

Medicare Through the Eyes of Beneficiaries

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Medicare and Medicaid at 50

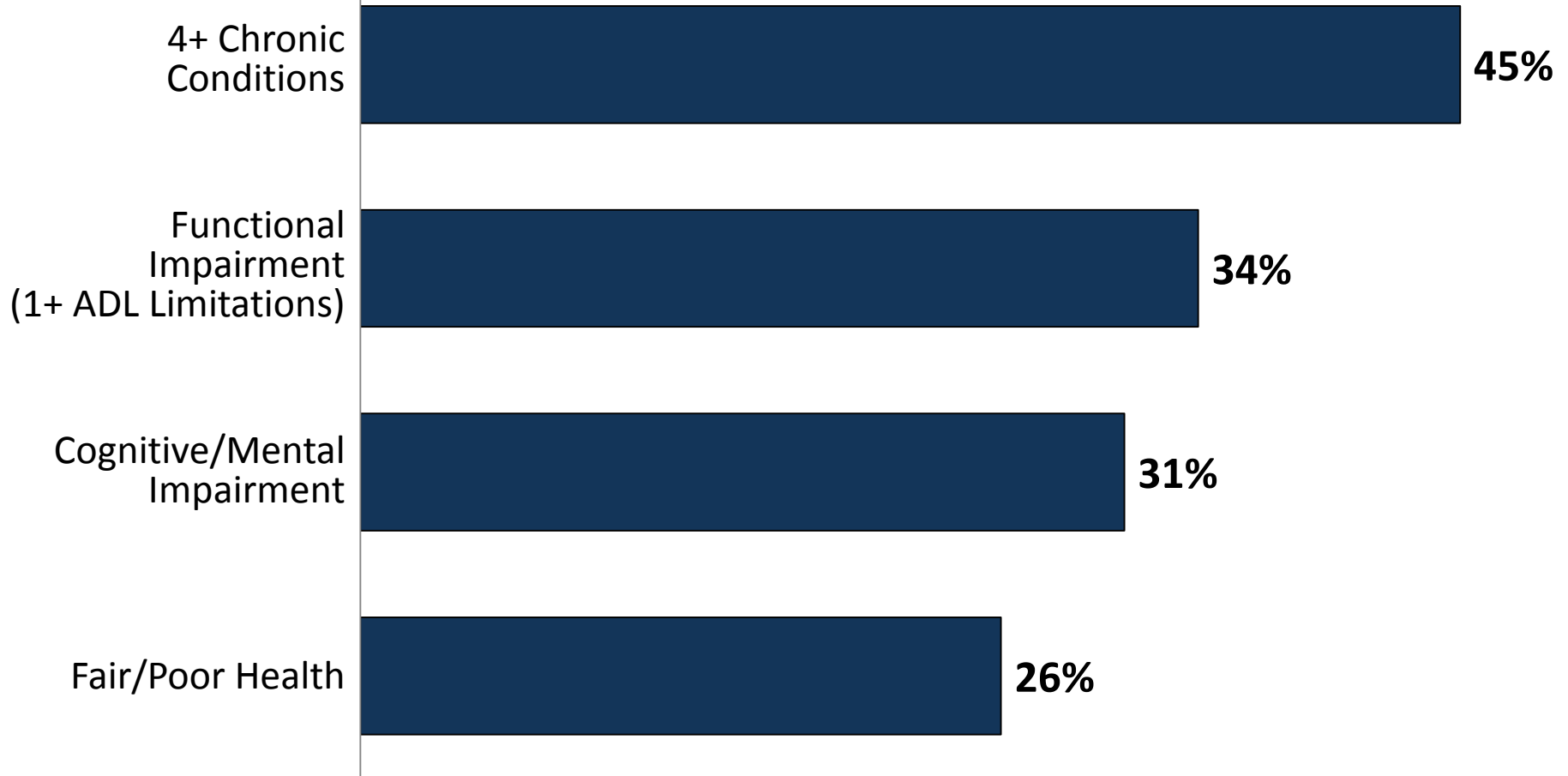
National Academy of Social Insurance

Cosponsored by the American Society of Aging

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Selected Measures of Health Status of the Medicare Population, 2010

