

# **Medicare Beneficiaries: A Profile**

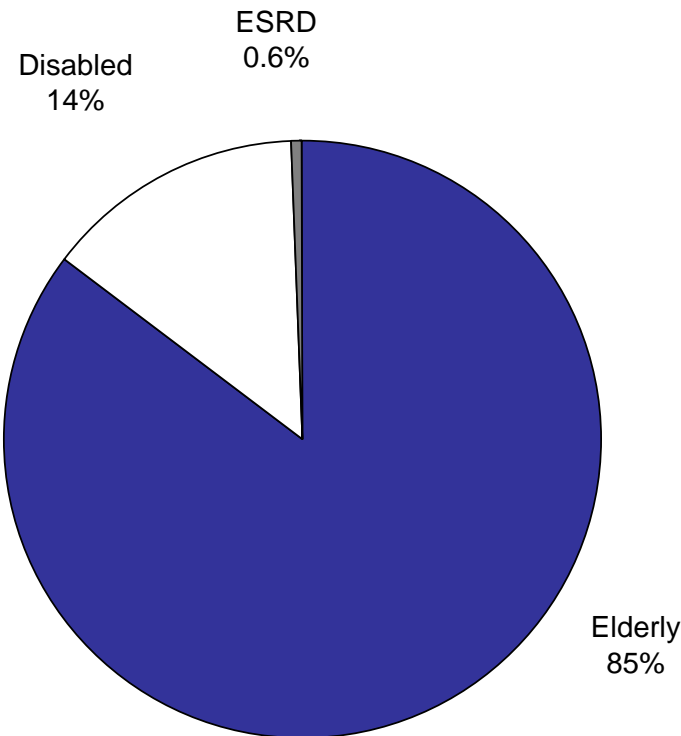
*Beyond QIO:*  
**Modeling a Medicare Beneficiary  
Complaint Process for Quality of Care**

**January 19, 2007**

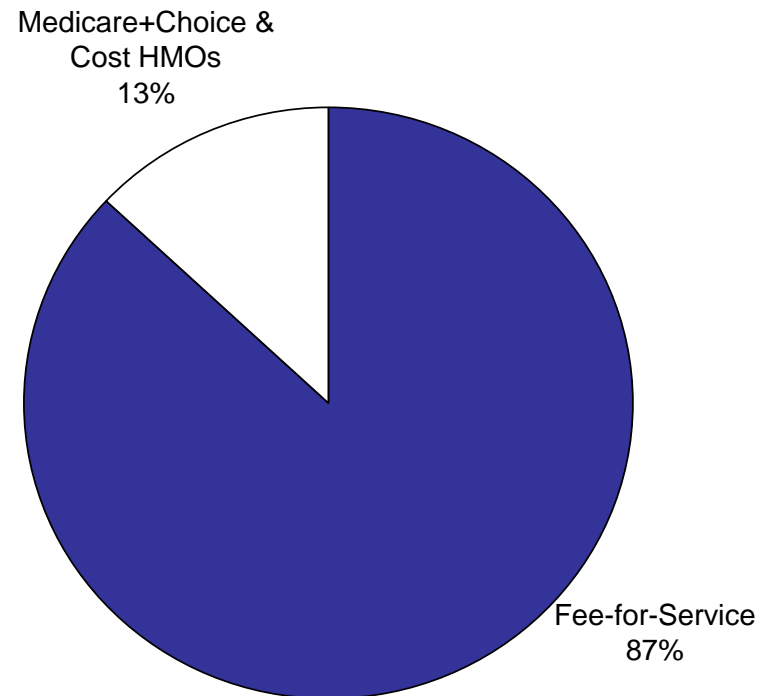
**Presented by Joyce Dubow, AARP**

# Medicare Beneficiaries: Source of Eligibility and Coverage, 2002

## Source of Eligibility



## Source of Coverage



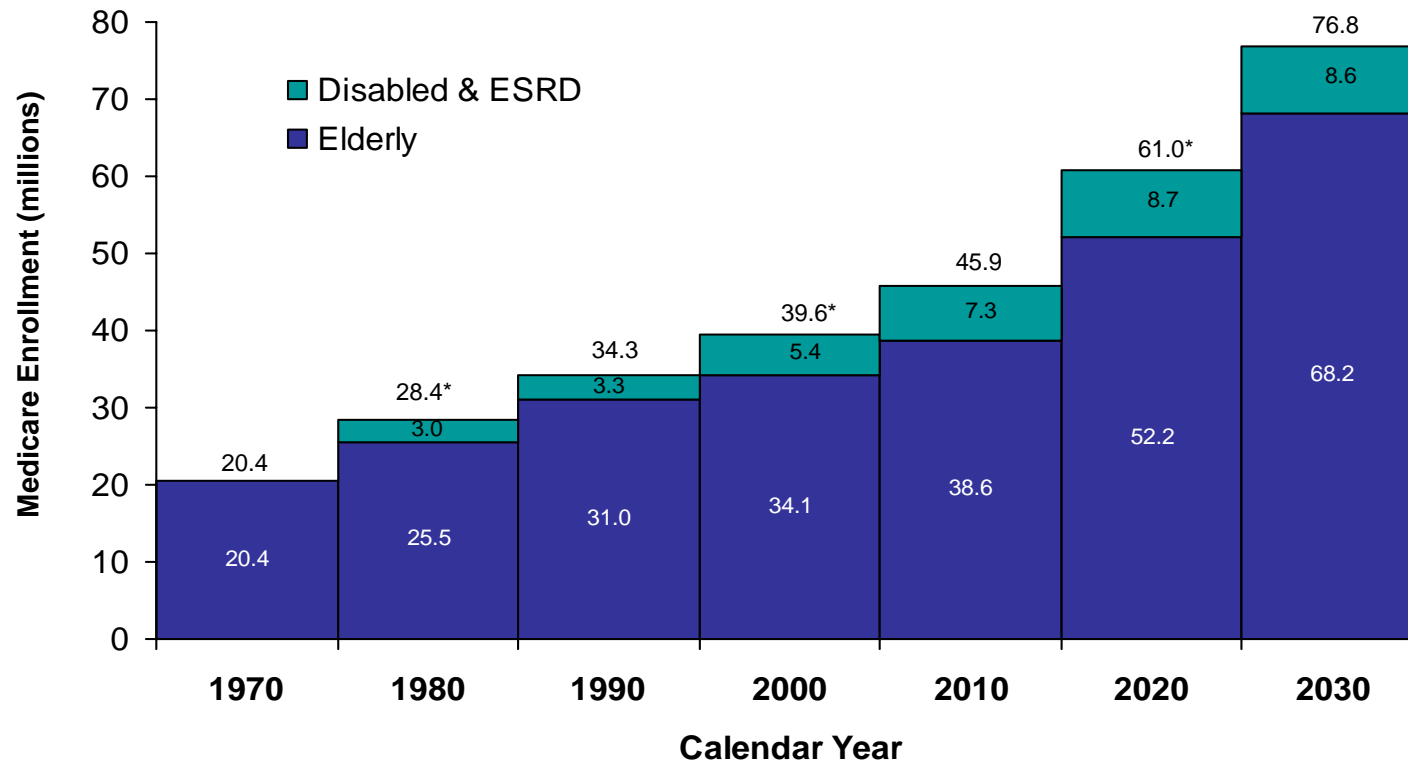
**Beneficiaries = 40 million**

Notes: 1) Totals may not sum due to rounding; 2) ESRD refers to beneficiaries under age 65 with End-Stage Renal Disease; 3) the Disabled category refers to beneficiaries under age 65 without ESRD.

