

Medicare Advantage Demographics

REPORT



Key Takeaways

- As of 2020, approximately 55% of Hispanic or Latino/a/X individuals and 54% of Black individuals eligible for Medicare choose Medicare Advantage plans.
- Fifty-six percent of enrollees with Medicare Advantage are female.
- Medicare Advantage plans have a higher percentage of enrollees aged 75 years and older: 38% compared to 35% with original Medicare.
- About 40% of Medicare Advantage members have annual incomes¹ of less than \$25,000 and 18% have annual incomes of \$80,000 or more. By comparison, 27% of original Medicare enrollees have incomes of less than \$25,000 and 31% have incomes of \$80,000 or more.
- Medicare Advantage serves, on average, enrollees reporting a poorer health status compared to original Medicare: 48% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 52% for original Medicare enrollees.

Summary

More Americans than ever are choosing Medicare Advantage for their health coverage. Medicare Advantage is an option within Medicare that provides the same benefits as original Medicare, and often offers additional services and coverage like prescription drugs, vision, hearing, dental, and wellness care. More than 24 million Americans chose Medicare Advantage in 2020 because of its better services, better care, and better value.

Medicare Advantage offers affordable, high-quality coverage to seniors and people with disabilities. In fact, new data from the Medicare Current Beneficiary Survey (MCBS), which is produced by the Centers for Medicaid & Medicare Services (CMS), showed that Medicare Advantage plans continued to be a vital source of coverage for low-income seniors and people with disabilities and diverse populations in 2020—the most recent year available currently.

Ethnicity

According to CMS enrollment [data](#), more than 40% of all Medicare-eligible Americans were enrolled in Medicare Advantage plans in 2020. MCBS survey estimates revealed that **55% of Hispanic or Latino/a/X Medicare enrollees and 54% of Black Medicare enrollees were Medicare Advantage plan members.**

Medicare Advantage had a higher overall share of diverse populations (29%) compared to original Medicare (20%).

- Medicare Advantage had a higher share of Hispanic enrollees: 12% of Medicare Advantage enrollees were Hispanic or Latino/a/X compared to only 7% of original Medicare enrollees.
- Medicare Advantage had a higher share of Black enrollees: 14% of Medicare Advantage enrollees were Black compared to only 8% of original Medicare enrollees.

Income

Medicare Advantage plans represent a larger share of low-income enrollees and a smaller share of higher-income enrollees. In fact, 40% of enrollees with Medicare Advantage coverage had annual incomes of less than \$25,000. Approximately 18% of Medicare Advantage enrollees had annual incomes of \$80,000 or more. By comparison, 27% of original Medicare enrollees had incomes of less than \$25,000 and approximately 31% had incomes of \$80,000 or more in 2020.

Age

There were differences in the age distribution between original Medicare and Medicare Advantage: Medicare Advantage plans had a higher percentage of enrollees aged 75 years and older: 38% compared to 35% for original Medicare.

Gender

In terms of gender, 56% of Medicare Advantage enrollees were women. By comparison, women accounted for 53% of original Medicare enrollees.

Health Status

Medicare Advantage serves a less healthy population of enrollees compared to original Medicare: 48% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 52% for original Medicare enrollees.

Comparison of Medicare Advantage and Original Medicare

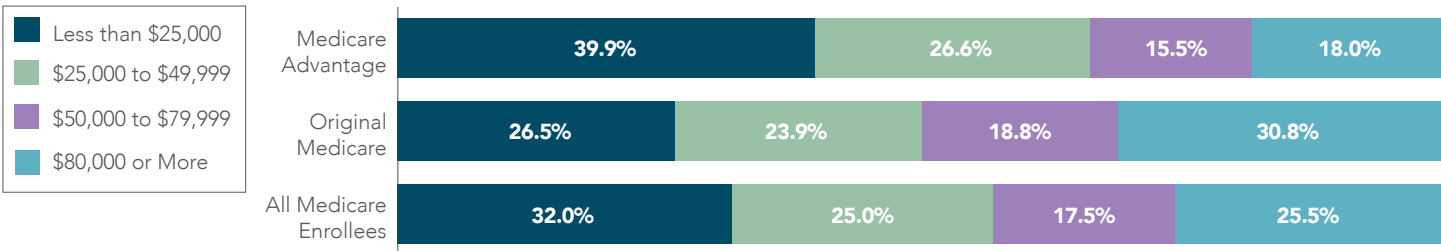
Income, Race and Ethnicity– Medicare Advantage Compared with Original Medicare

Nationwide, more than 40% of all Medicare enrollees chose Medicare Advantage plans in 2020. The 2020 MCBS survey estimates that 40% of Medicare Advantage enrollees had incomes of less than \$25,000 compared to 27% of original Medicare enrollees. Additionally, only 18% of Medicare Advantage enrollees had incomes of \$80,000 or more, compared with 31% of original Medicare enrollees (Figure 1).

