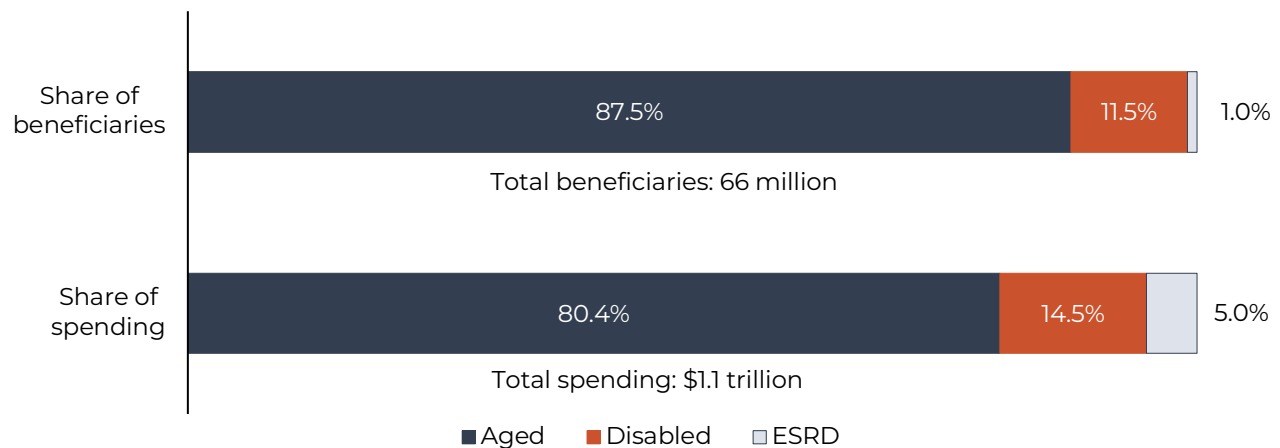


## **Medicare beneficiary demographics**



**Chart 2-1 Aged beneficiaries accounted for the greatest share of the Medicare population and program spending, 2022**



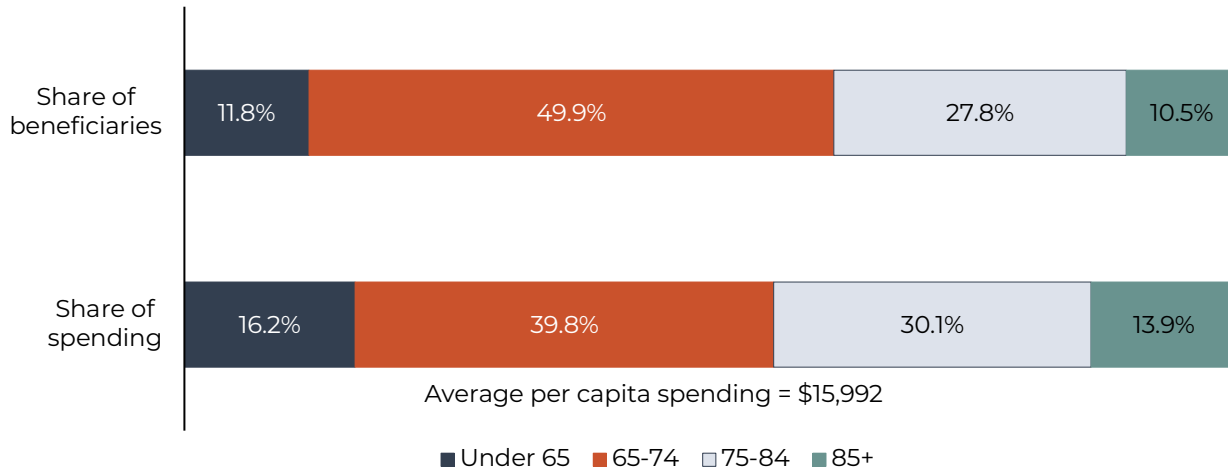
**Note:** ESRD (end-stage renal disease). The “aged” category comprises beneficiaries ages 65 and older without ESRD. The “disabled” category comprises beneficiaries under age 65 without ESRD. The “ESRD” category comprises beneficiaries with ESRD, regardless of age. Results include both community-dwelling and institutionalized beneficiaries enrolled in fee-for-service and Medicare Advantage plans. The Medicare Current Beneficiary Survey is collected from a sample of Medicare beneficiaries; year-to-year variation in some reported data is expected. Components may not sum to 100 percent due to rounding.