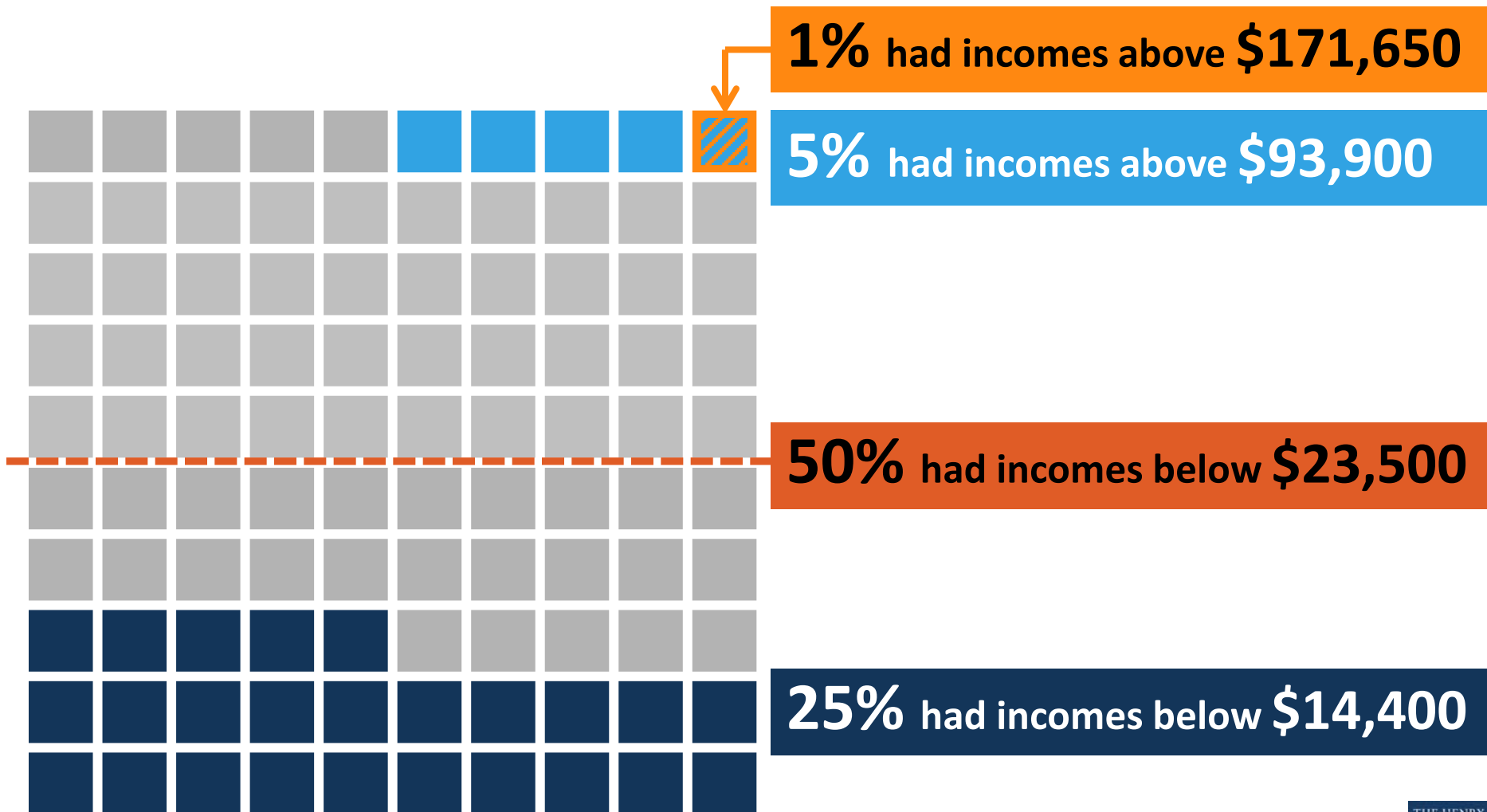
Percent of all Medicare beneficiaries:



NOTE: ADL is activity of daily living.

