

# Medicare Advantage Demographics

REPORT



## Key Takeaways

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- As of 2021, approximately 59% of Hispanic or Latino/a individuals and 57% of Black individuals eligible for Medicare choose Medicare Advantage plans. Overall, 54% of Medicare beneficiaries who belong to diverse populations choose Medicare Advantage.
- Fifty-seven percent of enrollees with Medicare Advantage are female.
- Medicare Advantage plans have a higher percentage of enrollees aged 75 years and older: 39% compared to 36% with original Medicare.
- About 38% of Medicare Advantage members have annual incomes<sup>1</sup> of less than \$25,000 and 20% have annual incomes of \$80,000 or more. By comparison, 23% of original Medicare enrollees have incomes of less than \$25,000 and 35% have incomes of \$80,000 or more.
- Medicare Advantage serves, on average, enrollees reporting a poorer health status compared to original Medicare: 47% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 53% for original Medicare enrollees.
- The majority of dually eligible Medicare enrollees (60%) are enrolled in Medicare Advantage.

## Summary

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More Americans than ever are choosing Medicare Advantage for their health coverage. Medicare Advantage is an option within Medicare that provides at least the same benefits as original Medicare, and often offers additional services and coverage like prescription drugs, vision, hearing, dental, and wellness care. In 2021, more than 27 million Americans chose Medicare Advantage because of its better services, better access to care, and better value, which constituted a 3 million increase in enrollment compared to 2020.

Medicare Advantage offers affordable, high-quality coverage to seniors and people with disabilities or End Stage Renal Disease. 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 Medicare enrollees and diverse populations in 2021—the most recent year available currently.

### Race and Ethnicity

According to CMS enrollment [data](#), 44% of all Medicare-eligible Americans were enrolled in Medicare Advantage plans in 2021. MCBS survey estimates revealed that **59% of Hispanic or Latino/a Medicare enrollees, 57% of Black Medicare enrollees, and 43% of Asian Medicare enrollees were Medicare Advantage plan members.**

#### **Medicare Advantage had a higher overall share of diverse populations (29%) compared to original Medicare (19%).**

- Medicare Advantage had a higher share of Hispanic enrollees: 12% of Medicare Advantage enrollees were Hispanic or Latino/a compared to only 6% 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.
- Overall, 54% of Medicare enrollees from diverse populations were enrolled in Medicare Advantage.

### Income

#### **Medicare Advantage plans represent a larger share of low-income enrollees and a smaller share of higher-income enrollees.**

In fact, 38% of enrollees with Medicare Advantage coverage had annual incomes of less than \$25,000. Approximately 20% of Medicare Advantage enrollees had annual incomes of \$80,000 or more. By comparison, 23% of original Medicare enrollees had incomes of less than \$25,000 and approximately 35% had incomes of \$80,000 or more in 2021.

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: 39% compared to 36% for original Medicare.

Gender

**In terms of gender, 57% 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:** 47% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 53% for original Medicare enrollees.



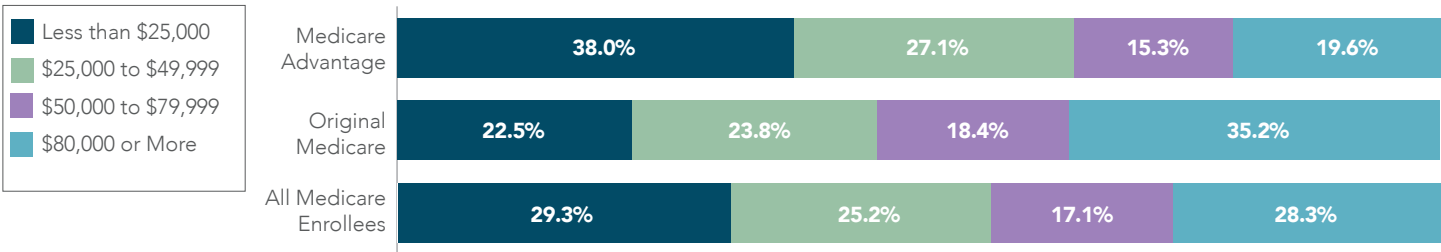
Comparison of Medicare Advantage and Original Medicare

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

In 2021, nationwide, [44%](#) of all Medicare enrollees chose Medicare Advantage plans. The 2021 MCBS survey estimates that 38% of Medicare Advantage enrollees had incomes of less than \$25,000 compared to 23% of original Medicare enrollees. Additionally, only 20% of Medicare Advantage enrollees had incomes of \$80,000 or more, compared with 35% 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 2021 almost half of Medicare Advantage enrollees (47%) – or about 13 million people – had incomes of less than 200% of FPL, while the same was true only for 29% of original Medicare enrollees (data not shown).