**Source:** MedPAC analysis of the Medicare Current Beneficiary Survey, Cost Supplement file, 2022.

> In 2022, beneficiaries ages 65 and older without ESRD composed 87.5 percent of the beneficiary population and accounted for 80.4 percent of Medicare spending. Beneficiaries under 65 with a disability and beneficiaries with ESRD accounted for the remaining population and spending.

> Medicare beneficiaries with ESRD incur a disproportionate share of Medicare expenditures. On average, spending on an ESRD beneficiary is almost six times greater than spending on an aged beneficiary (age 65 years or older without ESRD) and more than four times greater than spending for a beneficiary under age 65 with a disability (non-ESRD) (data not shown).

**Chart 2-2 Beneficiaries younger than 65 accounted for a disproportionate share of Medicare spending, 2022**

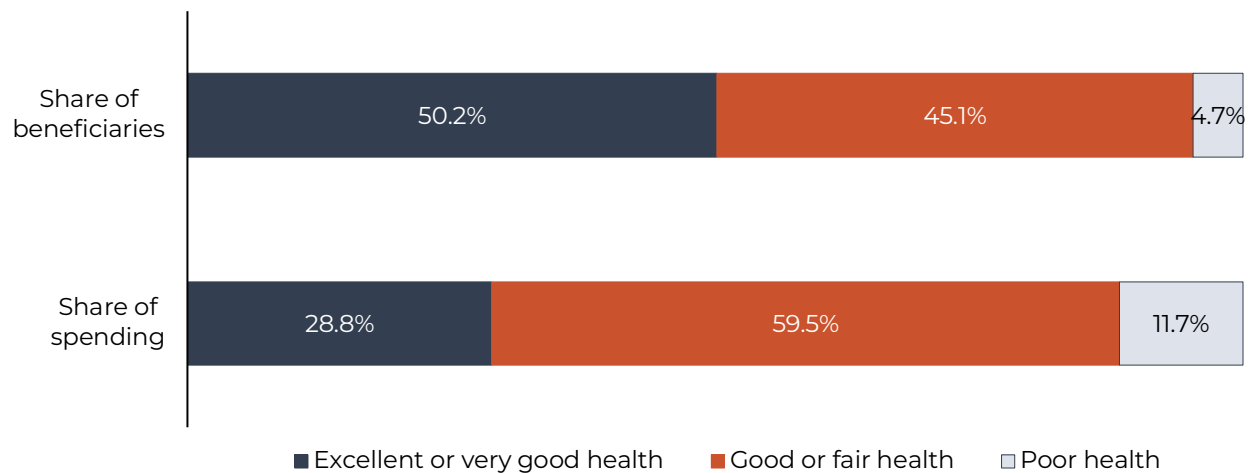


**Note:** The “65–74,” “75–84,” and “85+” categories comprise beneficiaries ages 65 and older without end-stage renal disease (ESRD). The “Under 65” category comprises beneficiaries under age 65 with and without ESRD. Results include both community-dwelling and institutionalized beneficiaries enrolled in fee-for-service and Medicare Advantage plans. The Medicare Current Beneficiary Survey is collected from a sample of Medicare beneficiaries; year-to-year variation in some reported data is expected. Components may not sum to 100 percent due to rounding.