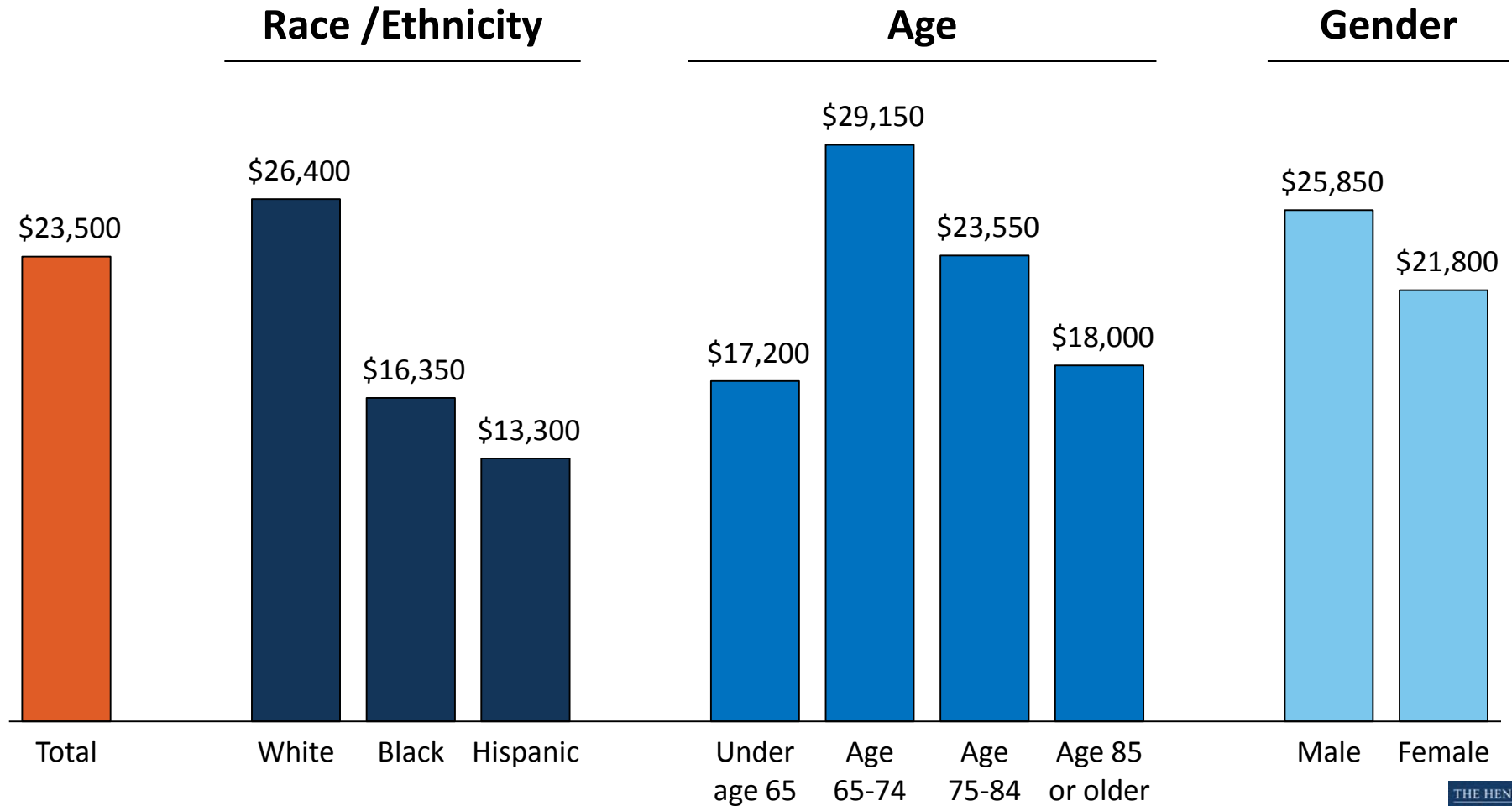
SOURCE: Kaiser Family Foundation analysis of the Medicare Current Beneficiary Survey 2010 Cost and Use file.

Half of all Medicare beneficiaries had incomes below \$23,500 per person in 2013



SOURCE: Urban Institute / Kaiser Family Foundation analysis of DYNASIM data 2013.

Median income declines with age, is lower for women than men, and lower for black and Hispanic than white beneficiaries



SOURCE: Urban Institute analysis of DYNASIM for the Kaiser Family Foundation, 2013.