Source: Elderly, disabled, and ESRD data from CMS's Office of the Actuary; Medicare+Choice and cost plan data from CMS's Medicare Managed Care Contract Report, March 2002.

# Number of Medicare Beneficiaries

*The number of people Medicare serves will nearly double by 2030.*

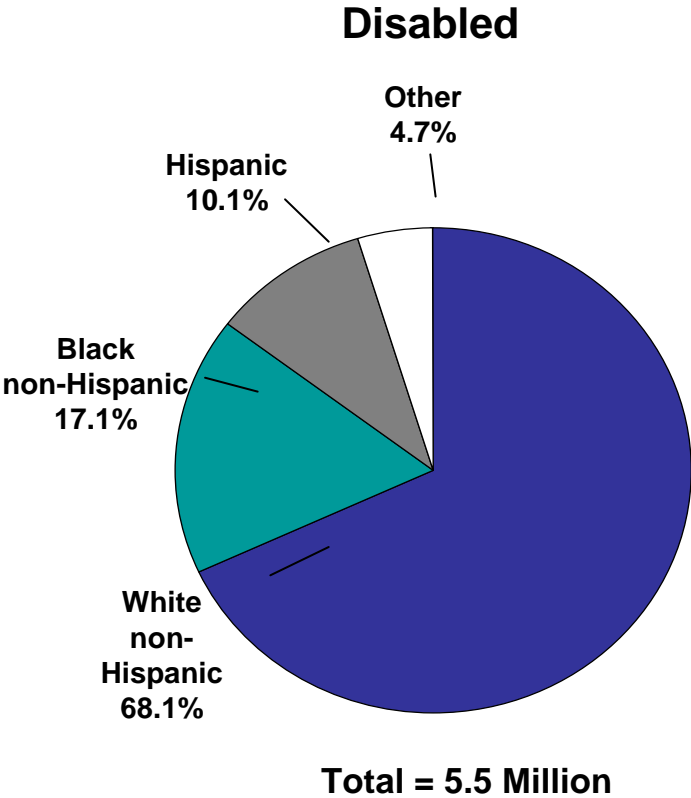
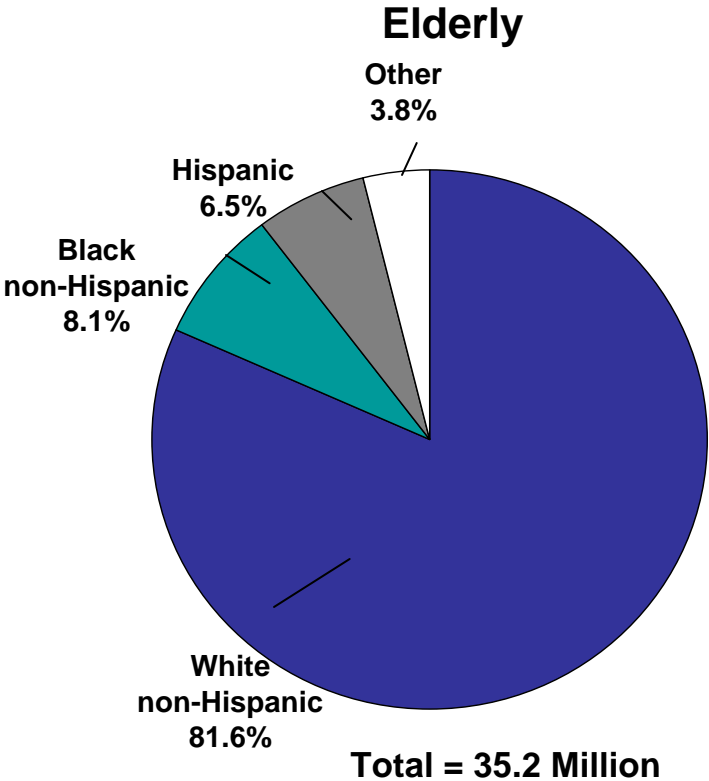


\* Numbers may not sum due to rounding.

Source: CMS, Office of the Actuary.

# Race/Ethnicity Distribution of Medicare Beneficiaries, 2000

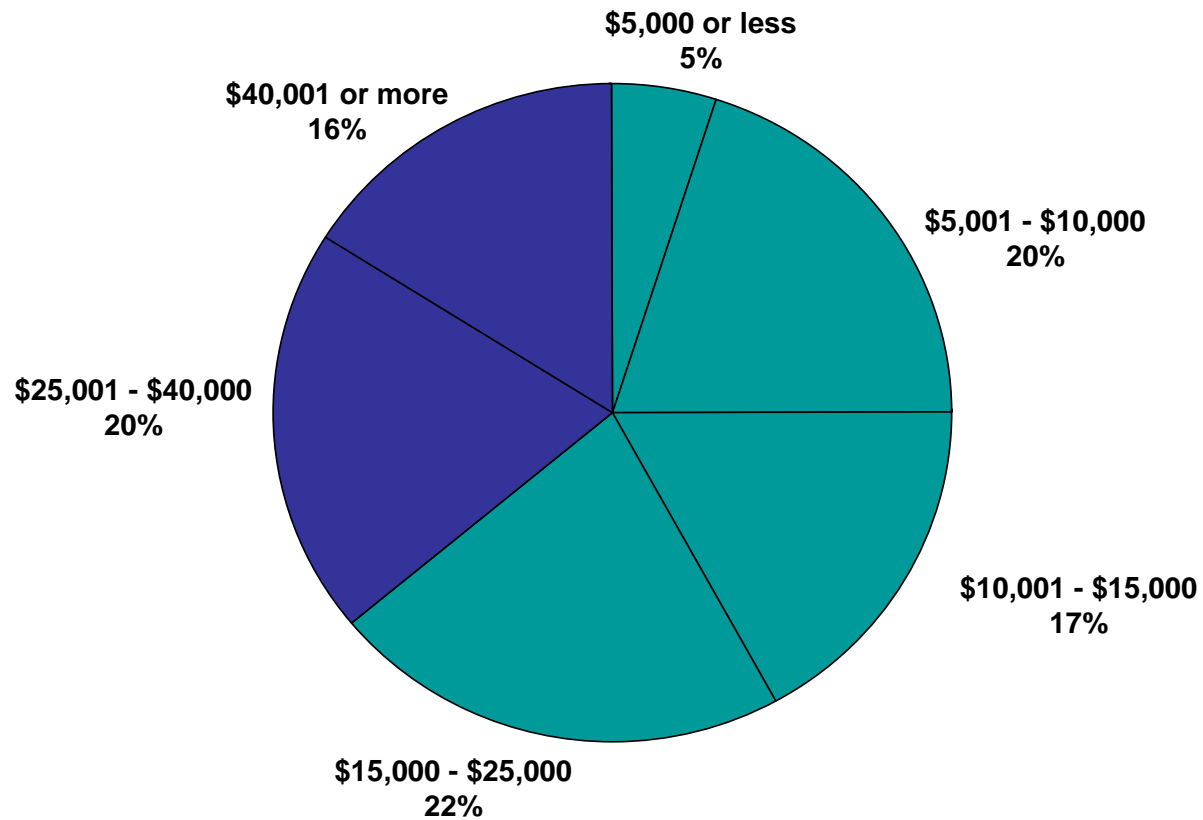
*Minority beneficiaries are disproportionately represented among the disabled.*



Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care Files.

# Income Distribution of Medicare Beneficiaries, 2000

*Nearly 65 percent of Medicare beneficiaries have annual incomes below \$25,000.*

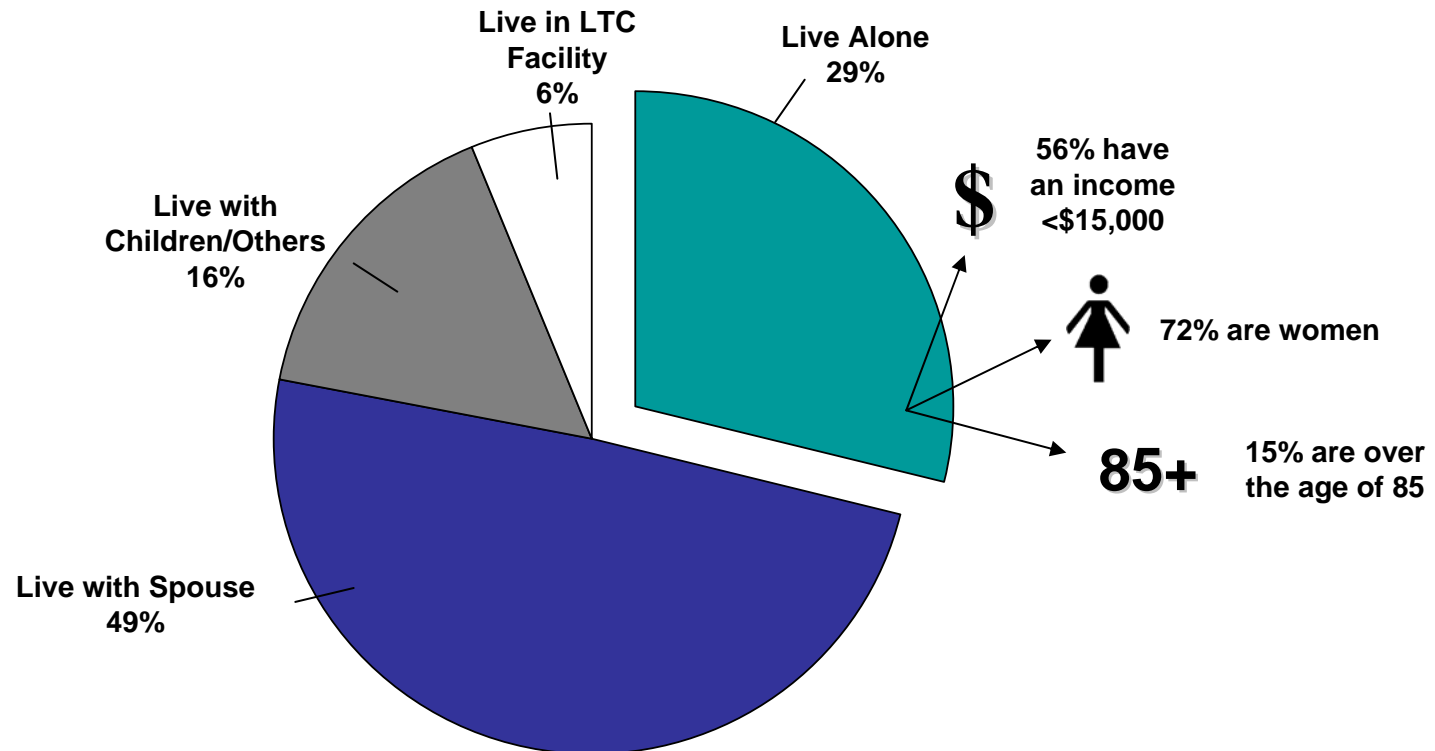


Notes: 1) Numbers may not sum due to rounding; 2) annual income figures are for calendar year 2000.

Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Living Arrangements of Medicare Beneficiaries, 2000