The financial well-being of original Medicare enrollees is often measured in relation to the Federal Poverty Level (FPL). According to this metric, in 2020 almost half of all Medicare Advantage enrollees (49%) – or about 12 million people - had incomes of less than 200% of FPL, while the same was true only for 33% of original Medicare enrollees (data not shown).



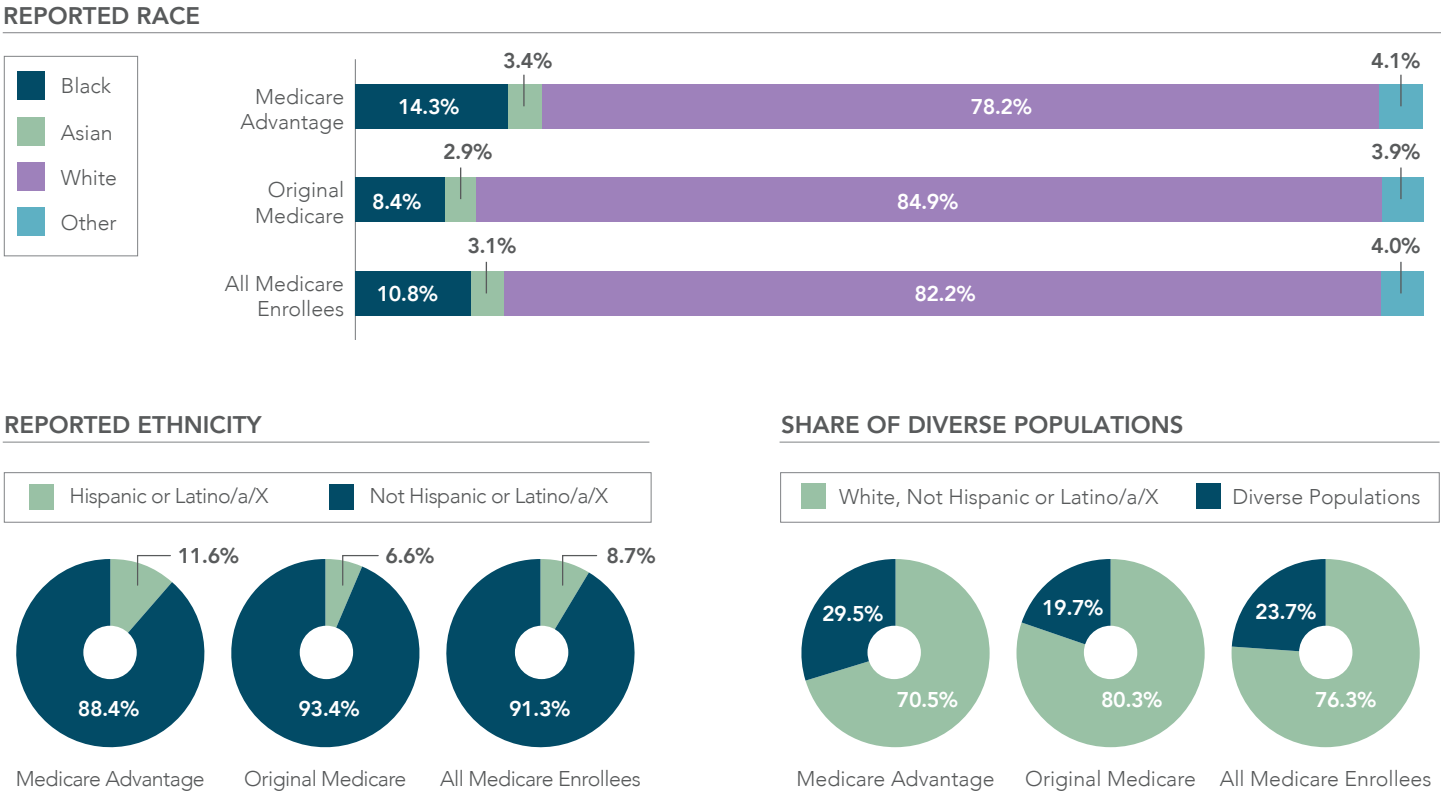
Figure 1: Income Range¹ of Medicare Enrollees by Coverage Type, 2020



Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).
Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting income. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Enrollment among diverse populations was higher in Medicare Advantage compared with original Medicare. Nationwide, 29% of Medicare Advantage enrollees came from diverse populations compared with 20% for original Medicare. Medicare Advantage had a higher proportion of Hispanic or Latino/a/X enrollees (12% compared to 7% for original Medicare) and Black enrollees (14% compared to 8% for original Medicare) [Figure 2].

Figure 2: Race and Ethnicity of Medicare Enrollees, by Coverage Type, 2020



Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).
 Notes: Calculations based on responses by non-institutionalized Medicare enrollees reporting race and ethnicity. 'Hispanic or Latino/a/X' includes those indicating they are of Hispanic or Latino origin. Responses of "do not know" or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Age, Gender – Medicare Advantage Compared with Original Medicare

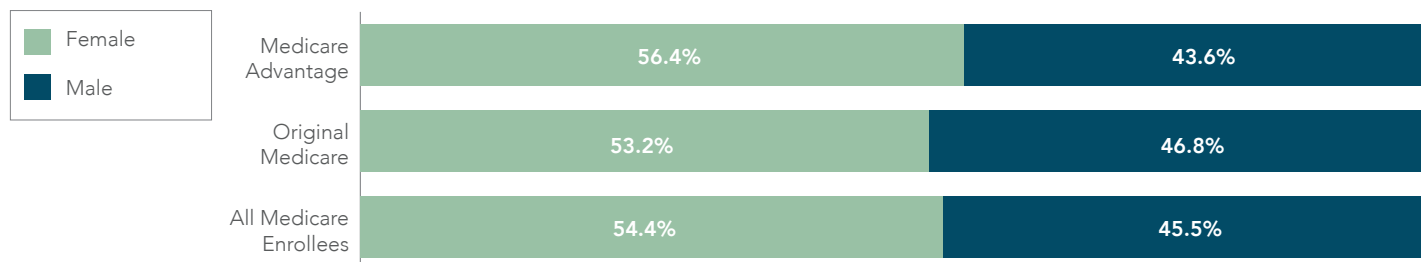
While women constituted the majority of enrollees for both Medicare Advantage and original Medicare, their share was higher in Medicare Advantage (56%) than in original Medicare (53%) [Figure 3].

There were differences in age distribution among Medicare Advantage enrollees and those enrolled in original Medicare. Medicare Advantage plans had a somewhat higher percentage (38%) of enrollees age 75 years and older compared with original Medicare (35%). The proportion of enrollees younger than 65 years was similar in both Medicare Advantage and original Medicare, at 13% for both of them (Figure 3). Medicare enrollees younger than 65 years receive original Medicare due to their disability and subsequent receipt of Social Security Disability Insurance for more than 24 months or due to the diagnosis of End-Stage Renal Disease.