Gaps in Traditional Medicare's benefit package expose beneficiaries to potentially high out-of-pocket costs



NO routine eye exams
or eyeglasses



NO hearing aids



NO dental services
or dentures



NO long-term care benefit
(covers post-acute skilled nursing facility
and home health services)



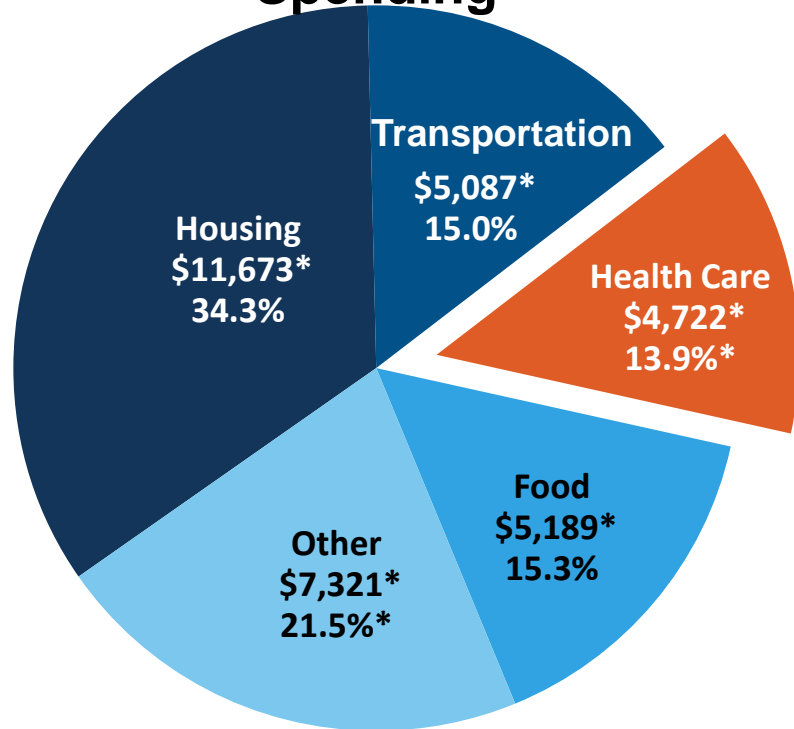
NO limit on
out-of-pocket expenses



Part D 'doughnut hole'
(filled in by 2020)

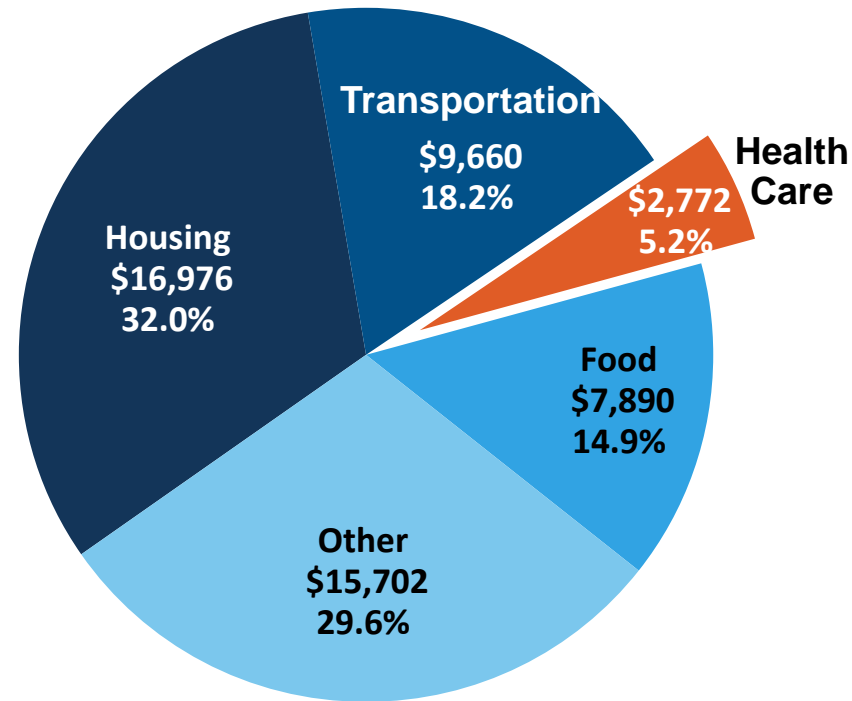
Even with Medicare and supplemental coverage, Medicare households spent far more than others on health expenses in 2012