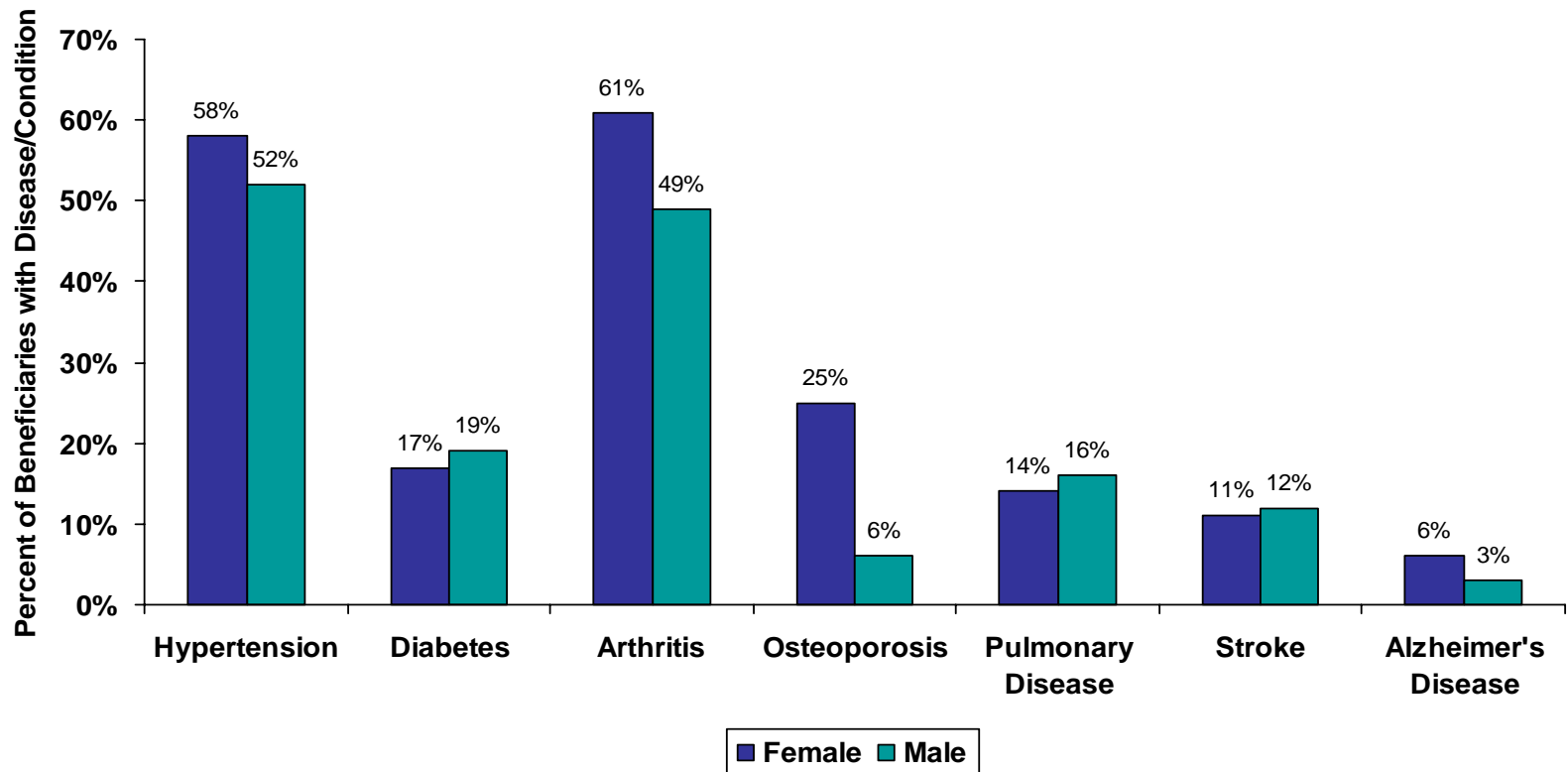
*Among the nearly 30 percent of beneficiaries living alone, a large proportion are women and have low incomes.*



Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Medicare Beneficiaries' Self-Reported Diseases and Chronic Conditions, by Gender, 2000

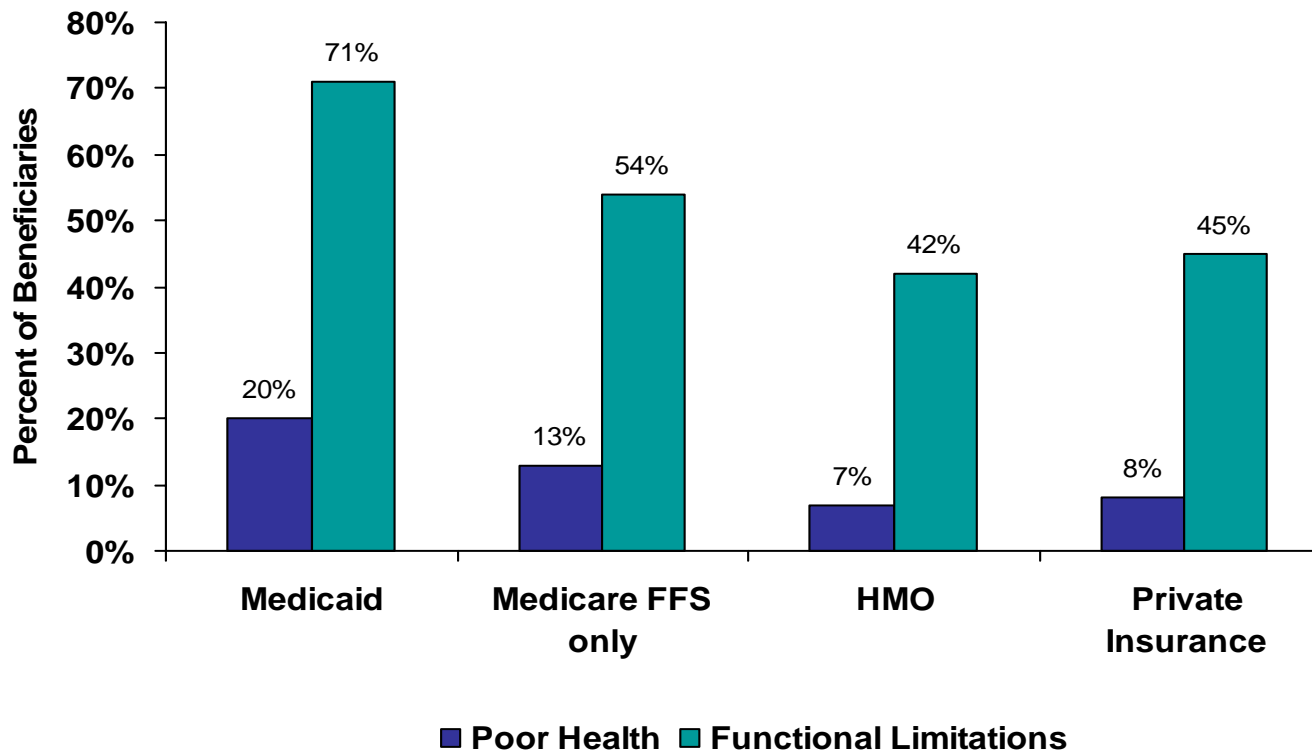
*Female beneficiaries are more likely to have hypertension, arthritis, osteoporosis, and Alzheimer's disease.*



Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Beneficiaries with Poor Health and Functional Limitations, by Insurance Status, 2000