Figure 1: Income Range<sup>1</sup> of Medicare Enrollees by Coverage Type, 2021



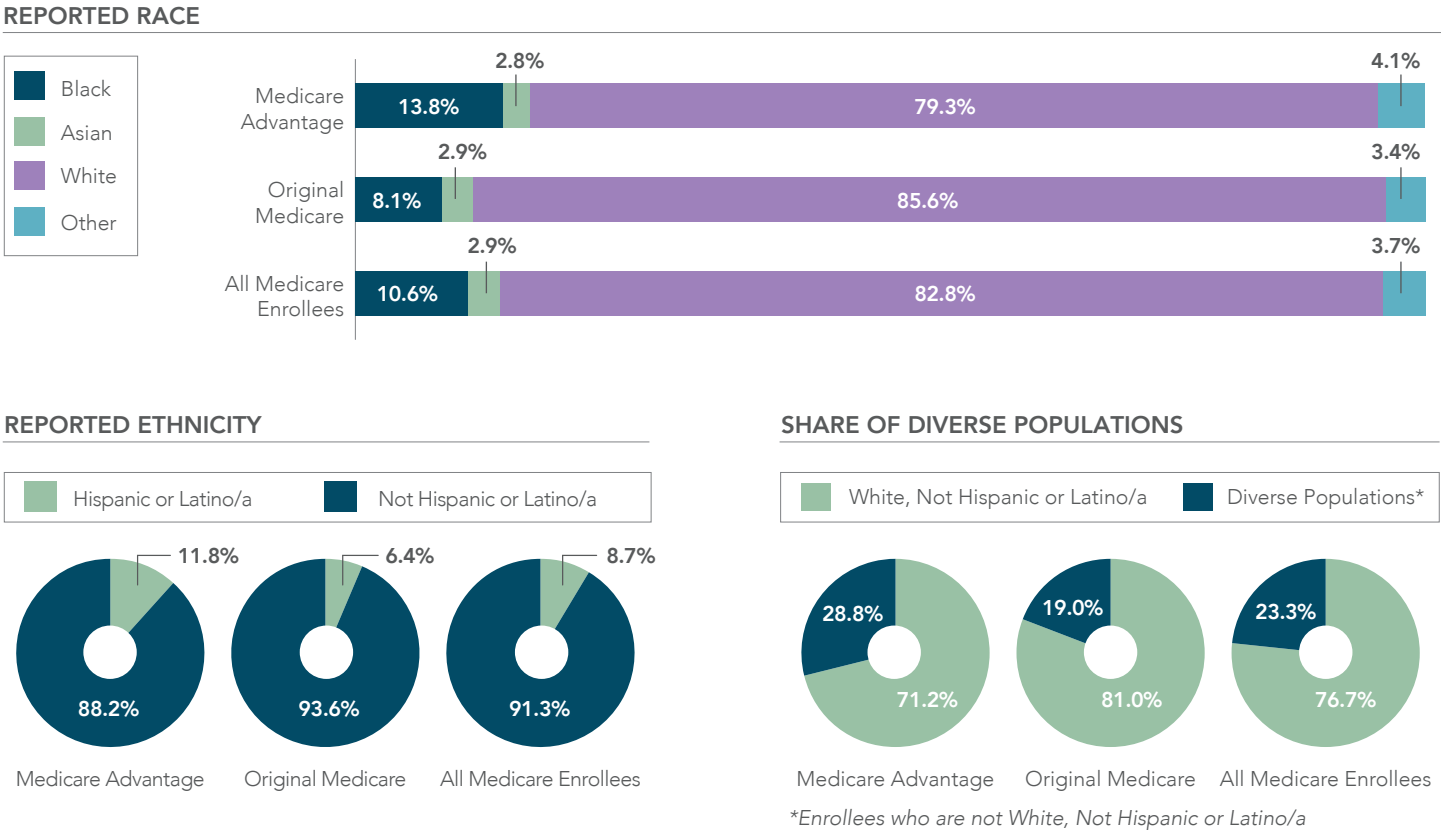
Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).  
Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting income. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.



