

Medicare Advantage Demographics

REPORT



Key Takeaways

- About 36% of Medicare Advantage members have annual incomes¹ of less than \$25,000 and 21% have annual incomes of \$80,000 or more. By comparison, 19% of FFS Medicare enrollees have incomes of less than \$25,000 and 41% have incomes of \$80,000 or more.
- Medicare Advantage serves, on average, enrollees reporting a poorer health status compared to FFS Medicare: 47% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 55% for FFS Medicare enrollees.
- As of 2023, approximately 68% of Black individuals and 65% of Hispanic or Latino/a individuals eligible for Medicare choose Medicare Advantage plans. Overall, 65% of Medicare beneficiaries who belong to diverse populations choose Medicare Advantage.
- 57% of enrollees with Medicare Advantage are female.
- Medicare Advantage plans have a higher percentage of enrollees younger than 65 years: 13% compared to 10% with fee-for-service (FFS) Medicare.
- More than two-thirds of dually eligible Medicare enrollees (70%) are enrolled in Medicare Advantage.

Summary

More Americans than ever are choosing Medicare Advantage for their health coverage. Medicare Advantage is an option within Medicare that provides the same benefits as FFS Medicare, and often offers additional services and coverage like prescription drugs, vision, hearing, dental, and wellness care. In 2023, 32 million Americans chose Medicare Advantage because of its better services, better access to care, and better value.

Medicare Advantage offers affordable, high-quality coverage to seniors and people with disabilities or End Stage Renal Disease. In fact, new data from the Medicare Current Beneficiary Survey (MCBS), which is produced by the Centers for Medicaid & Medicare Services (CMS), shows that Medicare Advantage plans continued to be a vital source of coverage for low-income Medicare enrollees and diverse populations in 2023 —the most recent year available currently.

Income

Medicare Advantage plans represent a larger share of low-income enrollees and a smaller share of higher-income enrollees. In fact, 36% of enrollees with Medicare Advantage coverage had annual incomes of less than \$25,000. Approximately 21% of Medicare Advantage enrollees had annual incomes of \$80,000 or more. By comparison, 19% of FFS Medicare enrollees had incomes of less than \$25,000 and approximately 41% had incomes of \$80,000 or more in 2023.

Health Status

Medicare Advantage serves a less healthy population of enrollees compared to FFS Medicare: in 2023, 47% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 54% for FFS Medicare enrollees.

Race and Ethnicity

According to CMS enrollment [data](#), 49% of all Medicare-eligible Americans were enrolled in Medicare Advantage plans in 2023. MCBS survey estimates revealed that **68% of Black Medicare enrollees and 65% of Hispanic or Latino/a Medicare enrollees were Medicare Advantage plan members** (data not shown). Overall, 65% of Medicare enrollees from diverse populations were enrolled in Medicare Advantage.

Medicare Advantage had almost a double share of diverse populations (31%) compared to FFS Medicare (16%).

- Medicare Advantage had a higher share of Hispanic enrollees: 12% of Medicare Advantage enrollees were Hispanic or Latino/a compared to only 6% of FFS Medicare enrollees.
- Medicare Advantage had a higher share of Black enrollees: 15% of Medicare Advantage enrollees were Black compared to only 7% of FFS Medicare enrollees.

Age

There were differences in the age distribution between FFS Medicare and Medicare Advantage: in 2023 Medicare Advantage plans had a higher percentage of enrollees younger than 65 years: 13% compared to 10% for FFS Medicare.

Gender

In terms of gender, 57% of Medicare Advantage enrollees in 2023 were women. By comparison, women accounted for 52% of FFS Medicare enrollees.

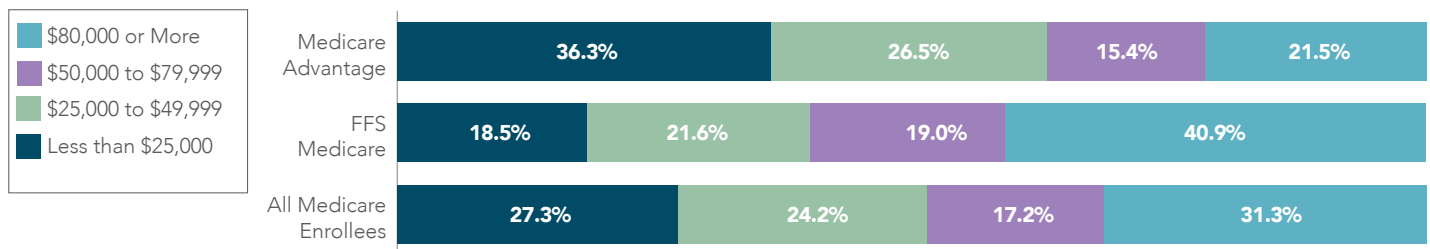
Comparison of Medicare Advantage and FFS Medicare