**Source:** MedPAC analysis of the Medicare Current Beneficiary Survey, Cost Supplement file, 2022.

- > Beneficiaries younger than 65 made up 11.8 percent of the beneficiary population in 2022 but accounted for 16.2 percent of Medicare spending.
- > In 2022, average Medicare spending per beneficiary was \$15,992.
- > For the aged population (65 and older), per capita expenditures increase with age. In 2022, per capita expenditures were \$12,749 for beneficiaries 65 to 74 years old, \$17,336 for those 75 to 84 years old, and \$21,116 for those 85 or older (data not shown).
- > In 2022, per capita expenditures for Medicare beneficiaries under age 65 who were enrolled because of ESRD or disability were \$21,954 (data not shown).

**Chart 2-3** Beneficiaries who reported being in poor health accounted for a disproportionate share of Medicare spending, 2022



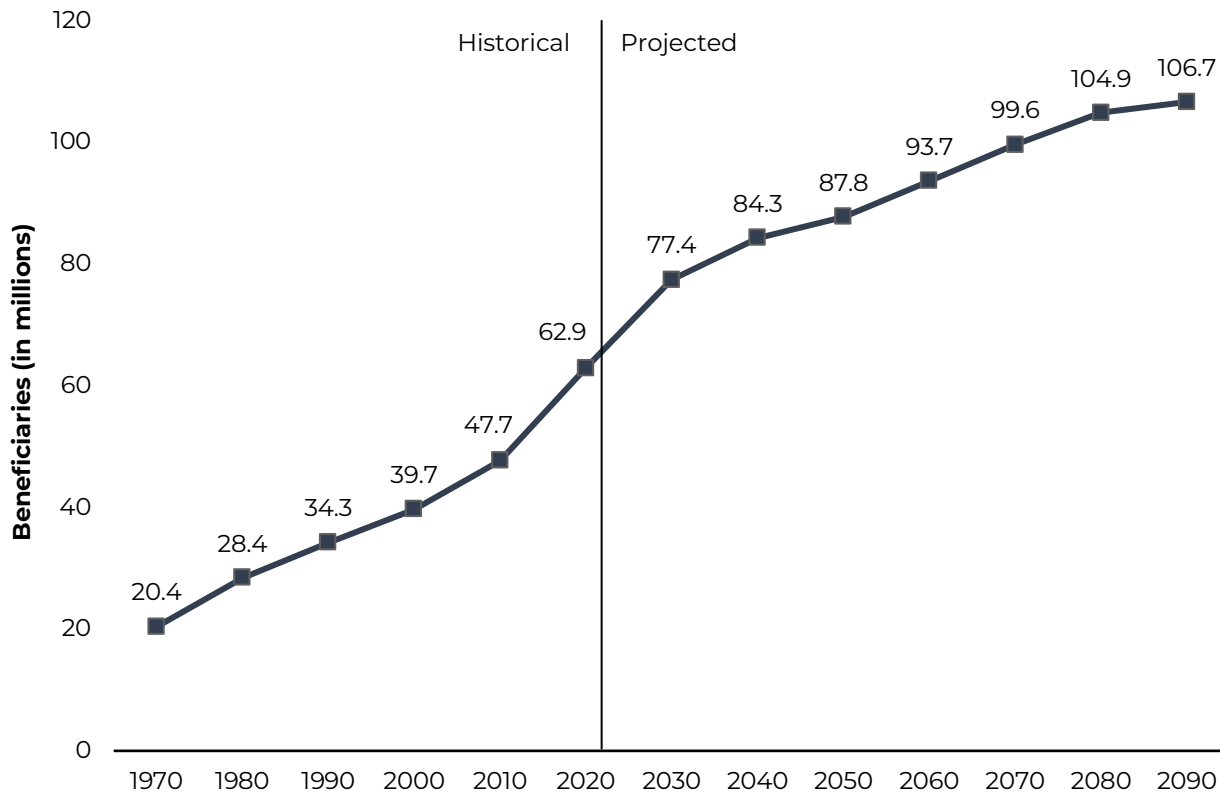
**Note:** Results include both community-dwelling and institutionalized beneficiaries enrolled in fee-for-service and Medicare Advantage plans. The Medicare Current Beneficiary Survey is collected from a sample of Medicare beneficiaries; year-to-year variation in some reported data is expected. Beneficiaries who reported “other” are not included in the figure.