Enrollment among diverse populations (Medicare enrollees who self-identified as any category other than Non-Hispanic White) was higher in Medicare Advantage compared with original Medicare. Nationwide, 29% of Medicare Advantage enrollees came from diverse populations compared with 19% for original Medicare. Medicare Advantage had a higher proportion of Hispanic or Latino/a enrollees (12% compared to 6% for original Medicare) and Black enrollees (14% compared to 8% for original Medicare) [Figure 2].

Overall, 54% of Medicare enrollees from diverse populations were enrolled in Medicare Advantage (data not shown).

Figure 2: Race and Ethnicity of Medicare Enrollees, by Coverage Type, 2021



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).  
Notes: Calculations based on responses by non-institutionalized Medicare enrollees reporting race and ethnicity. 'Hispanic or Latino/a' 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 and Geographic Distribution – Medicare Advantage Compared with Original Medicare

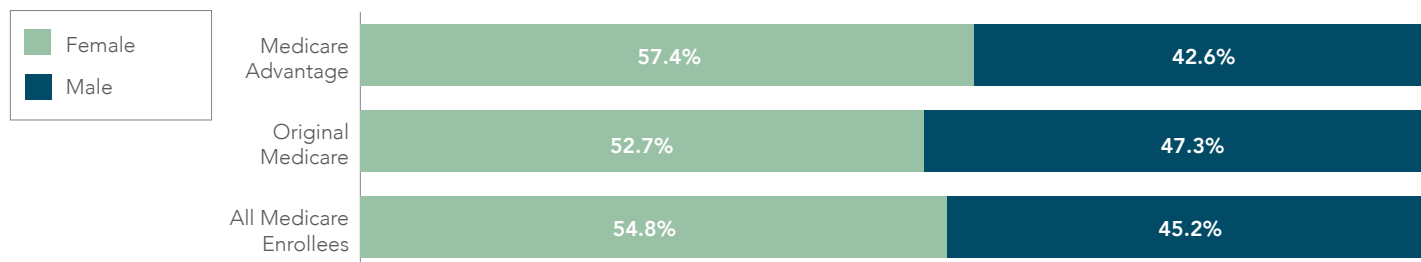
While women constituted the majority of enrollees for both Medicare Advantage and original Medicare, their share was higher in Medicare Advantage (57%) than in original Medicare (53%) [Figure 3].

There were differences in age distribution among Medicare Advantage enrollees and those enrolled in original Medicare. Medicare Advantage plans had a somewhat higher percentage (39%) of enrollees age 75 years and older compared with 36% for original Medicare. The proportion of enrollees younger than 65 years was also slightly higher in Medicare Advantage (13%) than in original Medicare (less than 12%) (Figure 3). Medicare enrollees younger than 65 years are eligible for Medicare due to their disability and subsequent receipt of Social Security Disability Insurance for more than 24 months or due to a diagnosis of End-Stage Renal Disease or Amyotrophic Lateral Sclerosis.

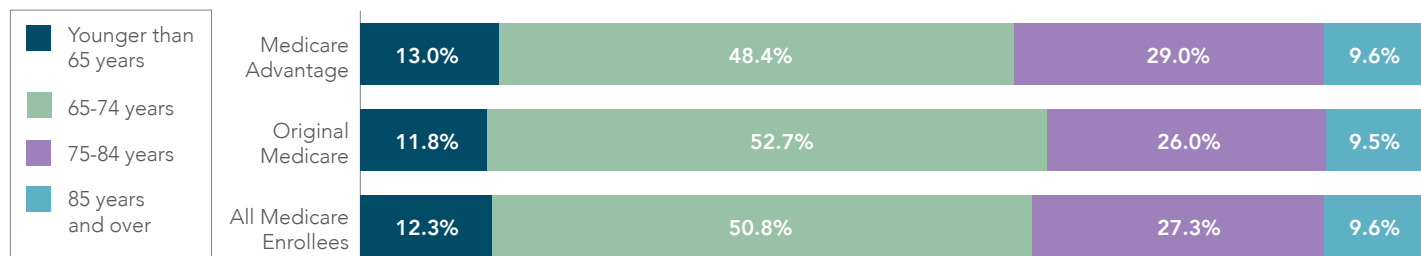


**Figure 3: Age and Gender of Medicare Enrollees, by Coverage Type, 2021**

## GENDER



## AGE GROUP



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).