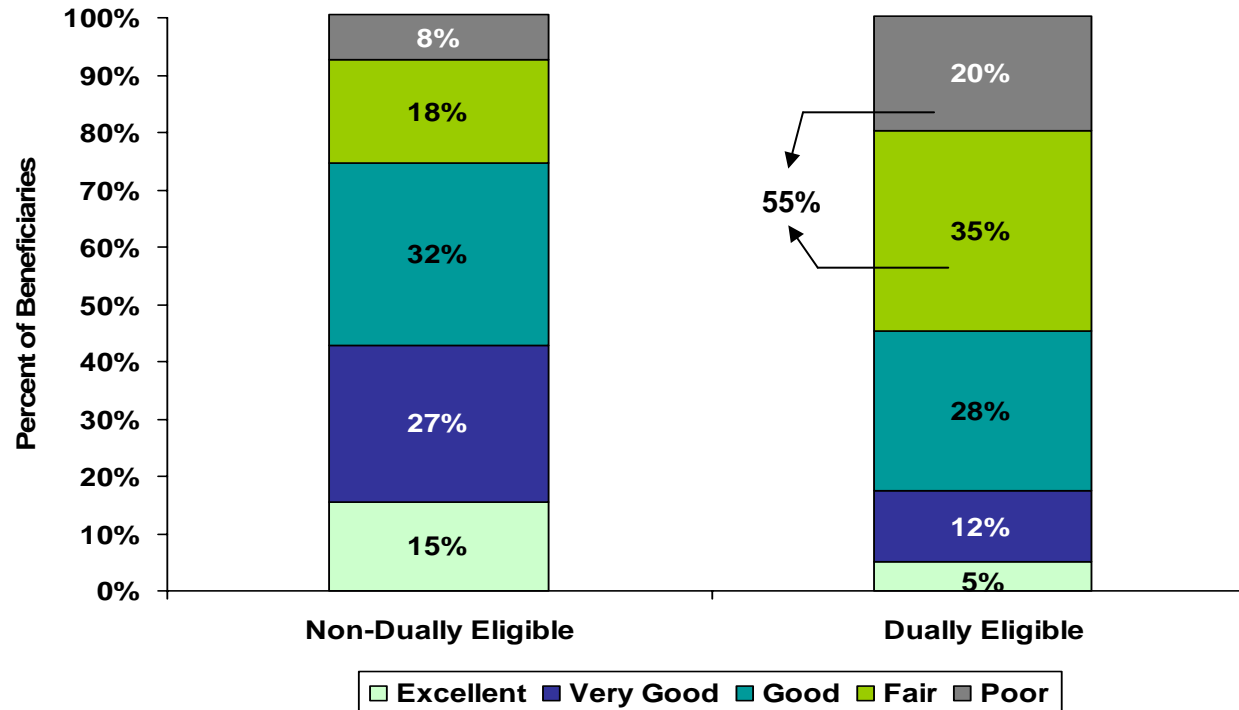
*Medicare beneficiaries in poor health or with functional limitations are more likely to receive Medicaid assistance or to have no supplemental insurance.*



Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Self-Reported Health Status of Dually Eligible and Non-Dually Eligible Beneficiaries, 2000

*Over half of the dually eligible population is in poor or fair health.*

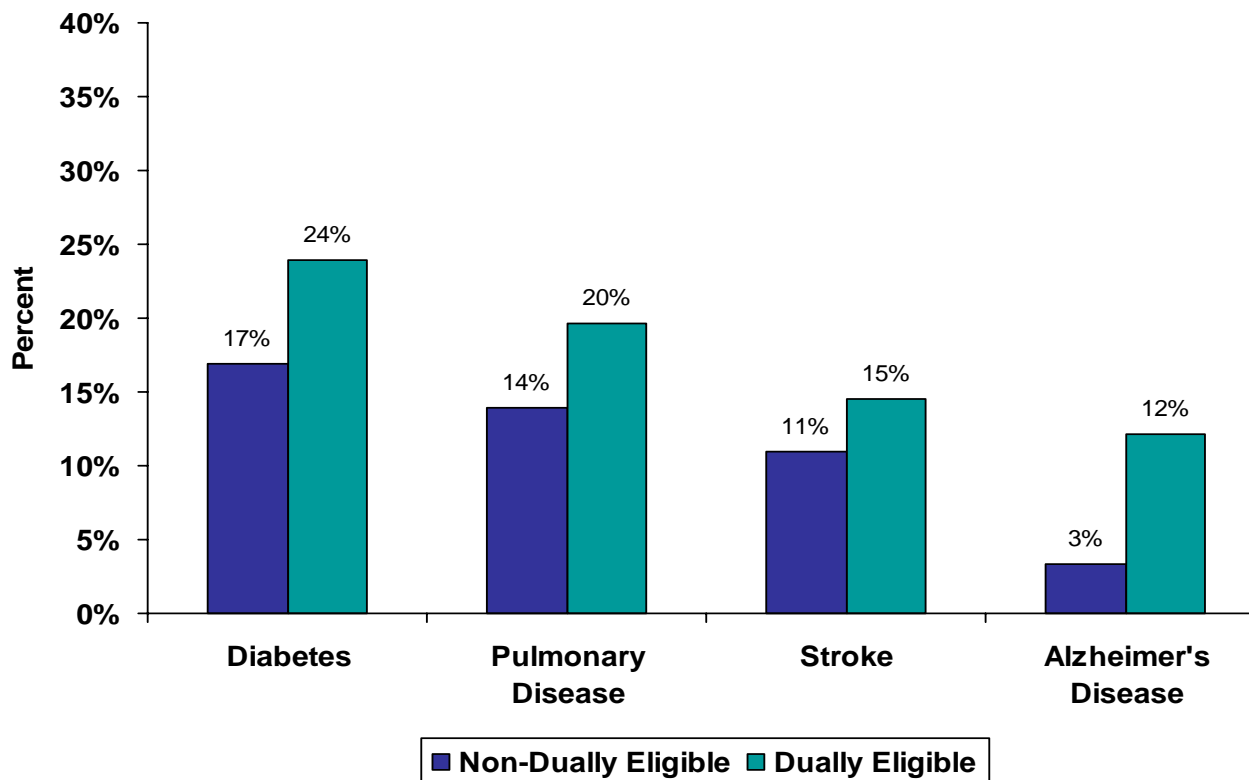


Note: Dually eligible beneficiaries are Medicare beneficiaries that also receive Medicaid coverage.

Source: CMS, Office of Research, Development, Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Percent of Non-Dually Eligible and Dually Eligible Beneficiaries with Selected Diseases and Chronic Conditions, 2000

*The dually eligible population has higher rates of debilitating diseases and conditions such as pulmonary disorders and Alzheimer's disease.*