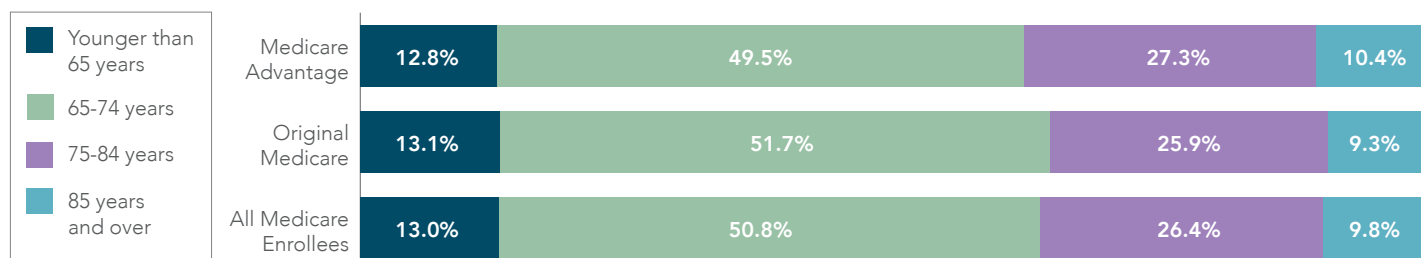


Figure 3: Age and Gender of Medicare Enrollees, by Coverage Type, 2020

GENDER



AGE GROUP



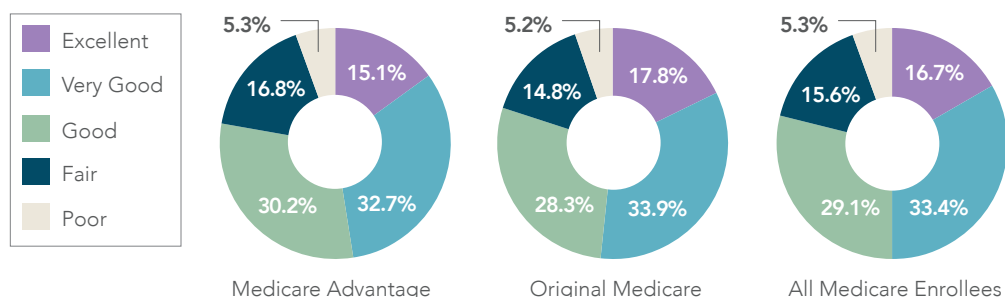
Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting age and gender. Responses of "do not know" or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Self-Reported Health

Medicare Advantage serves, on average, enrollees reporting a poorer health status compared to original Medicare: 48% of Medicare Advantage enrollees self-reported their health as "excellent" or "very good" compared to 52% for original Medicare enrollees (Figure 4). Similarly, 22% of Medicare Advantage enrollees reported their general overall health as "fair", or "poor", while for original Medicare enrollees the share was 20%.

Figure 4: Self-Reported General Health (Compared to Others Same Age) of Medicare Enrollees, by Coverage Type, 2020



Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting health status. Responses of "do not know" or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Dually Eligible Medicare Enrollees

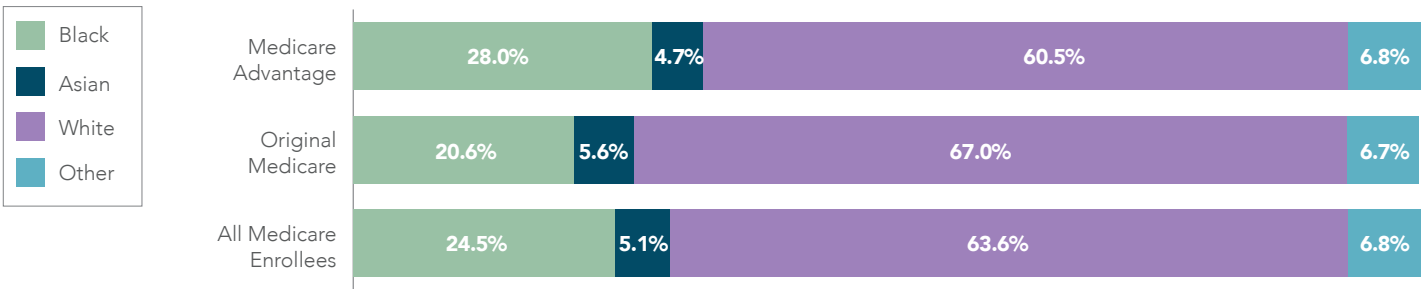
The MCBS survey data estimate that the majority of non-institutionalized dually eligible Medicare enrollees (53%) were enrolled in Medicare Advantage in 2020.²

Comparisons of dually eligible Medicare enrollees showed that more enrollees from diverse populations were enrolled in Medicare Advantage (58%). In comparison, the share of diverse populations among dually eligible original Medicare enrollees was 44%. Further, 28% of dually eligible Medicare Advantage enrollees were Black and 26% were of Hispanic or Latino/a/X origin (Figure 5).

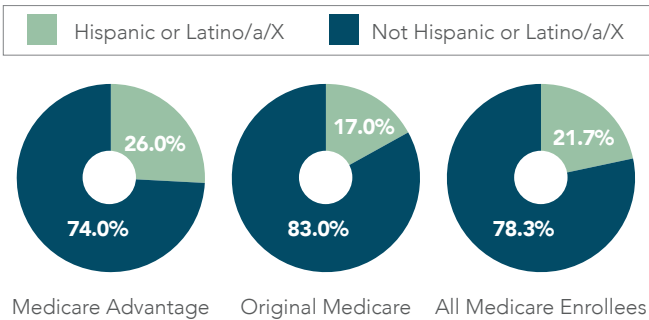


Figure 5: Race and Ethnicity of Dually Eligible Medicare Enrollees by Coverage Type, 2020

