

# Increasingly Diverse Segment of Americans Choosing Medicare Advantage

AHIP'S MEDICARE ADVANTAGE DEMOGRAPHICS REPORT  
REINFORCES PROGRAM'S VALUE FOR ALL AMERICANS

**AHIP's latest report demonstrates the value of Medicare Advantage and that's why it's the choice of millions of seniors and people with disabilities—including as many as 4 million who live in rural areas. Medicare Advantage serves a population whose diversity by age, race, ethnicity, gender, income, and health status is increasing. At the same time, Medicare Advantage continues to lower costs, provide more choices, and deliver better outcomes for Americans.**

## A More Diverse Population

**Compared to original Medicare, Medicare Advantage serves more women, Hispanic or Latino/a Americans, Black Americans, and Americans with lower incomes.** Medicare Advantage offers affordable, high-quality coverage to seniors and people with disabilities. In fact, data from the Medicare Current Beneficiary Survey (MCBS), which is sponsored by the Centers for Medicaid & Medicare Services (CMS), showed that Medicare Advantage plans continued to be a vital source of coverage for low-income Medicare enrollees and diverse populations in 2021, the most recent year of available data.

**The report covers population diversity:** Medicare Advantage had a higher overall share of diverse populations (29%) compared to original Medicare (19%), and overall, 54% of Medicare enrollees from diverse populations were enrolled in Medicare Advantage. Medicare Advantage had a higher share of:

- Hispanic and Latino/a enrollees: 12% of Medicare Advantage enrollees were Hispanic or Latino/a compared to only 6% of original Medicare enrollees.
- Black enrollees: 14% of Medicare Advantage enrollees were Black compared to only 8% of original Medicare enrollees.
- Female enrollees: 57% of Medicare Advantage enrollees were women compared to 53% in original Medicare.
- Rural Americans: 4 million Medicare Advantage enrollees lived in rural areas.



**And age:** Medicare Advantage plans had a higher percentage of enrollees aged 75 years and older: 39% compared to 36% for original Medicare.

**And health status:** Medicare Advantage serves more enrollees reporting a poorer health status compared to original Medicare: 47% of Medicare Advantage enrollees self-reported their health as "excellent" or "very good" compared to 53% for original Medicare enrollees.

**And income:** Of those enrolled in Medicare Advantage, 38% have annual incomes of less than \$25,000, while 20% have annual incomes of \$80,000 or more. By comparison, only 23% of original Medicare enrollees have incomes of less than \$25,000, and 35% have incomes of \$80,000 or more.

# When it Comes to Serving the Eligible Population, Medicare Advantage Excels

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Today, over 32 million seniors and people with disabilities choose Medicare Advantage plans. The value of Medicare Advantage is clear, which is why enrollment continues to grow. Medicare Advantage provides a range of additional benefits to seniors that original Medicare does not provide, including a cap on out-of-pocket costs, and most plans offer additional benefits such as prescription drug coverage, comprehensive dental, vision, and hearing coverage.

Cost savings from Medicare Advantage apply to more populations than only enrollees—taxpayers benefit too. By covering more at lower costs and keeping enrollees healthier, Medicare Advantage serves hardworking taxpayers with better value than original Medicare. In fact, Medicare Advantage is so cost-efficient that a [recent study](#) found that if original

Medicare adopted Medicare Advantage’s approach to certain services, Medicare’s Part A Trust Fund solvency could be extended by nearly two decades.

That decrease in costs is delivered without compromising care.

- Medicare Advantage [enrollees](#) have:
  - over 70% fewer hospital readmissions
  - 25% fewer preventable inpatient admissions
- Medicare Advantage has [lower rates](#) of inappropriate medication use, and comparable rates of medication adherence.
- Medicare Advantage outperforms original Medicare on [10 out of 11](#) preventive care measures.

**The recently released Medicare Advantage Demographics Report shows once again how Medicare Advantage surpasses original Medicare in serving historically under prioritized communities with top-notch health care coverage.**

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## ABOUT AHIP

AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone. Visit [AHIP.org](https://www.ahip.org) to learn how working together, we are Guiding Greater Health.