Income, Race and Ethnicity– Medicare Advantage Compared with FFS Medicare

In 2023, nationwide, [49%](#) of all Medicare enrollees chose Medicare Advantage plans. The 2023 MCBS survey estimates that 36% of Medicare Advantage enrollees had incomes of less than \$25,000 compared to 19% of FFS Medicare enrollees. Additionally, only 21% of Medicare Advantage enrollees had incomes of \$80,000 or more, compared with 41% of FFS Medicare enrollees (Figure 1).

The financial well-being of FFS Medicare enrollees is often measured in relation to the Federal Poverty Level (FPL). According to this metric, in 2023 almost a half of Medicare Advantage enrollees (49%) – or about 15.4 million people - had incomes of less than 200% of FPL, while the same was true only for 27% of FFS Medicare enrollees (data not shown).

Figure 1: Income Range¹ of Medicare Enrollees by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting income. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Enrollment among diverse populations (Medicare enrollees who self-identified as any category other than Non-Hispanic White) was higher in Medicare Advantage compared with FFS Medicare. Nationwide, almost a third of Medicare Advantage enrollees (31%) came from diverse populations compared with 16% for FFS Medicare. Medicare Advantage had a higher proportion of Hispanic or Latino/a enrollees (12% compared to 6% for FFS Medicare) and Black enrollees (15% compared to 7% for FFS Medicare) [Figure 2].

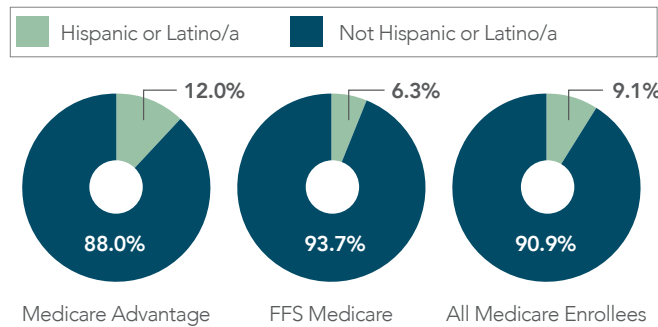
Overall, 65% of Medicare enrollees from diverse populations were enrolled in Medicare Advantage (data not shown).

Figure 2: Race and Ethnicity of Medicare Enrollees, by Coverage Type, 2023

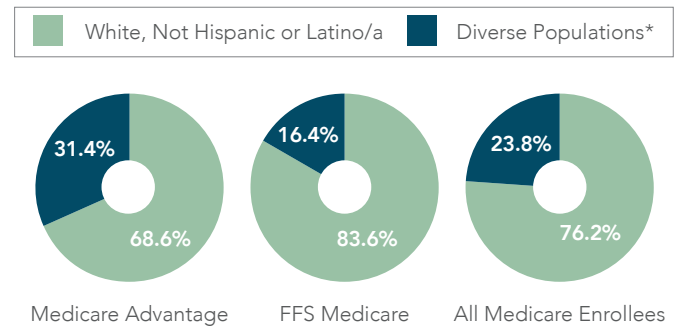
REPORTED RACE



REPORTED ETHNICITY



SHARE OF DIVERSE POPULATIONS



*Enrollees who are not White, Not Hispanic or Latino/a

Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

Notes: Calculations based on responses by non-institutionalized Medicare enrollees reporting race and ethnicity. 'Hispanic or Latino/a' includes those indicating they are of Hispanic or Latino origin. Responses of "do not know" or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