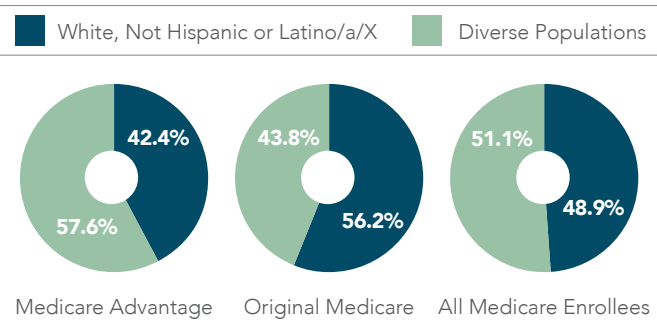
REPORTED RACE



REPORTED ETHNICITY



SHARE OF DIVERSE POPULATIONS



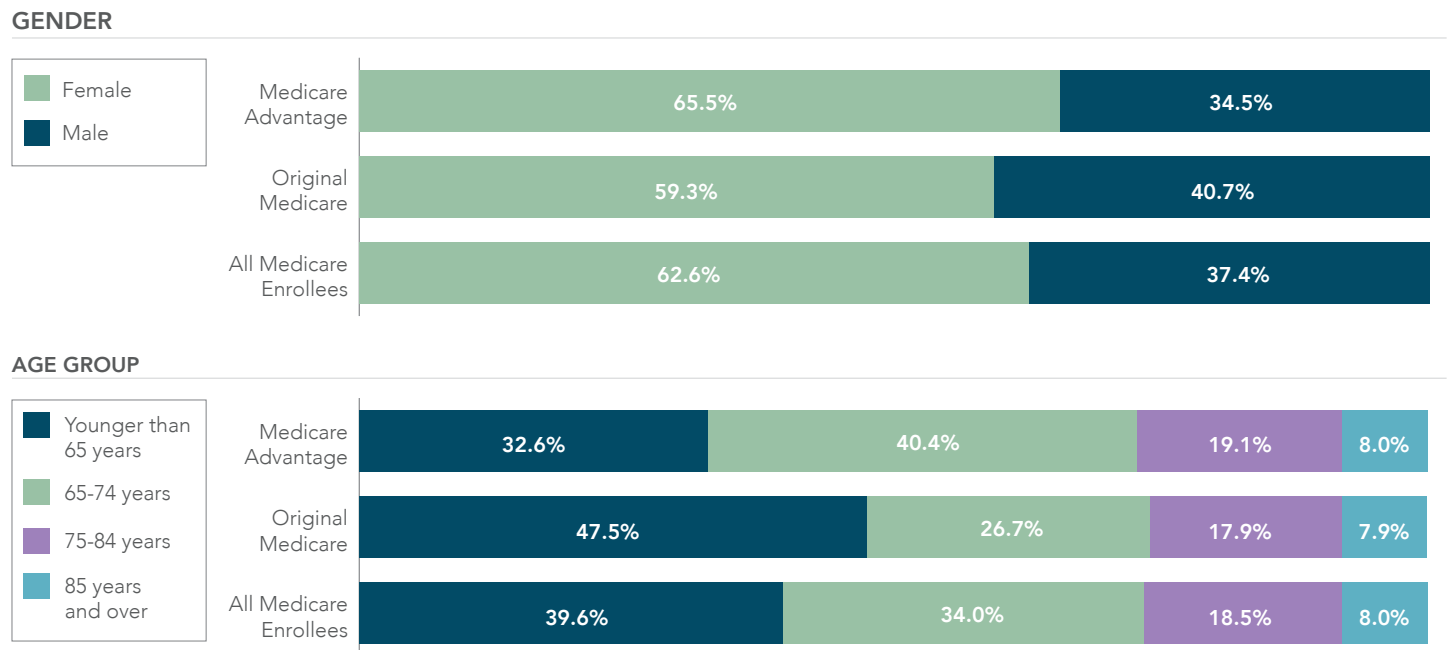
Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).
Notes: Calculations based on responses by non-institutionalized Medicare enrollees entitled to full or partial Medicaid benefits reporting race and ethnicity. Responses of “do not know” or refusals to answer have been excluded from calculations. ‘Hispanic or Latino/a/X’ includes those indicating they are of Hispanic or Latino origin. The percentages in this figure may not sum to 100 percent due to rounding.

