

## **Highlights from the MedPAC and MACPAC 2016 Data Book on Dually Eligible Beneficiaries**

The [2016 Data Book](#), the third in a series, includes information on demographic and other personal characteristics, expenditures, and health care utilization of individuals who are dually eligible for Medicare and Medicaid coverage.

- For dual-eligible beneficiaries, Medicare is the primary payer for acute and post-acute care services covered under that program. Medicaid provides varying levels of assistance with Medicare premiums and cost-sharing, and for full-benefit duals, covers services not covered under Medicare, such as long-term services and supports (LTSS).
- For calendar year (CY) 2011 (the most recent year for which complete claims data is available), a little more than 10 million individuals were dually eligible for Medicare and Medicaid. Five states – CA, FL, NY, PA, and TX – accounted for close to 40% of this total. Of these dual-eligible beneficiaries, 73% were eligible for full Medicaid benefits.
- Combined Medicare and Medicaid spending on the dually eligible population was \$294.4 billion, of which Medicare accounted for more than 60% of total expenditures, or \$180.2 billion. Most of the combined spending, or \$252.9 billion, was for full-benefit dually eligible beneficiaries.
- Dual eligible beneficiaries represented 20% of all Medicare recipients, but 35% of total costs.
- For Medicaid, they represented 14% of all beneficiaries and 33% of total costs.
- Overall, most individuals dually eligible for Medicare and Medicaid in CY 2011 were female (61%), White (57%), and lived in urban areas (75%).
- There were proportionately more African American (20%) and Hispanic (16%) dual-eligible beneficiaries than African American and Hispanic non-dual Medicare beneficiaries (8% and 5%, respectively).
- Dual eligible beneficiaries ages 65 and older had more activities of daily living (ADL) limitations than those under 65 (37% with 3-6 ADL limitations vs. 24% with 3-6 ADL limitations), while more of the under 65 dual-eligible population reported being in poor health (22% vs. 14%).
- Behavioral health conditions – anxiety disorders, bipolar disorder, depression, schizophrenia, and other psychotic disorders – were more common among dual-eligible individuals under age 65.
- Of the individuals dually eligible in CY 2011, 47% originally qualified based on age, while 51% qualified based on disability.
- Of those who originally qualified for Medicare based on disability, 74% had sufficient employment history to be eligible based on their own work record. The other 26% who were eligible based on another family member’s work record included adult children ages 18 and older who had been disabled since childhood.
- In CY 2011, 78% of the dually eligible population were enrolled only in Medicare FFS.
- On the Medicaid side, 58% were enrolled only in Medicaid FFS. Another 28% were enrolled in Medicaid FFS and a limited-benefit Medicaid managed care plan, while 14% were enrolled for at least one month in comprehensive managed care.
- Of the total number of dually eligible beneficiaries, 12% became eligible during CY 2011, and 54% of these individuals were non-dual Medicare beneficiaries who subsequently gained

Medicaid coverage. The data book includes per user utilization and spending comparison data for only FFS dual eligible beneficiaries and non-dual beneficiaries. There is no per user comparison data for utilization and spending under managed care.

- The Medicaid non-dual beneficiary population included in this report is comprised of only disabled individuals who don't qualify for Medicare coverage.
- Under Medicare, skilled nursing facility (SNF) services accounted for a higher proportion of Medicare FFS spending on dual-eligible beneficiaries than for non-dual Medicare beneficiaries (11% vs.7%).
- Under Medicaid, institutional LTSS accounted for a higher portion of spending on FFS dual-eligible beneficiaries than of Medicaid spending on non-dual disabled FFS beneficiaries (50% vs. 14 percent).
- Among Medicaid LTSS users aged 65 and older, Medicare and Medicaid FFS spending per user was higher for those who received institutional care (\$31,853 and \$39,877) than for those who received Medicaid LTSS in the community through home and community-based (HCBS) waivers (\$22,992 and \$21,005) or through state plan HCBS services (\$21,420 and \$16,720).
- The number of dually eligible individuals grew from 8.7 million in CY 2007 to 10.0 million in CY 2011, cumulative growth of 15.1% over that period and average annual growth of 3.6%.
- During this same period, cumulative growth in Medicare spending per dual-eligible beneficiary far exceeded the growth in cumulative Medicaid spending per dual-eligible beneficiary, 15.5% vs. 0.5%. Medicaid spending per dual-eligible beneficiary actually declined by 4.6% in 2011.
- In Medicaid, between CY 2007 and CY 2011, cumulative growth in total spending on dual-eligible beneficiaries was 15.8%, less than the 35.3.0% cumulative growth in spending for non-dual, disabled beneficiaries.
- The opposite was true for Medicare, where the cumulative total growth in spending on dual-eligible beneficiaries was 33.0% compared to 24.5% cumulative growth in spending on non-dual beneficiaries.
- Between CY 2007 and CY 2011, the share of the dual-eligible population under age 65 increased from 38.8% to 41.2%, and the percentage of the total population enrolled in Medicare or Medicaid managed care increased by 4.2% and 4.5%, respectively. The percentage of full-benefit dual eligible beneficiaries using institutional LTSS declined by over 2% during this period, while the share of dual-eligible beneficiaries using waiver or state plan HCBS services increased slightly.
- Between CY 2007 and CY 2011, Medicaid average annual per user spending on managed care increased for both dual-eligible beneficiaries (33.8%) and non-dual disabled beneficiaries (25.8%).
- During this same period of time, IL had average annual growth of full-benefit dual-eligible enrollment of more than 5%, while four states – AL, MA, NE, and TN – had negative growth rates.