

A photograph of an elderly Asian couple smiling warmly. The woman is on the left, wearing a light blue collared shirt, and the man is on the right, wearing a red and white checkered button-down shirt. They are outdoors with a blurred green background.

Medicare Advantage Demographics Report, 2013

JANUARY 2016

KEY TAKEAWAYS

31%
enrolled in **MA**

Nationwide, 31 percent of all Medicare beneficiaries were enrolled in Medicare Advantage plans in 2013, including 45 percent of Hispanic and 33 percent of African-American Medicare beneficiaries.

 **41%**
age 75 years +

Medicare Advantage plans had a higher percentage of beneficiaries age 75 years and older: 41 percent compared to 36 percent for Medicare FFS.

 **55%**
were women

Fifty-five percent of Medicare beneficiaries with Medicare Advantage coverage in 2013 were women.

 income below
\$20,000

Thirty-seven percent of Medicare beneficiaries with Medicare Advantage coverage had incomes of less than \$20,000 and 20 percent had incomes of \$50,000 or more. By comparison, 33 percent of Medicare FFS beneficiaries had incomes of less than \$20,000 and 29 percent had incomes of \$50,000 or more.

Summary

New data from the Medicare Current Beneficiary Survey (MCBS) showed that Medicare Advantage plans, Medicare's private comprehensive health plans, continued to be a vital source of coverage for low-income beneficiaries and diverse populations in 2013. Here are some key findings:

Populations Served

MCBS survey estimates revealed that nationwide 31 percent of all Medicare beneficiaries were enrolled in Medicare Advantage plans. Of Hispanic Medicare beneficiaries, 45 percent were enrolled in Medicare Advantage plans. Of African-American Medicare beneficiaries, 33 percent were Medicare Advantage plan members.

Medicare Advantage had a higher overall share of diverse populations (29 percent) compared to Medicare Fee-For-Service (FFS) (23 percent).

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- Medicare Advantage also had a higher share of Hispanic beneficiaries: 14 percent of Medicare Advantage enrollees were Hispanic compared to only 8 percent of Medicare FFS beneficiaries.
- The proportion of African American enrollees in Medicare Advantage and Medicare FFS was similar: 11 percent and 10 percent, respectively.

Income

Thirty-seven percent of Medicare beneficiaries with Medicare Advantage coverage had incomes of less than \$20,000. Approximately 20 percent of MA beneficiaries had incomes of \$50,000 or more. By comparison, 33 percent of Medicare FFS beneficiaries had incomes of less than \$20,000 and approximately 29 percent had incomes of \$50,000 or more.

Age

Medicare Advantage plans had a higher percentage of beneficiaries age 75 years and older: 41 percent compared to 36 percent for Medicare FFS.

Gender

Fifty-five percent of Medicare beneficiaries with Medicare Advantage coverage were women. By comparison, women accounted for 53 percent of Medicare FFS beneficiaries.

As with prior reports in this series, the statistics in this report were calculated from the MCBS Access to Care files. We analyzed a subset of records for non-institutionalized (aged and disabled) beneficiaries eligible for Medicare starting Jan. 1, 2013. All of the statistics include data on Medicare beneficiaries in the 50 states, the District of Columbia, and Puerto Rico. The Medicare Advantage and Medicaid categories selected and used were current as of June 2013.

Comparison of Medicare Advantage and Fee-For-Service Medicare

Nationwide, 31 percent of all non-institutionalized Medicare beneficiaries chose Medicare Advantage plans in 2013. Thirty-seven percent of Medicare beneficiaries with Medicare Advantage coverage had incomes of less than \$20,000 compared to 33 percent of Medicare FFS beneficiaries. Medicare Advantage had a higher share of individuals with incomes of less than \$30,000: 59 percent versus 49

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percent for Medicare FFS. Additionally, only 20 percent of Medicare Advantage enrollees had incomes of \$50,000 or more, compared with 29 percent of Medicare FFS beneficiaries (Table 1).

Table 1: Income Range of Medicare Beneficiaries by Coverage Type, 2013

Income Range	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Less than \$10,000	10.2%	11.3%	11.0%
\$10,000 to \$19,999	27.0%	21.2%	23.0%
\$20,000 to \$29,999	21.3%	16.0%	17.7%
\$30,000 to \$39,999	13.5%	12.1%	12.6%
\$40,000 to \$49,999	8.6%	10.0%	9.5%
\$50,000 or More	19.5%	29.4%	26.3%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

Enrollment among diverse populations was higher in Medicare Advantage compared with Medicare FFS. Nationwide, 29 percent of Medicare Advantage enrollees came from diverse populations compared with 23 percent for Medicare FFS. While the proportion of Asians enrolled in Medicare Advantage plans and Medicare FFS were similar, Medicare Advantage had a higher proportion of Hispanic beneficiaries: 14 percent compared to 8 percent for Medicare FFS (Table 2).