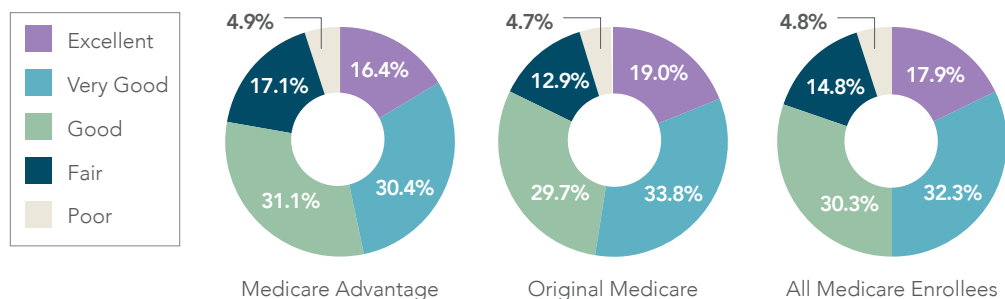
Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting age and gender. Responses of "do not know" or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Medicare Advantage serves enrollees across geographies: while the majority of Medicare Advantage enrollees lived in 2021 in urban areas (85%), 15% of the Medicare Advantage enrollees (or 4 million individuals based on the CMS enrollment data from June 2021) lived in rural settings. (Appendix B, Figure B-2).

## Self-Reported Health

Medicare Advantage serves enrollees reporting a poorer health status, on average, compared to original Medicare: 47% of Medicare Advantage enrollees self-reported their health as "excellent" or "very good" compared to 53% 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 17%.

**Figure 4: Self-Reported General Health (Compared to Others Same Age) of Medicare Enrollees, by Coverage Type, 2021**



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (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

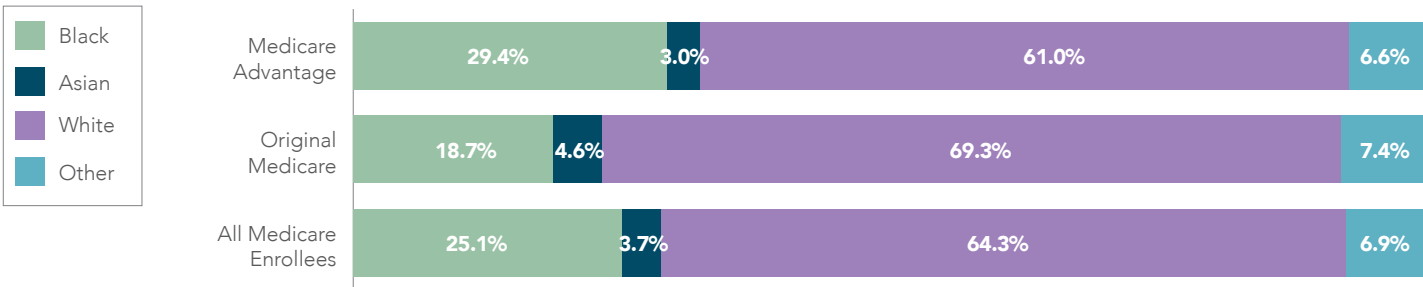
The MCBS survey data estimate that the majority of non-institutionalized dually eligible Medicare enrollees (60%) were enrolled in Medicare Advantage in 2021.<sup>2</sup>

Comparisons of dually eligible Medicare enrollees showed that more enrollees from diverse populations were enrolled in Medicare Advantage: 57% of dually eligible Medicare Advantage enrollees are from diverse populations, compared with 44% of dually eligible original Medicare enrollees. Further, 29% of dually eligible Medicare Advantage enrollees were Black and 25% were of Hispanic or Latino/a origin (Figure 5).