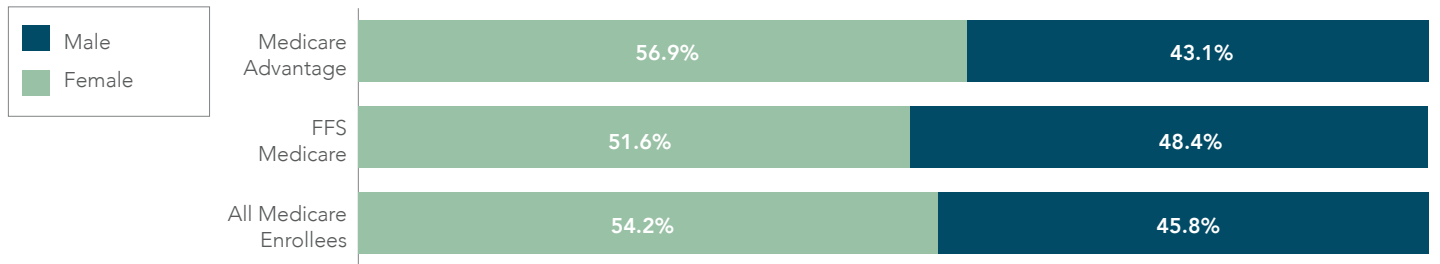
Age, Gender and Geographic Distribution – Medicare Advantage Compared with FFS Medicare

While women constituted the majority of enrollees for both Medicare Advantage and FFS Medicare, their share was higher in Medicare Advantage (57%) than in FFS Medicare (52%) [Figure 3].

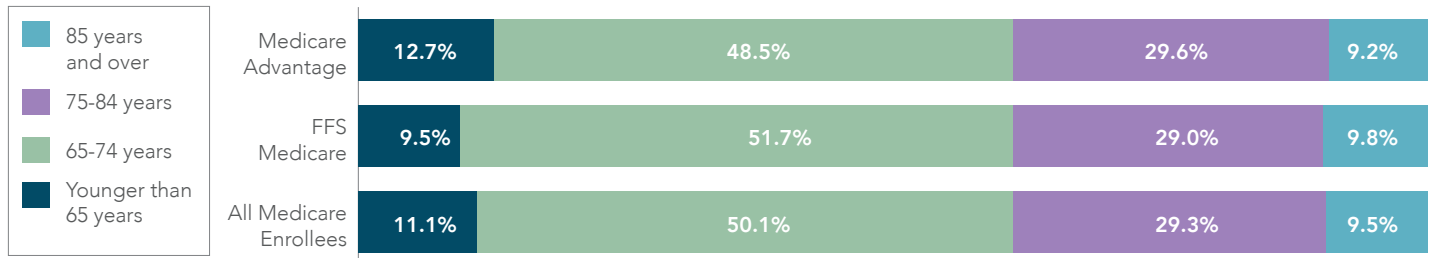
There were differences in age distribution among Medicare Advantage enrollees and those enrolled in FFS Medicare. The proportion of enrollees younger than 65 years was slightly higher in Medicare Advantage (13%) than in FFS Medicare (10%) (Figure 3). Overall, the majority of the Medicare enrollees younger than 65 years (56%) chose to enroll in Medicare Advantage; most of the Medicare enrollees with End-Stage Renal Disease (54%) were also enrolled in Medicare Advantage in 2023 (data not shown). Medicare enrollees younger than 65 years are eligible for Medicare due to their disability and subsequent receipt of Social Security Disability Insurance for more than 24 months or due to a diagnosis of End-Stage Renal Disease or Amyotrophic Lateral Sclerosis.

Figure 3: Age and Gender of Medicare Enrollees, by Coverage Type, 2023

GENDER



AGE GROUP



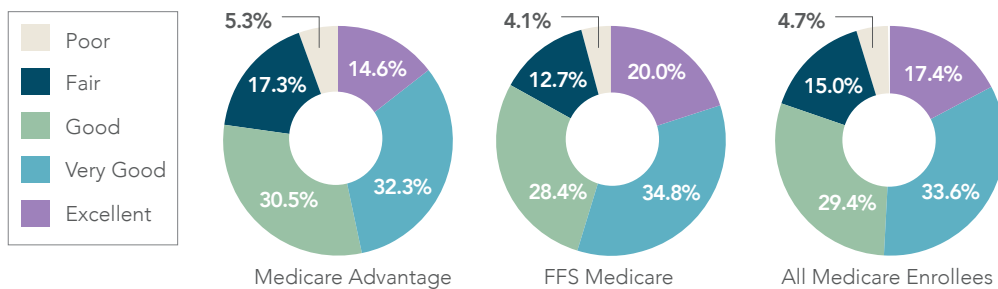
Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting age and gender. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Self-Reported Health

Medicare Advantage serves enrollees reporting a poorer health status, on average, compared to FFS Medicare: 47% of Medicare Advantage enrollees self-reported their health as “excellent” or “very good” compared to 55% for FFS Medicare enrollees (Figure 4). Similarly, 23% of Medicare Advantage enrollees reported their general overall health as “fair”, or “poor”, while for FFS Medicare enrollees the share was 17%.