Medicare Household Spending



**Average Household Spending =
\$33,993***

Non-Medicare Household Spending



**Average Household Spending =
\$53,000**

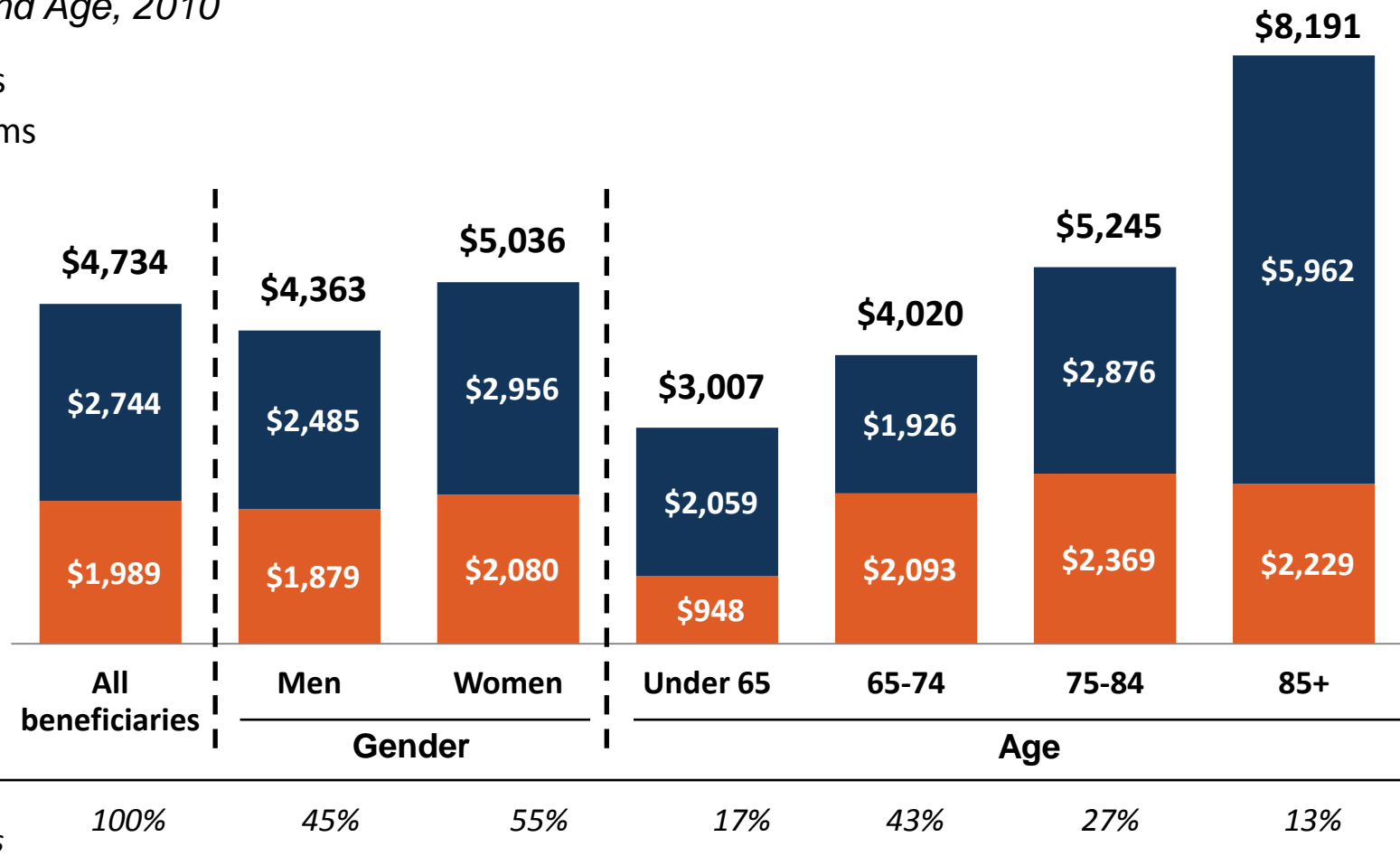
NOTE: *Estimate statistically significantly different from the non-Medicare household estimate at the 95 percent confidence level.
SOURCE: Kaiser Family Foundation analysis of the Bureau of Labor Statistics Consumer Expenditure Survey Interview and Expense Files, 2012.