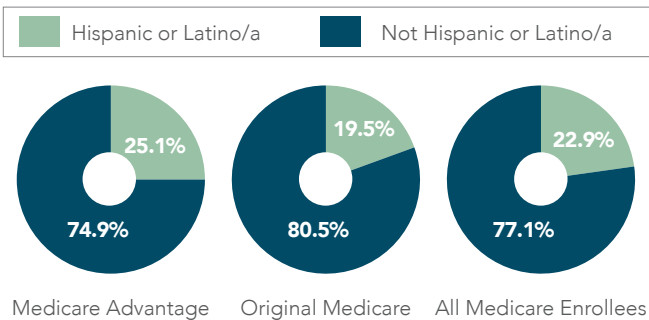


Figure 5: Race and Ethnicity of Dually Eligible Medicare Enrollees by Coverage Type, 2021

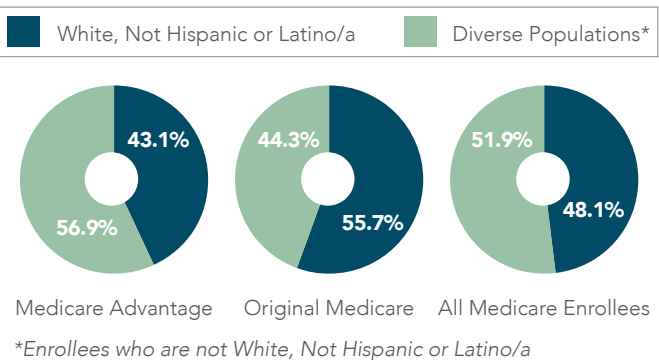
### REPORTED RACE



### REPORTED ETHNICITY



### SHARE OF DIVERSE POPULATIONS



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (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’ includes those indicating they are of Hispanic or Latino origin. The percentages in this figure may not sum to 100 percent due to rounding.

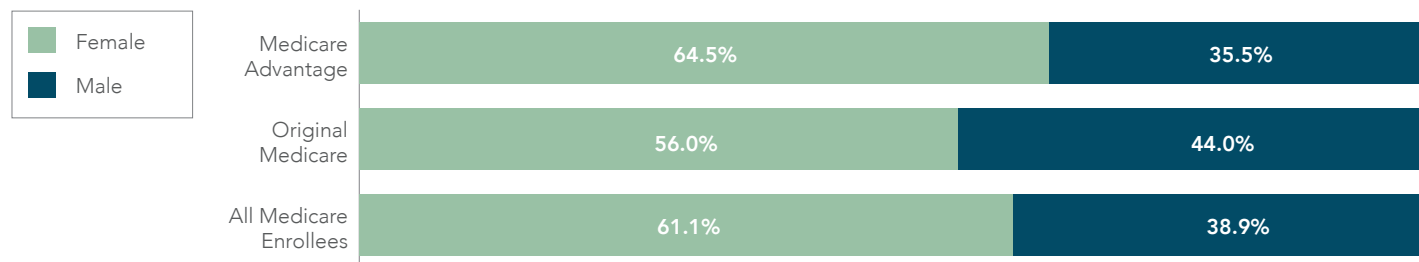
## Age and Gender Distribution – Medicare Advantage Duals Compared with Original Medicare Duals

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 dually eligible enrollees in the 65 to 74 age groups (43% versus 28% for original Medicare) (Figure 6). Original Medicare had a higher proportion of dually eligible enrollees younger than 65 years (47% versus 31% for Medicare Advantage).

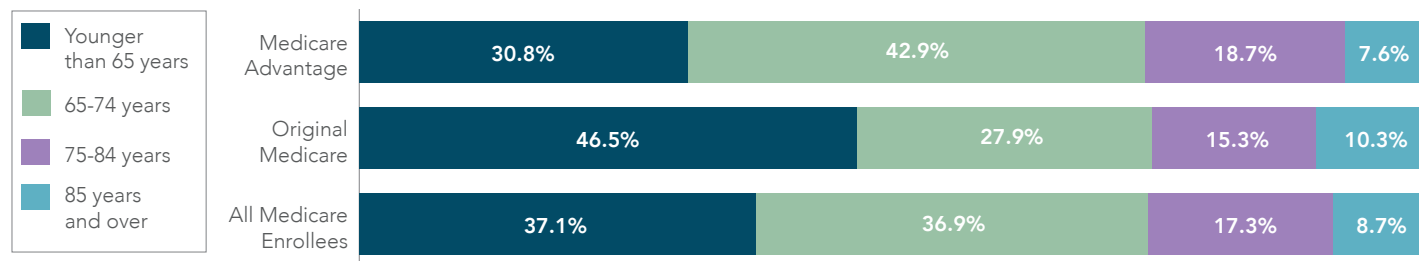
With respect to gender, Medicare Advantage and original Medicare both had a higher percentage of women among their dually eligible enrollees at 65% and 56%, respectively (Figure 6).