Age and Gender Distribution - Medicare Advantage Duals Compared with Original Medicare Duals

While the proportions of dually eligible enrollees over 85, and 75 to 84 years of age were similar across Medicare Advantage and original Medicare, differences were observed in other age categories. Medicare Advantage had more enrollees in the 65 to 74 age groups (40% versus 27% for original Medicare) (Figure 6). Original Medicare had a higher proportion of enrollees younger than 65 years (48% versus 33% for Medicare Advantage).

With respect to gender, Medicare Advantage and original Medicare both had a higher percentage of women among their dually eligible enrollees at 66% and 59%, respectively (Figure 6).

Figure 6: Age and Gender of Dually Eligible Medicare Enrollees, by Coverage Type, 2020



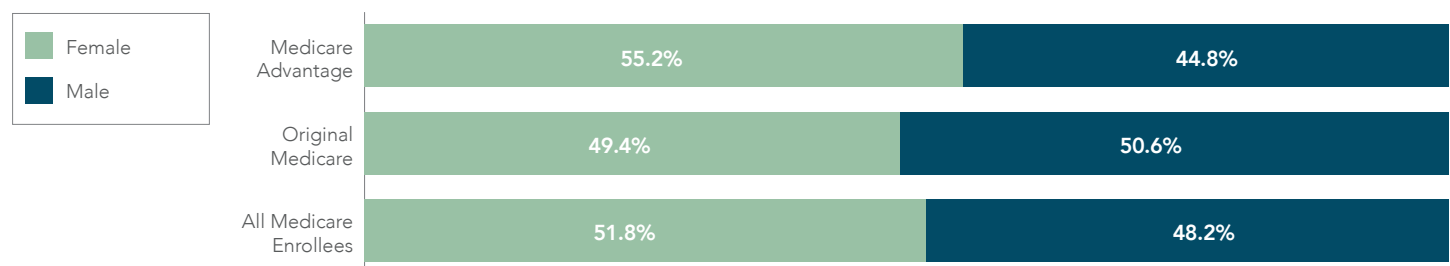
Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).

Note: Calculations based on the CMS administrative data for non-institutionalized Medicare enrollees. The percentages in this figure may not sum to 100 percent due to rounding.

People with Disabilities Who Are Younger Than 65 Years

Medicare Advantage enrollees younger than 65 years of age with disabilities were predominantly women, at 55%, while for original Medicare the majority of disabled enrollees under 65 were men, at 51% (Figure 7).

Figure 7: Gender of Medicare Enrollees with Disabilities Younger Than 65 Years, by Coverage Type, 2020

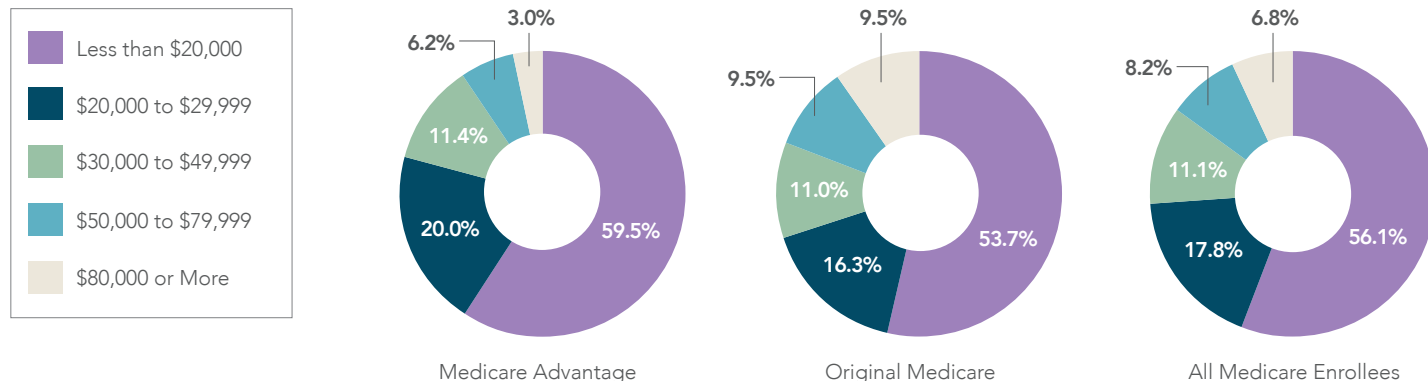


Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).