Figure 4: Self-Reported General Health (Compared to Others Same Age) of Medicare Enrollees, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting health status. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

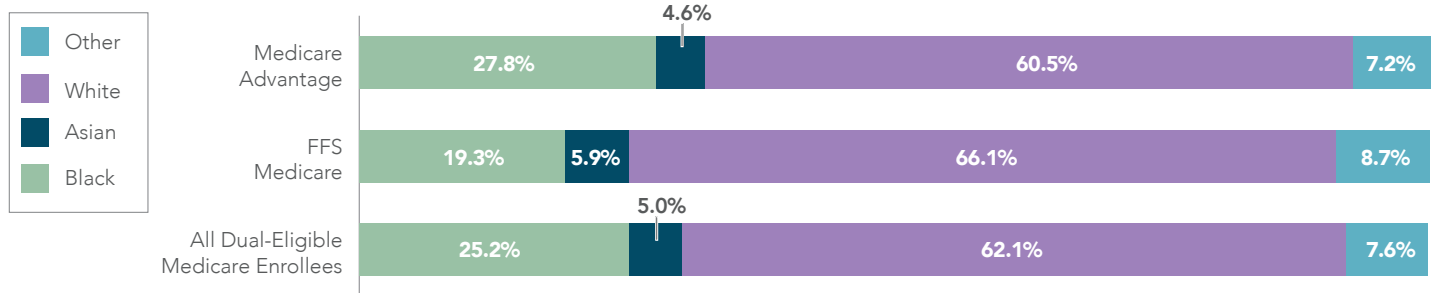
Dually Eligible Medicare Enrollees

The MCBS survey data estimate that the majority of non-institutionalized dually eligible Medicare enrollees (70%) were enrolled in Medicare Advantage in 2023.²

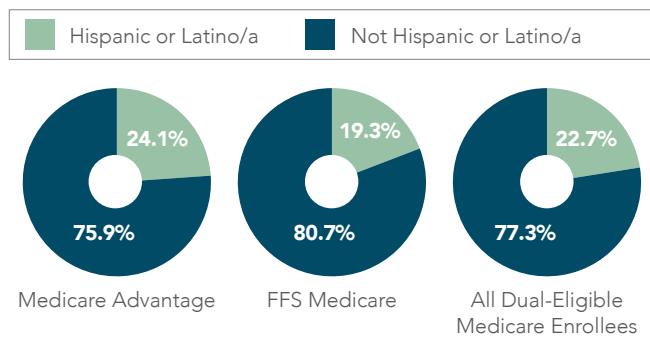
Comparisons of dually eligible Medicare enrollees showed that more enrollees from diverse populations were enrolled in Medicare Advantage: 56% of dually eligible Medicare Advantage enrollees are from diverse populations, compared with 46% of dually eligible original Medicare enrollees. Further, 28% of dually eligible Medicare Advantage enrollees were Black and 24% were of Hispanic or Latino/a origin (Figure 5).

Figure 5: Race and Ethnicity of Dually Eligible Medicare Enrollees by Coverage Type, 2023