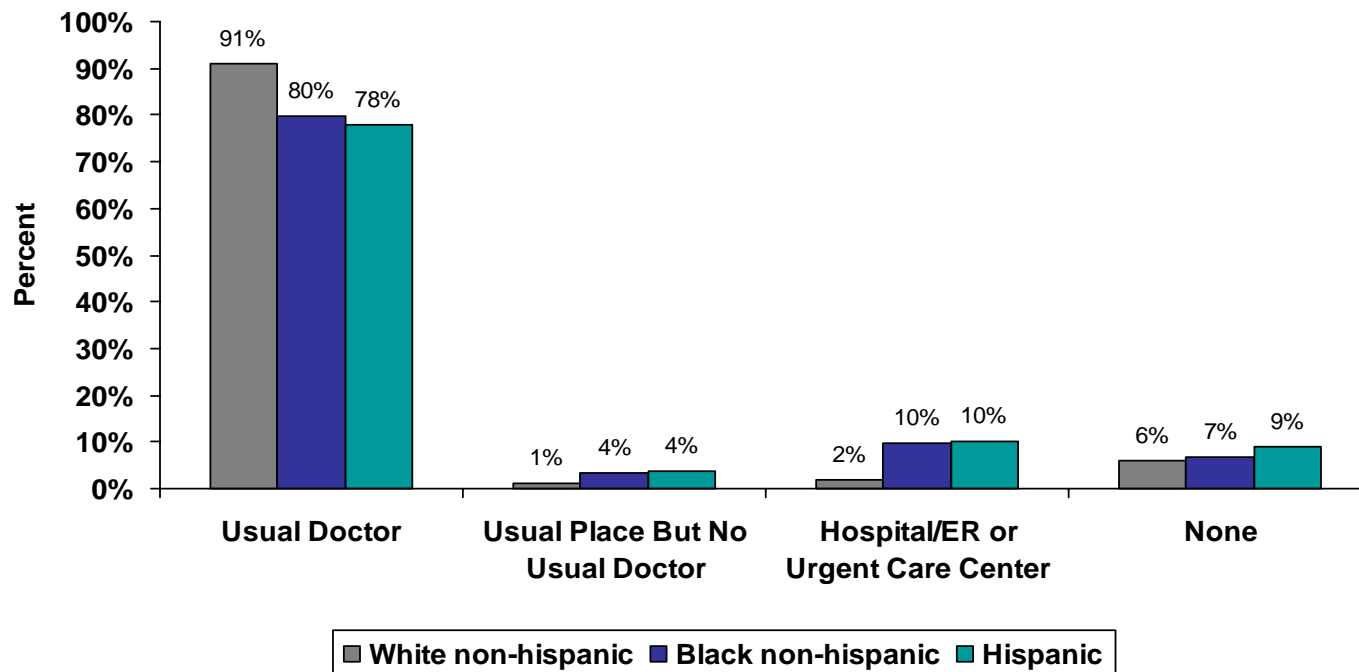


Note: Dually eligible beneficiaries are Medicare beneficiaries that also receive Medicaid coverage.

Source: CMS, Office of Research, Development, Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Beneficiary Usual Source of Care, by Race, 2000

*Minority beneficiaries were less likely to have a usual doctor for their care; however, the majority of beneficiaries have a usual doctor.*

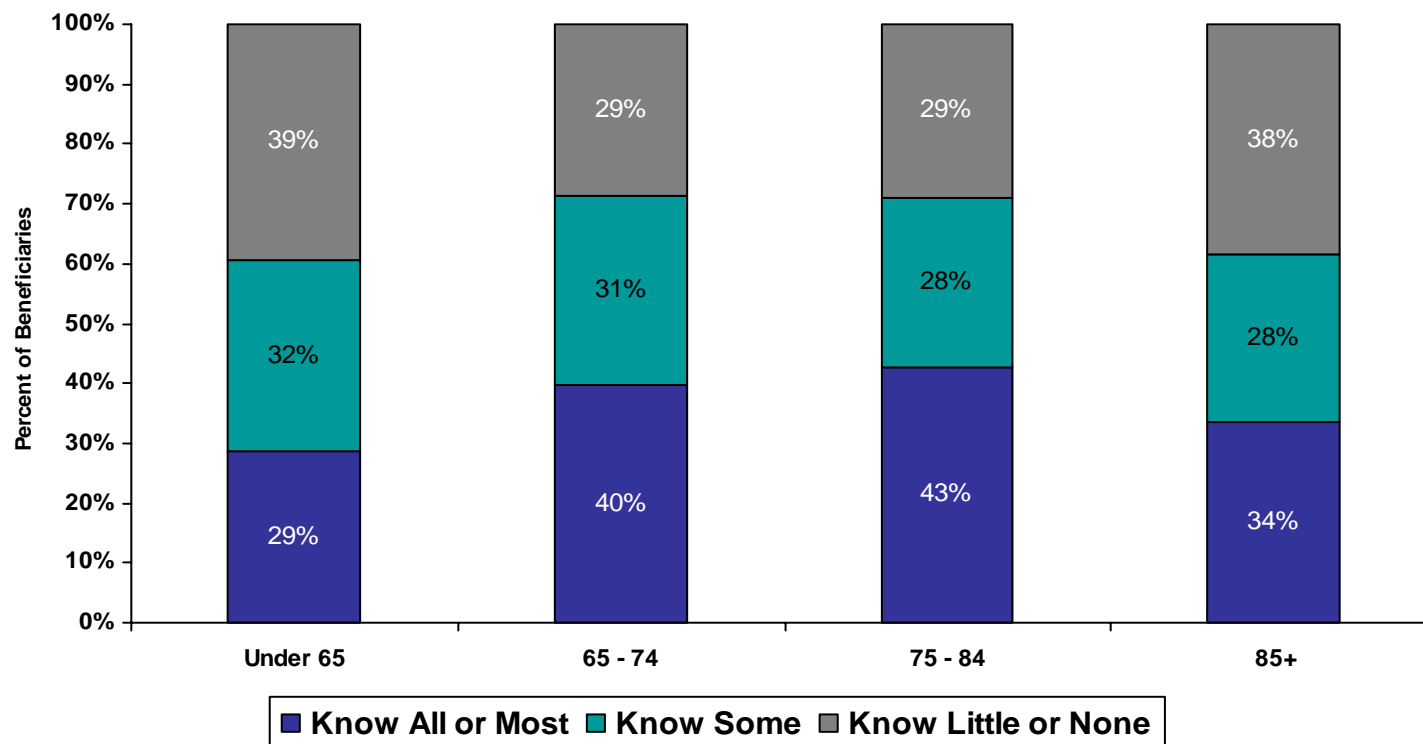


Note: Does not include beneficiaries in facility care.

Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Beneficiary Knowledge About the Medicare Program, by Age, 2000

*Beneficiaries under age 65 and over 85 reported the biggest knowledge gap about Medicare-covered services.*

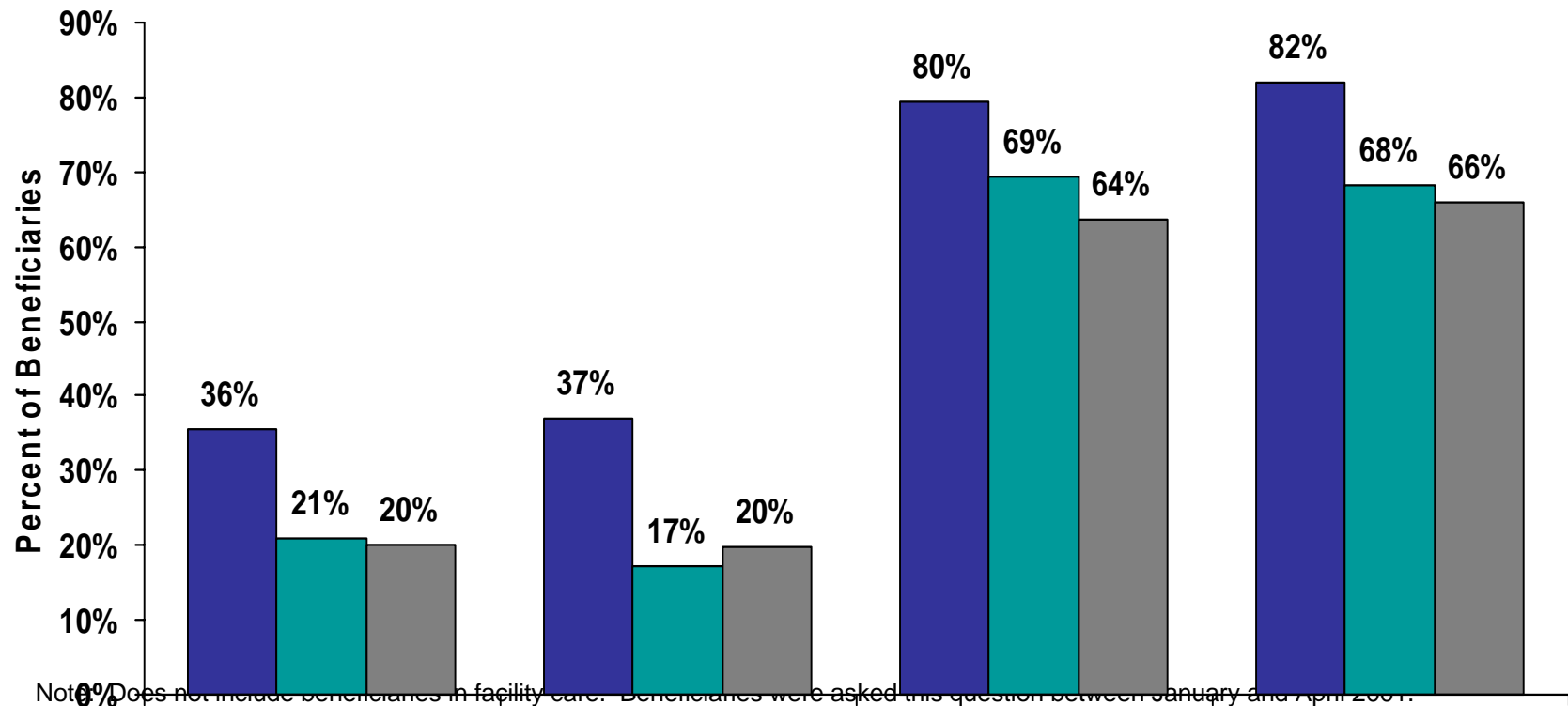


Note: Does not include beneficiaries in facility care.

Source: CMS, Office of Research, Development, and Information: Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

# Technologies Beneficiaries Have Availability in Their Homes, by Race, 2000

*The majority of beneficiaries have cable television and a VCR in their home. In early 2001 less than one-third have PCs or Internet access.*



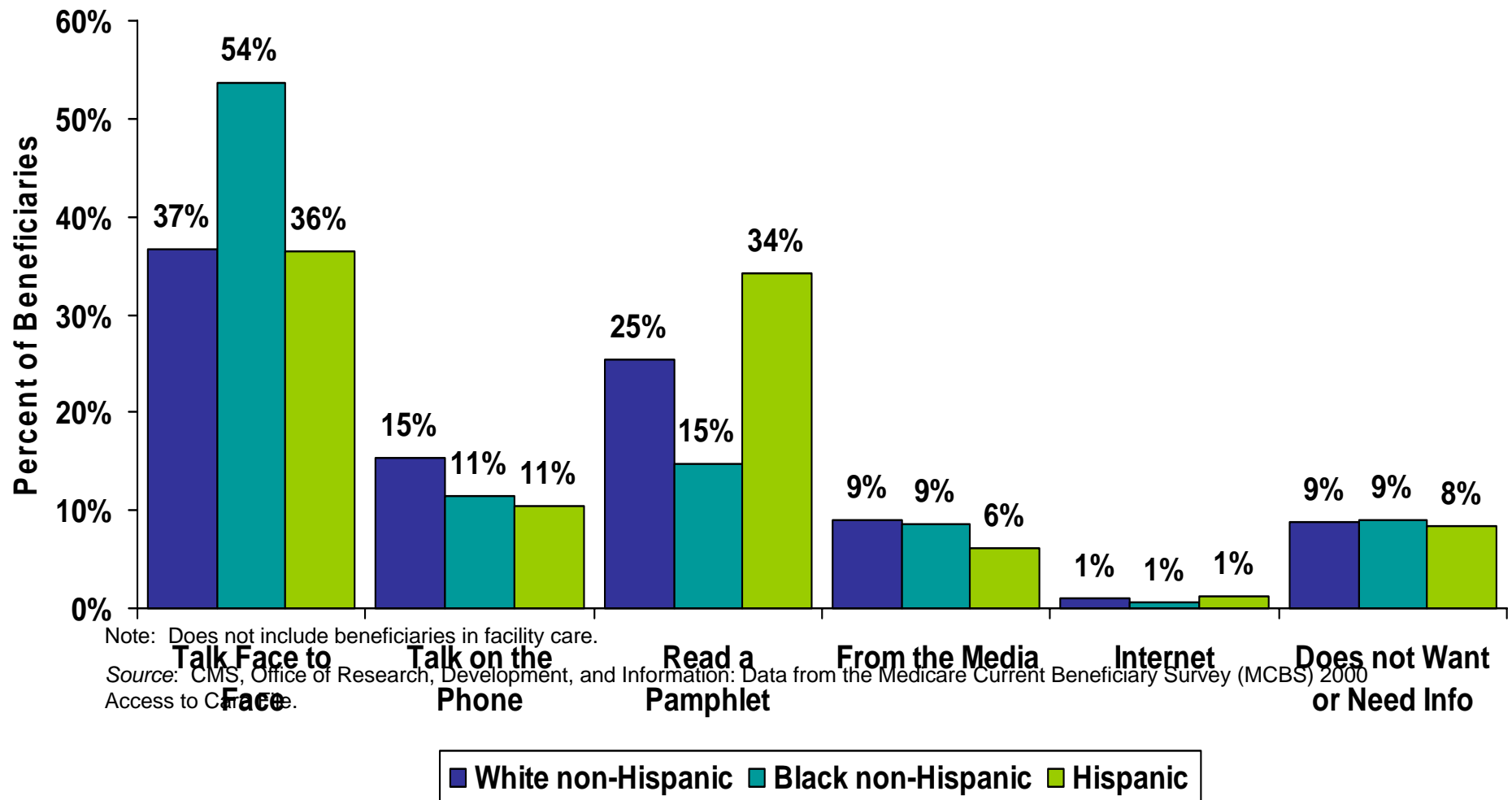
Note: Does not include beneficiaries in facility care. Beneficiaries were asked this question between January and April 2001.