**Figure 6: Age and Gender of Dually Eligible Medicare Enrollees, by Coverage Type, 2021**

### GENDER



### AGE GROUP



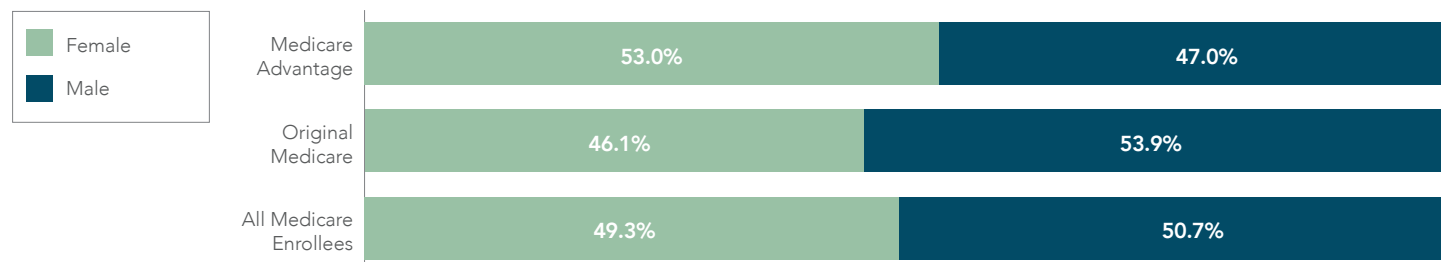
Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).

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.

## Medicare Advantage Enrollees Younger Than 65 Years

Medicare Advantage enrollees younger than 65 years of age are people who qualify for Medicare because they received Social Security Disability Insurance (SSDI) checks for at least 24 months and/or people who are diagnosed with End-Stage Renal Disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS). The Medicare Advantage enrollees younger than 65 years were predominantly women, at 53%, while for original Medicare the majority of enrollees under 65 were men, at 54% (Figure 7).

**Figure 7: Gender of Medicare Enrollees Younger Than 65 Years, by Coverage Type, 2021**

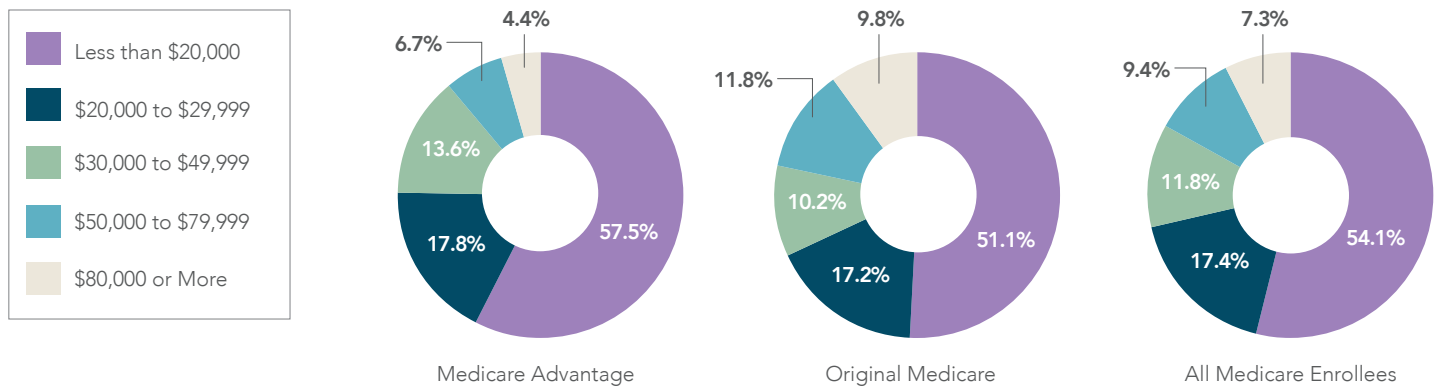


Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).