Age and Gender Distribution – Medicare Advantage Compared with Medicare FFS

The gender distribution of Medicare beneficiaries in Medicare Advantage and Medicare FFS was similar, with women making up the majority for both coverage types: 55 percent for Medicare Advantage and 53 percent for Medicare FFS (Table 3). There were differences in age distribution among beneficiaries enrolled in Medicare Advantage and Medicare FFS. Medicare Advantage plans had a higher percentage (41 percent) of beneficiaries age 75 years and older compared with 36 percent for Medicare FFS. The proportion of beneficiaries younger than 65 years was higher in Medicare FFS, 18 percent versus 15 percent for Medicare Advantage (Table 3). Please note that Medicare beneficiaries younger than 65 years receive 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.

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Table 2: Race and Ethnicity of Medicare Beneficiaries, by Coverage Type, 2013

Race/Ethnicity	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Reported Race			
African American	10.7%	10.0%	10.2%
Asian	2.5%	2.4%	2.4%
White	80.9%	82.5%	82.0%
Other	5.9%	5.2%	5.4%
Reported Ethnicity			
Hispanic or Latino origin	13.9%	7.7%	9.7%
Not Hispanic or Latino origin	86.1%	92.3%	90.3%
Share of Diverse Populations			
White, Not Hispanic or Latino	70.7%	76.9%	75.0%
Diverse Populations	29.3%	23.1%	25.0%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

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Table 3: Age and Gender of Medicare Beneficiaries By Coverage Type, 2013

Category	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Gender			
Female	54.8%	52.5%	53.2%
Male	45.2%	47.5%	46.8%
Age Group			
Younger than 65 years	14.5%	17.8%	16.8%
65-74 years	45.1%	46.2%	45.9%
75-84 years	29.3%	25.3%	26.5%
85 years and over	11.2%	10.7%	10.9%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

Dually Eligible Medicare Beneficiaries

Nationwide, 29 percent of all dually eligible Medicare beneficiaries were enrolled in Medicare Advantage plans.

Comparisons of dually eligible Medicare beneficiaries showed that more enrollees from diverse populations were enrolling in Medicare Advantage (55 percent). In comparison, the share of diverse populations among dually eligible Medicare FFS beneficiaries was 48 percent. Twenty-five percent of Medicare Advantage dually eligible enrollees were African American; 22 percent were of Hispanic origin (Table 4).

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Table 4: Race and Ethnicity of Dually Eligible Medicare Beneficiaries, by Coverage Type, 2013

Race/Ethnicity	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Reported Race			
African American	25.3%	19.7%	21.3%
Asian	4.8%	4.8%	4.8%
White	61.5%	64.0%	63.3%
Other	8.5%	11.6%	10.7%
Reported Ethnicity			
Hispanic or Latino origin	22.3%	17.1%	18.6%
Not Hispanic or Latino origin	77.7%	82.9%	81.4%
Share of Diverse Populations			
White, Not Hispanic or Latino	44.7%	51.7%	49.8%
Diverse Populations	55.3%	48.3%	50.3%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare beneficiaries with Medicaid insurance reporting race and ethnicity. Responses of "do not know" or refusals to answer have been excluded from calculations. The percentages in this table may not sum to 100 percent due to rounding.

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

While the proportion of dually eligible beneficiaries over 85 years of age was similar across Medicare Advantage and Medicare FFS, differences were observed in other age categories. Medicare Advantage had more beneficiaries in the 65 to 84 age group: 54 percent versus 44 percent for Medicare FFS (Table 5). Medicare FFS had a higher proportion of beneficiaries younger than 65 years (47 percent versus 38 percent for Medicare Advantage).

With respect to gender, Medicare Advantage had a slightly higher share of female dually eligible beneficiaries: 64 percent compared to 61 percent for Medicare FFS (Table 5).