Source: CMS, Office of Research, Development, and Information; Data from the Medicare Current Beneficiary Survey (MCBS) 2000 Access to Care File.

■ White non-Hispanic ■ Black non-Hispanic ■ Hispanic

# Beneficiary Preferences for Keeping Up With Program Changes, by Race, 2000

*The preferred way of receiving Medicare information is by talking with someone face to face.*



**Health Literacy:** “The degree to which individuals have the capacity to obtain, process, and understand basic health information and services needed to make appropriate health decisions” (IOM, 2004)

- **2003 NAAL assessed three domains: clinical, prevention, navigation**
- **Four literacy levels reported: below basic, basic, intermediate, proficient**

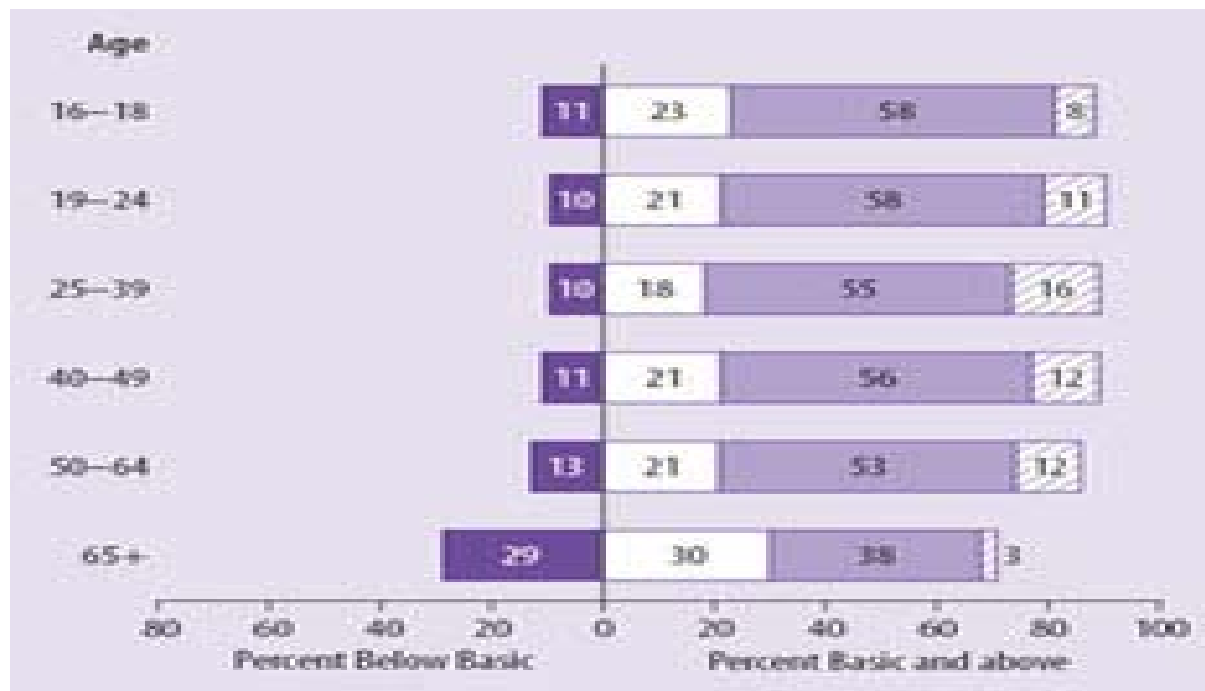
# **Health Literacy: a public policy challenge**

- **Among Medicare managed care enrollees, 33.9 percent of English-speaking and 53.9 percent Spanish-speaking respondents had inadequate or marginal health literacy.**  
(Gasmararian, et al.)
- **Low health literacy leads to poor health outcomes. It is an independent risk factor for hospital admission among Medicare managed care enrollees.**

# NAAL's 2003 Findings

- In 2003, adults 65+ had the lowest average literacy and accounted for the largest percentage of adults with *Below Basic* prose, document, and quantitative literacy in 2003.
  - 23 percent *Below Basic* document literacy
  - 34 percent *Below Basic* quantitative literacy

## Percentage of adults in each health literacy level, by age: 2003



# **Consequences of Inadequate Health Literacy**

- **Poor health outcomes**
  - Risk of non-compliance
  - Errors
- **Poor decisions**
- **Anxiety**
- **Inertia**

# **Compared to other age groups**

- **Medicare beneficiaries have**
  - **More cognitive impairment**
  - **Worse physical health/ more chronic illness**
  - **Sensory impairment**
  - **Lower frequency of reading behaviors**

# Physical Functioning

- **Among aged Medicare beneficiaries:**
  - **38 percent of beneficiaries report difficulty seeing, even with glasses**
  - **42 percent report difficulty hearing**

# Knowledge of Medicare

- **Knowledge of the differences between the traditional Medicare program and MA plan continues to be low.**
- **Less advantaged beneficiaries whose knowledge levels are lowest have the least confidence in their decision making.**
  - *However, these are not the individuals who necessarily seek help.*

# **What is expected of Medicare beneficiaries**

- **Understand the Medicare program**
- **Recognize differences among Medicare coverage and Rx options**
- **Identify differences among similar plans**
- **Choose “best” doctors and hospitals**
- **Navigate within a plan**
- **Choose most appropriate treatment option**
- **Understand rights and responsibilities**

# **Help Beneficiaries Use Information**

- **Lower cognitive effort required to use information.**
  - Reduce amount of information
  - Computer-aided decision tools
  - Evaluable displays
- **Highlight meaning and significance**
  - framing
- **Give a better idea of what the actual experience of a choice might be like.**
  - Narratives

# Strategies

- **Test materials**
  - with diverse groups.
  - for comprehension and appeal.
- **Use simple language, (e.g., “plain English”) white space, large fonts; culturally sensitive.**
- **Presentation in “age-appropriate” colors; no fancy graphics.**

# **Conclusions**

- 1. Among policymakers, inadequate health literacy is not widely recognized as a policy issue.**
- 2. The cost implications of inadequate functional literacy need to be further studied.**

# Conclusions

- 3. The “new” Medicare brings even greater complexity to the program**
- 4. Emphasis on private plans/market competition requires an “informed consumer.”**
- 5. Adequate funding for information and education programs, including counseling programs, is required to address diverse beneficiary needs.**