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

22% of original Medicare enrollees who were younger than 65 years had incomes of \$50,000 or more, while for Medicare Advantage this proportion was 11% (Figure 8).

**Figure 8: Income Range<sup>1</sup> of Medicare Enrollees Younger Than 65 Years, by Coverage Type, 2021**



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (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 2021 Medicare Current Beneficiary Survey (MCBS) Access to Care files, maintained by the Centers for Medicare & Medicaid Services (CMS). We used SAS Enterprise Guide® 7.1<sup>3</sup> 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, 2021. June 2021 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 2021, 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 includes individuals who identified themselves as being Native Hawaiian or Pacific Islander, American Indian or Alaska Native, other race, or more than one race.

The original 3 urban/rural categories of enrollees provided in the MCBS dataset were re-grouped into 2 categories. The “Urban” category in our report includes individuals living in Metropolitan Statistical Areas (MSA), which are defined by the Office of Management and Budget as urban clusters with the population of 50,000 or more, while the “rural” category area all of the enrollees living outside of MSAs.

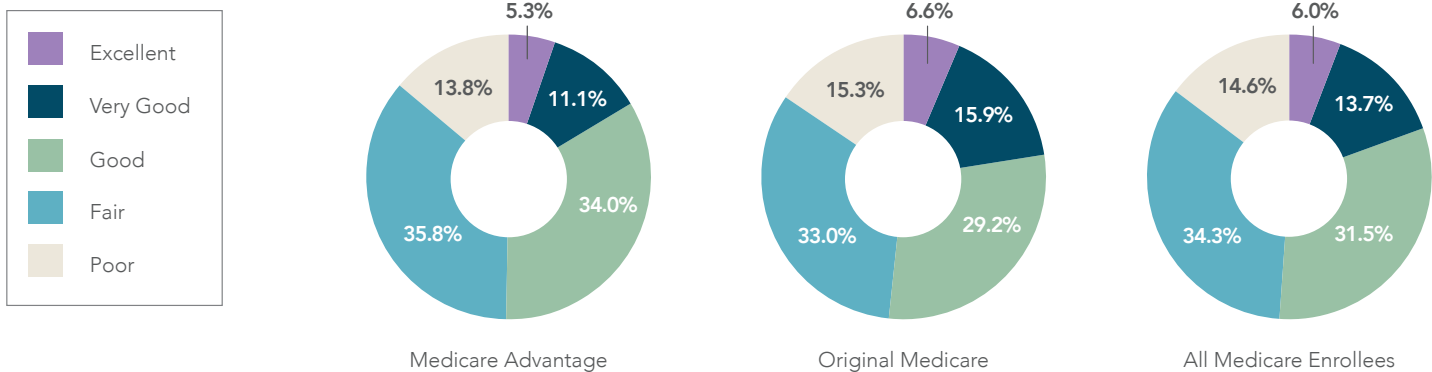
As a general rule, all records in the MCBS dataset containing data values such as “unknown” or “refused” were dropped from the analyses.





# Appendix B: Additional Figures

**Figure B-1: Self-Reported General Health (Compared to Others Same Age) of Medicare Enrollees Younger Than 65 Years, by Coverage Type, 2021**



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (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 younger than 65 years. For example, in 2021, 34% of Medicare Advantage enrollees younger than 65 years reported their level of general health as good.

**Figure B-2: Geographic Location of Medicare Enrollees, by Coverage Type, 2021**



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).  
Note: Calculations based on the residence address of non-institutionalized Medicare enrollees. The percentages in this table may not sum to 100 percent due to rounding.

Figure B-2 shows the geographic distribution of Medicare Advantage enrollees and original Medicare enrollees. For example, in 2021, 15% of Medicare Advantage lived in rural areas.

Figure B-3: Geographic Location of Dually Eligible Medicare Enrollees, by Coverage Type, 2021



Source: Medicare Current Beneficiary Survey Access to Care files, 2021 (CMS).  
Note: Calculations based on the residence address of non-institutionalized Medicare beneficiaries. The percentages in this table may not sum to 100 percent due to rounding.

Figure B-3 shows the distribution of dually eligible Medicare Advantage enrollees and dually eligible original Medicare enrollees by geographic location. For example, in 2021, 17% of dually eligible Medicare Advantage enrollees lived in rural areas.

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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