

Summary: Low-Income and Minority Beneficiaries in Medicare Advantage Plans, 2002

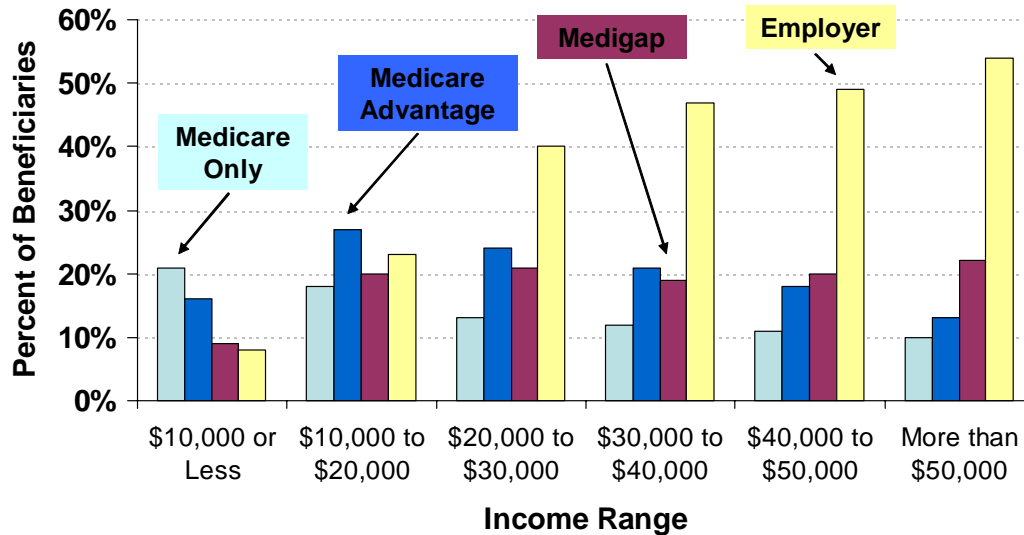
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New data from the Medicare Current Beneficiary Survey show that Medicare's private comprehensive health plans (now called Medicare Advantage plans) were a vital source of coverage for low-income beneficiaries in 2002.

- Of Medicare beneficiaries with annual incomes between \$10,000 and \$20,000, 27 percent chose Medicare Advantage for comprehensive benefits; 23 percent had employer-based coverage; and 20 percent had Medigap supplemental coverage. Almost 18 percent of Medicare beneficiaries in this income category had no supplemental or outside coverage.
- Fifty percent of Medicare Advantage enrollees in 2002 had incomes less than \$20,000.
- Of minority (non-white) beneficiaries in Medicare Advantage, 71 percent had incomes below \$20,000.
- Of Medicare beneficiaries not enrolled in Medicaid or employer-based coverage with incomes between \$10,000 and \$20,000, 39 percent chose a Medicare Advantage plan. Of non-white, low-income (\$10,000 to \$20,000) beneficiaries not enrolled in employer-based coverage or Medigap, 43 percent chose a Medicare Advantage plan.
- In some parts of the country, over half of low-income Medicare beneficiaries not enrolled in Medicaid or employer-based coverage chose a Medicare Advantage plan.
- Lower costs (31 percent) and better benefits and coverage (22 percent) than Medicare alone were the main reasons beneficiaries chose Medicare Advantage plans in 2002.

In general, the statistics in this report are calculated from records on non-institutionalized Medicare beneficiaries (aged and disabled) living in areas where at least one Medicare Advantage plan was offered.

Private Supplemental Coverage of Medicare Beneficiaries, by Income Level (2002)



Source: Medicare Current Beneficiary Survey Access to Care files, 2002 (CMS).

Note: Calculations based on non-institutionalized Medicare beneficiaries and living in an area with at least one Medicare Advantage plan offering.

Income Range of Medicare Beneficiaries, Living In An Area With At Least One Medicare Advantage Plan Offering, By Coverage Type (2002)

	All Income Ranges	\$10,000 or Less	\$10,000 to \$20,000	\$20,000 to \$30,000	\$30,000 to \$40,000	\$40,000 to \$50,000	More than \$50,000
Medicare Advantage	21%	16%	27%	24%	21%	18%	13%
Medicaid	11%	43%	9%	**	**	**	**
Employer-Based	33%	8%	23%	40%	47%	49%	54%
Medigap	18%	9%	20%	21%	19%	20%	22%
Other Public	2%	3%	3%	2%	**	1%	**
Medicare Only	15%	21%	18%	13%	12%	11%	10%
Total	100%	100%	100%	100%	100%	100%	100%

Source: Medicare Current Beneficiary Survey Access to Care files, 2002 (CMS).

Note: Calculations based on non-institutionalized Medicare beneficiaries living in an area with at least one Medicare Advantage plan offering. ** Less than 1 percent.