



RESEARCH INSTITUTE for HOME CARE

ADVANCING HOME CARE
THROUGH RESEARCH

RESEARCH BRIEFING

“Medicare Plan Type Enrollment: Sociodemographic Profiles of Beneficiaries”

- ▶ Black Medicare enrollees were nearly twice as likely to be enrolled in a zero premium Medicare Advantage (MA) plan as Traditional Medicare (TM); while Hispanic Medicare enrollees were three times as likely to be enrolled in zero premium MA plans as TM.
- ▶ Almost one in four zero premium MA plan enrollees was dually eligible compared to 4.7 percent of monthly premium MA enrollees and 8.7 percent of TM enrollees.
- ▶ MA plans had greater penetration in urban areas, particularly zero premium plans. 89.9% of beneficiaries in MA zero premium and 82.4% in some premium MA plans lived in urban areas compared to 77.8% of TM enrollees.
- ▶ The majority of beneficiaries (61.2%) were enrolled in TM, and a close to equal split between beneficiaries reporting they were in MA plans with a monthly premium (17.6%) and those with zero monthly premium (18.9%). A small minority (2.3%) of enrollees changed between plans within the calendar year.

▲ OVERVIEW OF RESEARCH

Medicare Advantage (MA) plans have become increasingly popular among Medicare beneficiaries. Trending shows the greatest increases in MA enrollment have been in low-income urban areas among minority beneficiaries and those who are dually enrolled. A particular area of growth has been among zero-premium MA plans, but little is known regarding selection of beneficiaries into these plans.

▲ RESULTS

Using the 2019 Medicare Current Beneficiary Survey (MSBS) Cost Supplement, a nationally representative sample of Medicare beneficiaries, researchers found that Medicare beneficiaries enrolled in MA plans with a monthly premium had a similar sociodemographic profile to those enrolled in TM, while enrollees in MA plans with no monthly premium were significantly more likely to be minorities, live in urban areas, women, and be dually enrolled in Medicaid. Past research shows racial and ethnic minorities are more likely to be in lower quality plans. Beneficiaries of color have fewer high-quality plans available where they live, which largely accounts for the difference in quality star plans selected by Black and Hispanic enrollees relative to white enrollees. Because higher MA star ratings are associated with improvements in patient outcomes, these findings suggest differential access to quality plans lead to racial and ethnic differences in health outcomes. Dually enrolled beneficiaries may have restricted choice of plans.

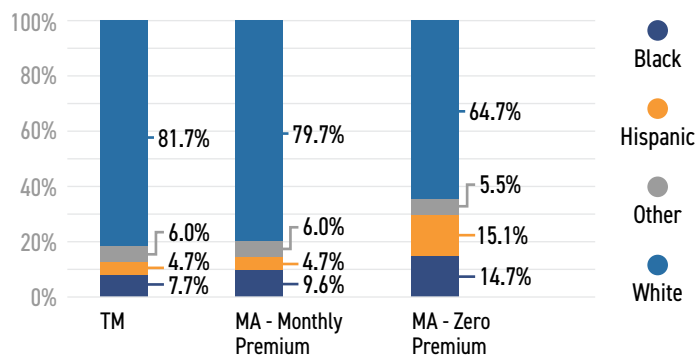
Beneficiaries enrolled in zero premium plans may also face a heightened risk of losing coverage. When the terms of these plans change in the new benefit year, beneficiaries must either start paying premiums, seek out a new plan, or risk losing their coverage altogether. Research suggests that turnover, or the rate at which beneficiaries switch plans, is more common in counties with a higher proportion of non-White enrollees. This turnover could result in coverage lapses or disrupt continuity of care with specific healthcare providers.

our findings underscore the need to monitor the equity of access and quality of care for enrollees in zero premium plans as well as trending longitudinal enrollment patterns in these plans.

▲ IMPACT ON MEDICARE BENEFICIARIES

The narrative surrounding the privatization of Medicare often emphasizes choice. However, this purported choice may exacerbate disparities in healthcare access and quality, particularly for low-income and medically vulnerable populations who may face barriers to enrolling in high quality plans, or do not have the financial resources to opt into better coverage. Concerns have been raised regarding the design and marketing strategies employed by Medicare Advantage plans especially those aimed at minoritized groups. In the interest of health equality,

Racial and Ethnic Characteristics of Medicare Beneficiaries in 2019 by Plan Type



Enrollment of Medicare Beneficiaries in 2019 by Plan Type



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ABOUT THE INSTITUTE

The Research Institute for Home is a 501(c) (3) non-profit, national consortium of home care providers and organizations foundation focused on improving access to and delivery care in the home. The Institute invests in research and education about home care and its ability to deliver quality, cost-effective, patient-centered care across the care continuum. The Institute is committed to conducting and sponsoring research and initiatives that demonstrate and enhance the value proposition that home care has to offer patients and the entire U.S. health care system.

ABOUT THE GRANT

The Research Institute's Home Health Research grant is the only grant dedicated solely to the betterment and understanding of care in the home. With more than a decade of sponsoring and providing integral education and research on the value of home health care to the U.S. health care system, the Institute, through the grant process, seeks to bring home health care research to the forefront and sow the seeds for critical research in the field that will help inform better care for patients now and for the future.