Exhibit 1.2

Average out-of-pocket spending on services is higher for women than men on Medicare and increases with beneficiaries' age

Medicare Beneficiaries' Average Total Out-of-Pocket Spending on Services and Premiums, by Gender and Age, 2010

■ Services
■ Premiums



NOTE: Analysis excludes beneficiaries enrolled in Medicare Advantage plans. Premiums includes Medicare Parts A and B and other types of health insurance beneficiaries may have (Medigap, employer-sponsored insurance, and other public and private sources).
SOURCE: Kaiser Family Foundation analysis of the Medicare Current Beneficiary Survey 2010 Cost & Use file.

Out-of-pocket spending on Medicare as a share of the average Social Security benefit has been on the rise



1970



1990



2010

SOURCE: Kaiser Family Foundation analysis of the 2013 Medicare Trustees Report, *Comparison of Average Monthly SMI Benefits, Premiums, and Cost-Sharing to the Average Monthly Social Security Benefit*.

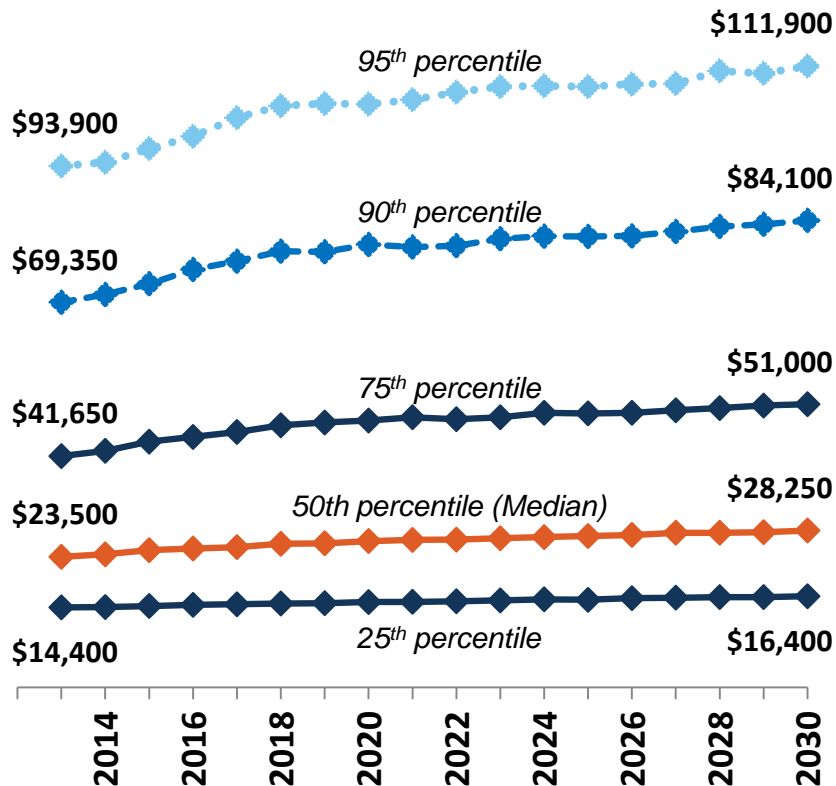
What will Medicare look like in the next 50 years?



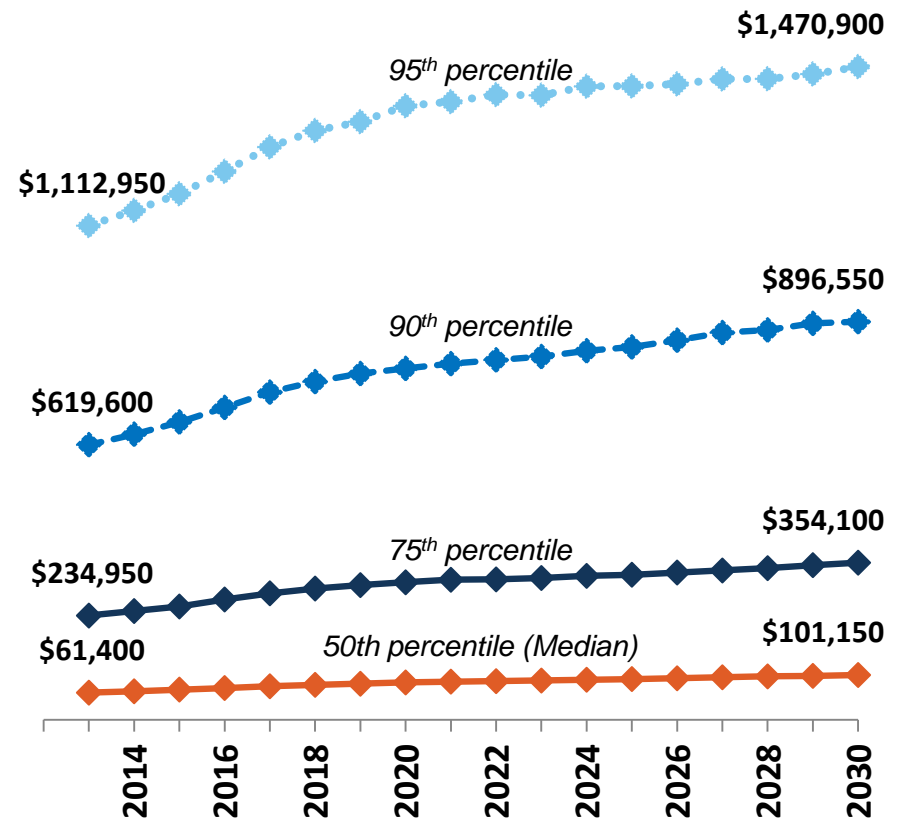
The next generation of Medicare beneficiaries can expect some gains in income and savings, but mainly at the top