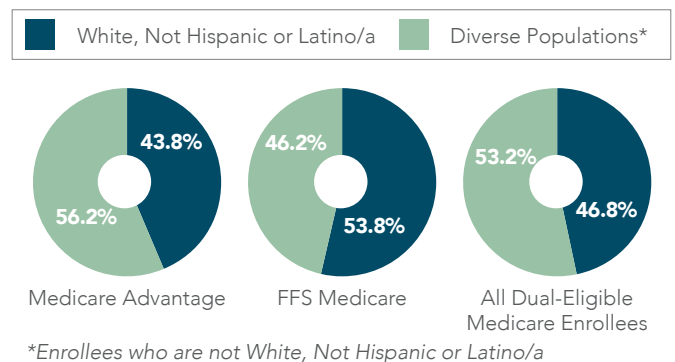
REPORTED RACE



REPORTED ETHNICITY



SHARE OF DIVERSE POPULATIONS



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

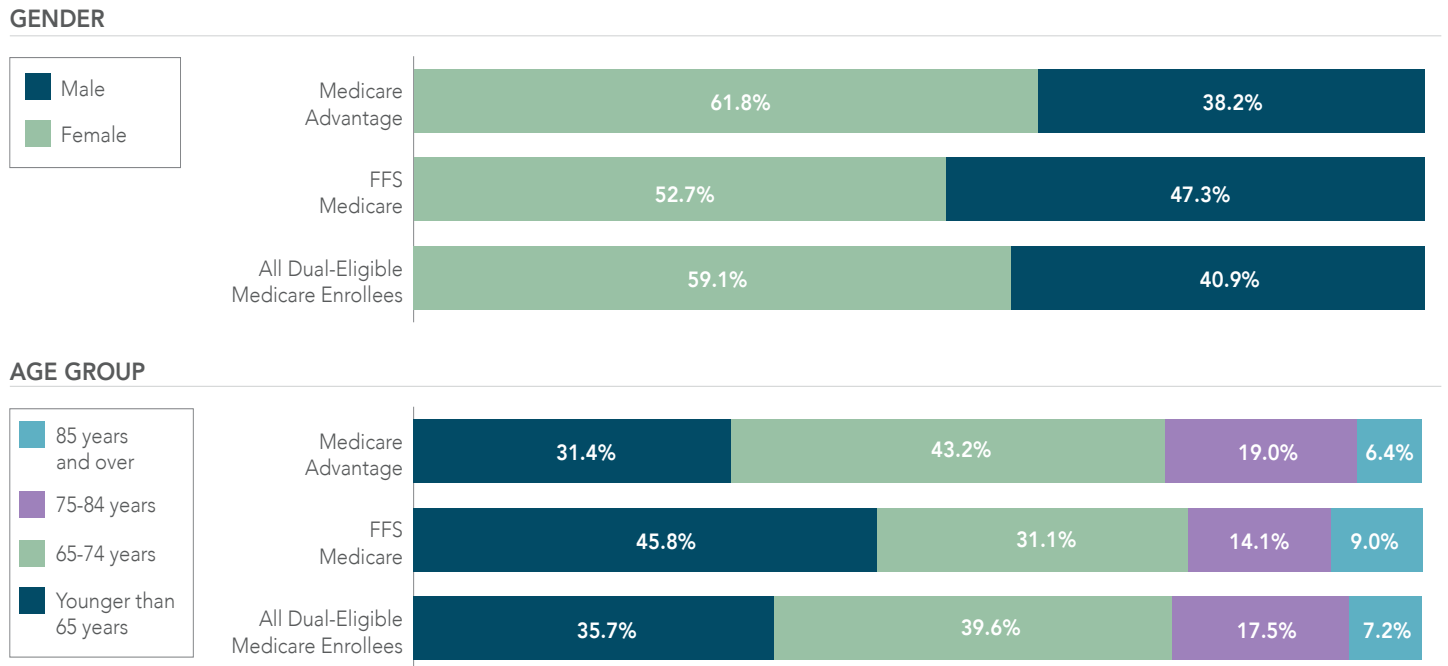
Notes: Calculations based on responses by non-institutionalized Medicare enrollees entitled to full or partial Medicaid benefits reporting race and ethnicity. Responses of "do not know" or refusals to answer have been excluded from calculations. 'Hispanic or Latino/a' includes those indicating they are of Hispanic or Latino origin. The percentages in this figure may not sum to 100 percent due to rounding.

Age and Gender Distribution - Medicare Advantage Duals Compared with FFS Medicare Duals

While the proportions of dually eligible enrollees over 85, and 75 to 84 years of age were similar across Medicare Advantage and FFS Medicare, differences were observed in other age categories. Medicare Advantage had more dually eligible enrollees in the 65 to 74 age groups (43% versus 31% for FFS Medicare) (Figure 6). FFS Medicare had a higher proportion of dually eligible enrollees younger than 65 years (46% versus 31% for Medicare Advantage).

With respect to gender, Medicare Advantage and FFS Medicare both had a higher percentage of women among their dually eligible enrollees at 62% and 53%, respectively (Figure 6).