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Table 5: Age and Gender of Dually Eligible Medicare Beneficiaries, by Coverage Type, 2013

Category	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Gender			
Female	63.8%	61.2%	62.0%
Male	36.2%	38.8%	38.0%
Age Group			
Younger than 65 years	37.9%	46.9%	44.3%
65-74 years	33.0%	26.2%	28.1%
75-84 years	21.2%	18.0%	18.9%
85 years and over	8.0%	9.0%	8.7%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

Individuals with Disabilities Who Are Younger Than 65 Years

Medicare Advantage enrollees with disabilities younger than 65 years of age were equally split by gender, 50 percent men and 50 percent women, while the majority of beneficiaries with disabilities younger than 65 in Medicare FFS were men, 53 percent (Table 6).

Table 6: Gender of Medicare Beneficiaries with Disabilities Younger Than 65 Years, by Coverage Type, 2013

Gender	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Female	49.7%	47.0%	47.7%
Male	50.3%	53.0%	52.3%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

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Sixteen percent of Medicare FFS beneficiaries with disabilities younger than 65 years had incomes of \$40,000 or more, while for Medicare Advantage this proportion was 10 percent (Table 7).

Table 7: Income Range of Medicare Beneficiaries with Disabilities Younger Than 65 Years, by Coverage Type, 2013

Income Range	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Less than \$10,000	20.0%	25.1%	23.7%
\$10,000 to \$19,999	41.6%	36.4%	37.8%
\$20,000 to \$29,999	19.4%	15.8%	16.8%
\$30,000 to \$39,999	9.1%	7.2%	7.8%
\$40,000 to \$49,999	2.9%	4.5%	4.0%
\$50,000 or More	6.9%	11.0%	9.9%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

Appendix A: Methodology

Data for this study came from the 2013 Medicare Current Beneficiary Survey (MCBS) Access to Care files, maintained by the Centers for Medicare & Medicaid Services (CMS). We used SAS Enterprise Guide® 6.1ⁱ software to analyze the data.

Our analysis includes data on non-institutionalized beneficiaries in the 50 states, the District of Columbia, and Puerto Rico eligible for Medicare as of Jan. 1, 2013. June 2013 was the point in time for which beneficiary records were selected for inclusion.

It is worth noting that interviews for the Access to Care files occur once a year, while the MCBS Cost and Use files are based on responses to interviews that are conducted three times annually. Hence, the MCBS Access to Care files are more likely to be influenced by beneficiaries' gaps in coverage, and would therefore tend to show fewer beneficiaries with supplemental coverage than the MCBS Cost and Use files.

The original six race categories of beneficiaries provided in the MCBS dataset were re-grouped into four categories. The "Other" category for race distributions combines 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.

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Appendix B: Detailed Tables

Table B-1: Geographic Location of Medicare Beneficiaries, by Coverage Type, 2013

Geographic Location	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Rural	14.4%	26.6%	22.8%
Urban	85.6%	73.4%	77.2%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (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.

Table B-1 shows the distribution of Medicare Advantage enrollees and Medicare Fee-For-Service beneficiaries by geographic location. For example, in 2013, 14.4 percent of Medicare Advantage enrollees lived in rural areas.

Table B-2: Geographic Location of Dually Eligible Medicare Beneficiaries, by Coverage Type, 2013

Geographic Location	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Rural	14.5%	27.9%	24.1%
Urban	85.5%	72.1%	75.9%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (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.

Table B-2 shows the distribution of dually-eligible Medicare Advantage enrollees and dually eligible Medicare Fee-For-Service beneficiaries by geographic location. For example, in 2013, 14.5 percent of dually eligible Medicare Advantage enrollees lived in rural areas.

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Table B-3: Reported General Health (Compared to Others Same Age) of Medicare Beneficiaries with Disabilities Younger Than 65 Years, by Coverage Type, 2013

Reported General Health Level	Coverage Type		
	Medicare Advantage	Medicare FFS	All Medicare Beneficiaries
Excellent	1.7%	5.3%	4.3%
Very Good	9.5%	9.0%	9.1%
Good	23.7%	23.4%	23.5%
Fair	42.3%	36.4%	38.1%
Poor	22.9%	25.8%	25.0%

Source: Medicare Current Beneficiary Survey Access to Care files, 2013 (CMS).

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

Table B-3 shows the reported level of general health of Medicare Advantage enrollees and Medicare Fee-For-Service beneficiaries with disability younger than 65 years. For example, in 2013, 5.3 percent of Medicare Advantage Fee-For-Service beneficiaries reported their level of general health as excellent.

Related Topic



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