Note: The percentages in this figure may not sum to 100 percent due to rounding.

19% of original Medicare enrollees with disabilities who were younger than 65 years had incomes of \$50,000 or more, while for Medicare Advantage this proportion was 9% (Figure 8).

Figure 8: Income¹ Range of Medicare Enrollees with Disabilities Younger Than 65 Years, by Coverage Type, 2020



Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting income. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Appendix A: Methodology

Data for this study came from the 2020 Medicare Current Beneficiary Survey (MCBS) Access to Care files, maintained by the Centers for Medicare & Medicaid Services (CMS). We used SAS Enterprise Guide[®] 7.1³ software to analyze the data.

Our analysis of the MCBS survey data includes data on non-institutionalized enrollees in the 50 states, the District of Columbia, and Puerto Rico eligible for Medicare as of January 1, 2020. June 2020 was the point in time for which enrollee records were selected for inclusion.

The current MCBS data format does not allow for the separation of Medicare Advantage enrollees from enrollees in other Medicare capitated plans (i.e., Cost plans, Medicare-Medicaid plans, and Program for the All-Inclusive Care of the Elderly or PACE plans). Thus, Medicare Advantage enrollees may include enrollees in non-Medicare Advantage capitated plans. CMS enrollment [data](#) show that in June 2020, 97% of capitated plan enrollment was in Medicare Advantage plans.

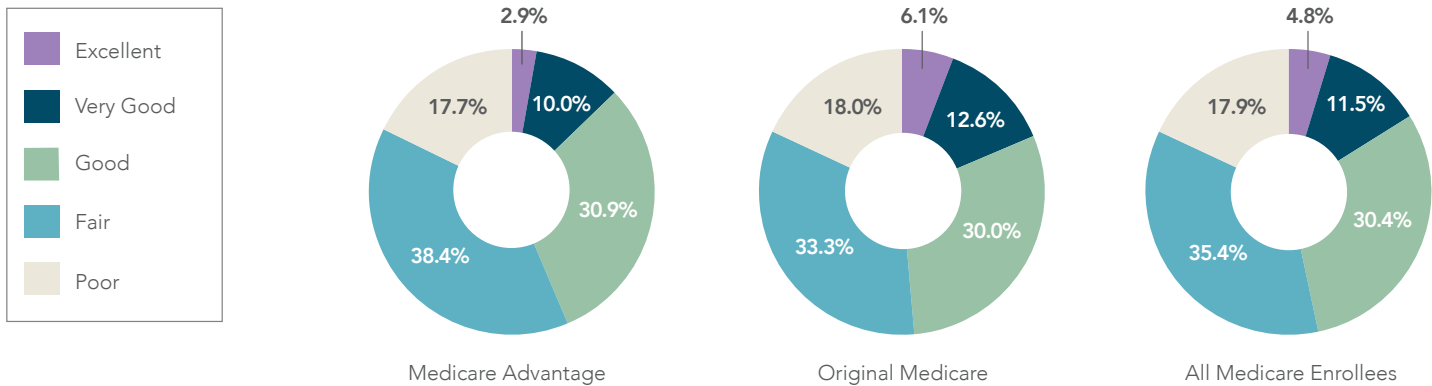
The original 6 race categories of enrollees provided in the MCBS dataset were re-grouped into 4 categories. The “Other” category for race distributions combines includes individuals who identified themselves as being Native Hawaiian or Pacific Islander, American Indian or Alaska Native, other race, or more than one race.

As a general rule, all records in the MCBS dataset containing data values such as “unknown” or “refused” were dropped from the analyses.



Appendix B: Additional Figure

Figure B-1: Self-Reported General Health (Compared to Others Same Age) of Medicare Enrollees with Disabilities Younger Than 65 Years, by Coverage Type, 2020



Source: Medicare Current Beneficiary Survey Access to Care files, 2020 (CMS).
Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting health status. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Figure B-1 shows the self-reported level of general health of Medicare Advantage enrollees and original Medicare enrollees with disability younger than 65 years. For example, in 2020, 31% of Medicare Advantage enrollees with disability younger than 65 years reported their level of general health as good.

Endnotes

- 1 The income represents a combined income of a beneficiary and a spouse.
- 2 Includes enrollees with either full or partial Medicaid benefits.
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