Figure 6: Age and Gender of Dually Eligible Medicare Enrollees, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

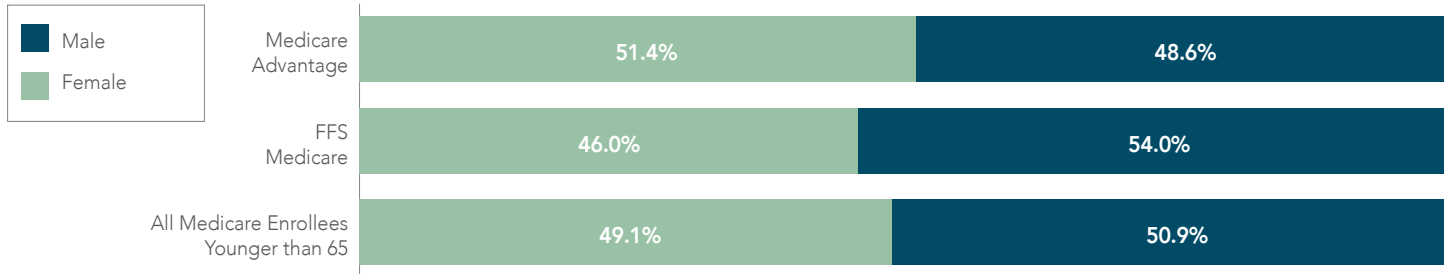
Note: Calculations based on the CMS administrative data for non-institutionalized Medicare enrollees.

The percentages in this figure may not sum to 100 percent due to rounding.

Medicare Advantage Enrollees Younger Than 65 Years

Medicare Advantage enrollees younger than 65 years of age are people who qualify for Medicare because they received Social Security Disability Insurance (SSDI) checks for at least 24 months and/or people who are diagnosed with End-Stage Renal Disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS). The Medicare Advantage enrollees younger than 65 years were predominantly women, at 51%, while for FFS Medicare the majority of enrollees under 65 were men, at 54% (Figure 7).

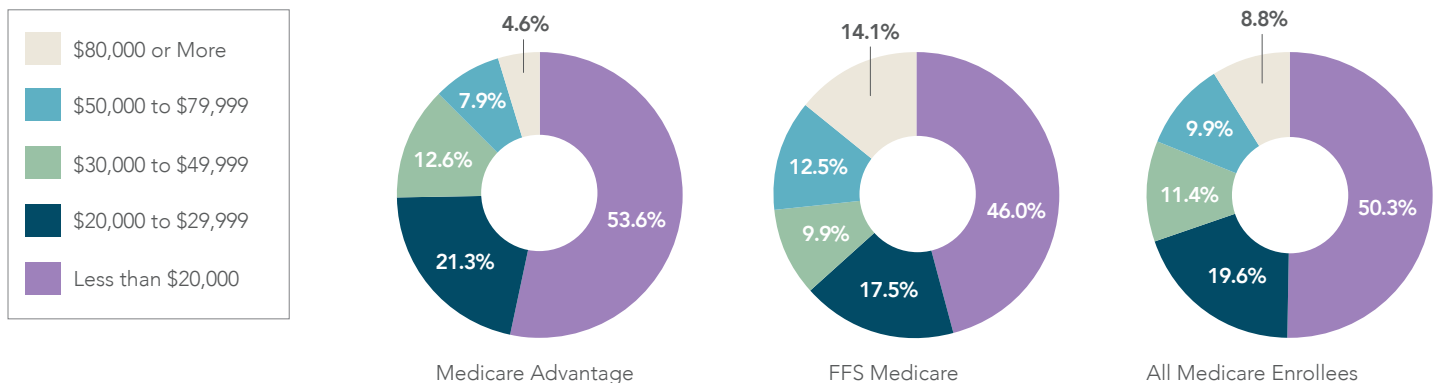
Figure 7: Gender of Medicare Enrollees Younger Than 65 Years, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).
 Note: The percentages in this figure may not sum to 100 percent due to rounding.

More than a quarter (27%) of FFS Medicare enrollees who were younger than 65 years had incomes of \$50,000 or more, while for Medicare Advantage this proportion was 13% (Figure 8).

Figure 8: Income Range¹ of Medicare Enrollees Younger Than 65 Years, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).
 Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting income. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Appendix A: Methodology

Data for this study came from the 2023 Medicare Current Beneficiary Survey (MCBS) Access to Care files, maintained by the Centers for Medicare & Medicaid Services (CMS). We used SAS Enterprise Guide® 7.15³ software to analyze the data.

Our analysis of the MCBS survey data includes data on non-institutionalized enrollees in the 50 states, the District of Columbia, and Puerto Rico eligible for Medicare as of January 1, 2023. June 2023 was the point in time for which enrollee records were selected for inclusion.