**Source:** MedPAC analysis of the Medicare Current Beneficiary Survey, Cost Supplement file, 2022.

> In 2022, most beneficiaries reported fair to excellent health. Only 4.7 percent reported poor health.

> Medicare spending is strongly associated with self-reported health status. In 2022, per capita expenditures were \$8,879 for those who reported excellent or very good health, \$20,365 for those who reported good or fair health, and \$38,169 for those who reported poor health (data not shown).

**Chart 2-4 Enrollment in the Medicare program is projected to grow rapidly through 2030**



**Note:** Enrollment numbers are based on Part A enrollment only. Beneficiaries enrolled only in Part B are not included.

**Source:** The 2024 annual report of the Boards of Trustees of the Medicare trust funds.

- > The total number of people enrolled in the Medicare program is projected to increase from about 63 million in 2020 to about 77 million in 2030.
- > The rate of increase in Medicare enrollment has been accelerating since about 2010 as more members of the baby-boom generation become eligible for the program. Beginning in 2030, when the entire baby-boom generation will have become eligible, Medicare enrollment will continue to increase but more slowly.

**Chart 2-5 Characteristics of the Medicare population, 2022**

Characteristic	Share of the Medicare population	Characteristic	Share of the Medicare population
Total (60.7 million)	100%	Living arrangement	
		Institution	2
Sex		Alone	30
Male	45	With spouse	47
Female	55	Other	21
Race/ethnicity		Education	
White, non-Hispanic	74	No high school diploma	12
Black, non-Hispanic	11	High school diploma only	24
Hispanic	9	Some college or more	62
Other	6		
		Income status	
Age		Below poverty	14
<65	12	100–125% of poverty	6
65–74	49	125–150% of poverty	6
75–84	30	150–200% of poverty	12
85+	10	200–400% of poverty	27
		Over 400% of poverty	35
Health status		Supplemental insurance status	
Excellent or very good	49	Medicare only	7
Good or fair	45	Medicare managed care	47
Poor	6	Employer-sponsored insurance	20
		Medigap	20
		Medigap with employer-sponsored insurance	1
Residence		Medicaid	6
Urban	83	Other	0
Rural	17		

**Note:** Components may not sum to 100 percent due to rounding and exclusion of an “other” category not reflected in this chart. “Urban” indicates beneficiaries living in metropolitan statistical areas (MSAs) as defined by the Office of Management and Budget. “Rural” indicates beneficiaries living outside MSAs. The income-status categories were modified from previous years to align with other charts in this publication. The “Medicare managed care” category includes Medicare Advantage, cost, and health care prepayment plans. Those in the “employer-sponsored insurance” category had employer-sponsored insurance as primary payer or they had employer-sponsored Medigap coverage. Those in the “Medigap with employer-sponsored insurance” category had both Medigap and employer-sponsored coverage. Some beneficiaries may have more than one type of supplemental insurance. The Medicare Current Beneficiary Survey is collected from a sample of Medicare beneficiaries; year-to-year variation in some reported data is expected.

**Source:** MedPAC analysis of the Medicare Current Beneficiary Survey, Cost Supplement file, 2022.

- > A majority of Medicare beneficiaries are female (55 percent) and White (74 percent).
- > About one-fifth of beneficiaries live in rural areas.
- > Thirty percent of the Medicare population lives alone.
- > Most Medicare beneficiaries have some source of supplemental insurance. Managed care plans are the most common source of supplemental coverage.

