholders have a higher incidence of one or more health care conditions than the Medicare population as a whole.



Source: Lemieux, et al. Medigap Coverage and Medicare Spending: A Second Look. (2008). *Health Affairs*