Per Capita Total Income



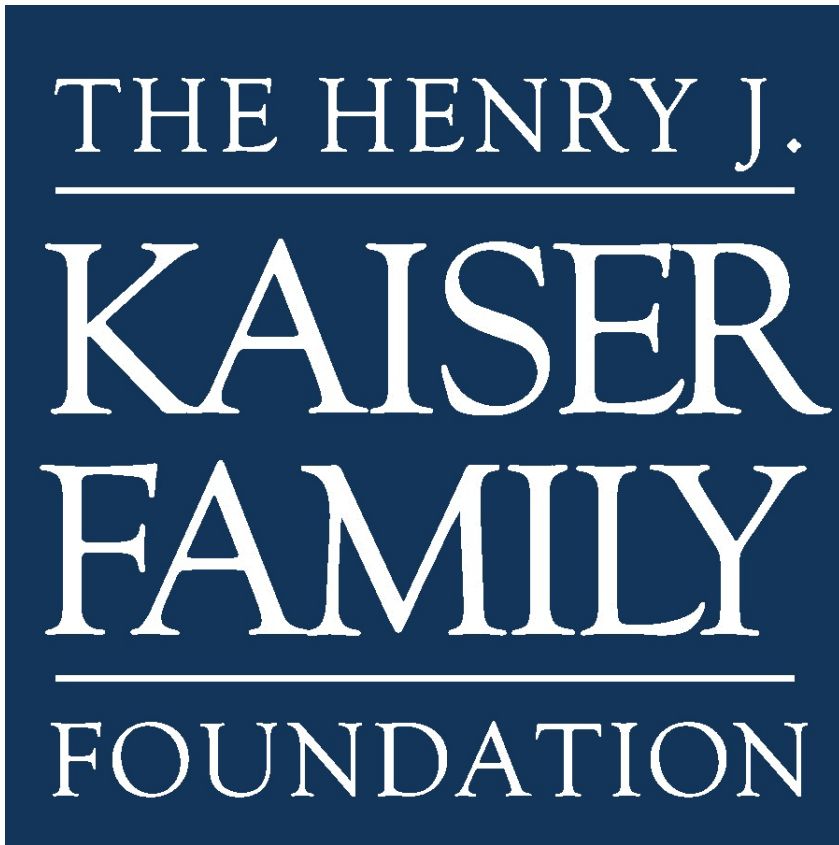
Per Capita Total Savings



NOTE: All income and savings are adjusted to 2013 dollars. Savings is among all beneficiaries.

SOURCE: Urban Institute / Kaiser Family Foundation analysis, 2013.

Medicare Resources on kff.org



- ✓ Medicare and Medicaid at 50 (video)
- ✓ Medicare Primer, 2015
- ✓ Medicare Timeline (interactive)
- ✓ The Story of Medicare (animated timeline)
- ✓ Income and Assets of Medicare Beneficiaries, 2013 – 2030
- ✓ Health Care on a Budget: The Financial Burden of Health Spending by Medicare Households
- ✓ How Much Is Enough? Out-of-Pocket Spending Among Medicare Beneficiaries: A Chartbook

**For more information,
visit kff.org/medicare**