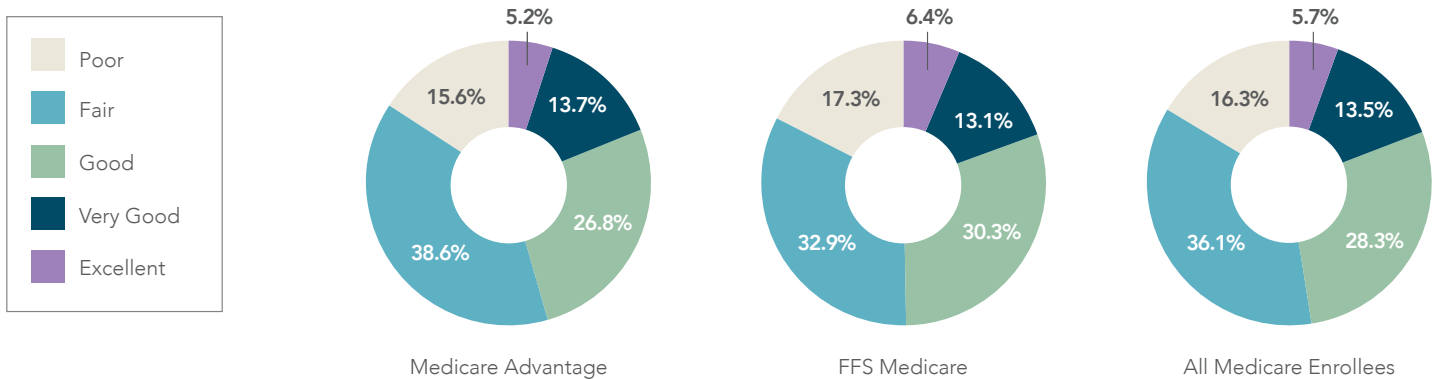
The current MCBS data format does not allow for the separation of Medicare Advantage enrollees from enrollees in other Medicare capitated plans (i.e., Cost plans, Medicare-Medicaid plans, and Program for the All-Inclusive Care of the Elderly or PACE plans). Thus, Medicare Advantage enrollees may include enrollees in non-Medicare Advantage capitated plans. CMS enrollment [data](#) show that in June 2023, 98% of capitated plan enrollment was in Medicare Advantage plans.

The original 6 race categories of enrollees provided in the MCBS dataset were re-grouped into 4 categories. The “Other” category for race distributions combines individuals who identified themselves as being Native Hawaiian or Pacific Islander, American Indian or Alaska Native, other race, or more than one race.

As a general rule, all records in the MCBS dataset containing data values such as “unknown” or “refused” were dropped from the analyses.

Appendix B: Additional Figures

Figure B-1: Self-Reported General Health (Compared to Others Same Age) of Medicare Enrollees Younger Than 65 Years, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS).

Note: Calculations based on responses by non-institutionalized Medicare enrollees reporting health status. Responses of “do not know” or refusals to answer have been excluded from calculations. The percentages in this figure may not sum to 100 percent due to rounding.

Figure B-1 shows the self-reported level of general health of Medicare Advantage enrollees and FFS Medicare enrollees younger than 65 years. For example, in 2023, 27% of Medicare Advantage enrollees younger than 65 years reported their level of general health as good.

Table B-2: Geographic Location of Medicare Enrollees, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS). Note: Calculations based on the residence address of non-institutionalized Medicare beneficiaries. The percentages in this table may not sum to 100 percent due to rounding.

Table B-2 shows the distribution of Medicare Advantage enrollees and FFS Medicare enrollees by geographic location. For example, in 2023, 16% of Medicare Advantage enrollees lived in rural areas.

Table B-3: Geographic Location of Dually Eligible Medicare Enrollees, by Coverage Type, 2023



Source: Medicare Current Beneficiary Survey Access to Care files, 2023 (CMS). Note: Calculations based on the residence address of non-institutionalized Medicare beneficiaries. The percentages in this table may not sum to 100 percent due to rounding.

Table B-3 shows the distribution of dually eligible Medicare Advantage enrollees and dually eligible FFS Medicare enrollees by geographic location. For example, in 2023, 19% of dually eligible Medicare Advantage enrollees lived in rural areas.

ENDNOTES

- 1 The income represents a combined income of a beneficiary and a spouse.
- 2 Includes enrollees with either full or partial Medicaid benefits.
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