Overview: Medicare and Prevention

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INTRODUCTION

With the passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, the Centers for Medicare & Medicaid Services (CMS) has become a more prevention-oriented agency. This law provided coverage for new primary, secondary, and tertiary preventive benefits, including an initial preventive physical examination for Medicare beneficiaries newly enrolled in Part B, diabetes and cardiovascular disease screening tests, prescription drugs, and the Medicare Health Support Program to help chronically ill people manage their conditions. CMS' more intense focus on prevention is timely, given several positive and negative trends.

Positive Trends

In less than 5 years, the U.S. will experience the beginning of an unprecedented demographic shift as the oldest of the baby boom generation—people born between 1946 and 1964—turns 65. The number of people age 65 or over is expected to double, from 36 million or 12 percent of the population in 2003 to 72 million or nearly 20 percent of the population in 2030 (He et al., 2005). People are also living longer and healthier lives than ever before due to improvements in public health, medicine, and nutrition that occurred in the twentieth century. The average life expectancy at birth in 1900 was 47.3 years; in 2000, it was 76.9 years. A person who lived to age 65 or 75 in 2003 has an average of approximately 18.4 or 11.8 years of life left to live, respectively (National Center for Health Statistics, 2005). In addition, trends over the last two decades suggest that disability and functional limitation are declining among older adults.

Negative Trends

But there are other factors that cloud the future. While the prevalence of smoking has continued to decrease among older Americans and is approximately 9 percent, obesity has increased. In 1982, 9.8 percent of people age 65 or over were obese (National Health Interview Survey, 1999). It is estimated that the prevalence of obesity will increase from 32 percent in 2000 to 37.4 percent in 2010 among people age 60 or over, and the prevalence of normal weight will decrease from 30.6 to 26.7 percent in this group during this period (Arterburn, Crane, and Sullivan, 2004). In addition, only 21.4 percent of people age 65 or over reported engaging in leisure-time physical activity, and this number decreased with age (National Health Interview Survey, 2002).

Obesity and physical inactivity are major risk factors for type 2 diabetes, which is increasing in prevalence at alarming rates in all populations. Projections from 2000-2050 suggest that the elderly and minorities, who are already disproportionately affected by diabetes, will experience the most rapid growth in the prevalence of diagnosed diabetes (Boyle et al., 2001). In 2000, the prevalence of diagnosed diabetes

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was approximately 13.6 and 14.7 percent among males and females age 65-74. In 2050, the prevalence of diagnosed diabetes is projected to increase to 26.2 percent among males, and 19.4 percent among females age 65-74.

Smoking, obesity, and sedentary lifestyle underlie the leading causes of death, most of which are chronic conditions caused by or exacerbated by these very risk factors. Approximately 80 percent of people age 65 or over have one or more chronic conditions, 52 percent have two or more, and 48 percent have three or more, which account for 89 percent of Medicare's budget. Medicare expenditures in 2006 are projected to be $420.1 billion and to reach $792 billion in 2015. Similarly Medicaid expenditures in 2006 are projected to be approximately $320 billion and to reach $669.8 billion in 2015 (Centers for Medicare & Medicaid Services, 2006). In 2003, Federal spending for Medicare and Medicaid accounted for almost 4 percent of the gross domestic product; by 2030, spending for these programs is projected to range from 5.7 to 11.5 percent of the gross domestic product (U.S. Congressional Budget Office, 2003).

IN THIS ISSUE

Health promotion and disease prevention are essential for helping people maintain their health and function and for controlling health care costs. The collection of articles in this issue of the *Health Care Financing Review* examines ways to improve the use of existing Medicare preventive benefits, suggest opportunities for reducing Medicare expenditures related to treatment for age-related macular degeneration, and elucidate the relationship between alcohol use and Medicare costs.

Clinical Preventive Services

Medicare covers a variety of clinical preventive services, including influenza, pneumococcal, and hepatitis B vaccinations; mammography, colorectal, cervical, and prostate cancer screening; glaucoma screening; bone mass measurement; diabetes self-management training; diabetes supplies and services; and medical nutrition therapy. Congress recently expanded Medicare's menu of clinical preventive benefits to include an initial preventive physical examination for new enrollees, and diabetes and cardiovascular disease screening.

Despite coverage, the use of Medicare preventive benefits is less than optimal. In 2000 about 30 and 37 percent of Medicare beneficiaries did not receive an influenza immunization or pneumococcal vaccination, respectively (U.S. General Accounting Office, 2003). Only about 10 percent of female beneficiaries had been screened for colon, breast, and cervical cancer, and had also received influenza and pneumococcal vaccinations.

Two articles in this issue discuss strategies for promoting current Medicare preventive benefits. Ozminkowski, Goetzel, Shechter, Stapleton, Baser, and Lapin used the Medicare Current Beneficiary Survey to examine predictors of preventive services use. The results of their study suggest segments of the Medicare population who may be at greater risk for not having recommended preventive services, and also highlight the issue of appropriate use of these benefits. Schenck, Pignone, Jackson, Gunter, and Klabunde discuss an intervention to increase the delivery of colorectal cancer screening in North and South Carolina. Medicare claims data from 1998-2002 indicate that approximately 45 percent

of Medicare beneficiaries had ever had at least one colorectal cancer screening test. Colorectal cancer is the second leading cause of cancer death, and approximately two-thirds of the people who die from this disease are age 65 or over. Yet, colorectal cancer is also one of the most preventable types of cancer. The article also describes the impact of different strategies targeting physicians in increasing colorectal cancer screening rates and suggests that more research is needed to identify how to encourage physicians to promote this service to their patients.

Another study in this issue makes a financial case for Medicare to consider covering annual vision screening that includes a dilated eye examination to help detect age-related macular degeneration and prevent progression of this debilitating disease, the leading cause of legal blindness among White persons age 65 or over (American Health Assistance Foundation, 2006). Halpern, Schmier, Covert, and Venkataraman estimated Medicare expenditures for treatment of age-related macular degeneration and found that Medicare could save money by preventing or delaying the progression of this condition. Congress, not CMS, authorizes Medicare coverage for preventive services, and has not legislated coverage for vision screening.

Lifestyle Risk Factors

Using clinical preventive services is one way to promote health and prevent disease. Engaging in healthy behaviors, such as physical activity, maintaining a healthy weight, and not smoking are just as important. Alcohol use is a risk factor for some chronic diseases, but its impact on health and Medicare expenditures is rather unique compared with other behaviors, as highlighted by Mukamal, Luepker, Lapin, Mittleman, McBean, Crum, and Siscovick. In their study, which used the longitudinal Cardiovascular Healthy Study linked with Medicare claims data, they found that among both healthy Medicare beneficiaries and those with prevalent cardiovascular disease, individuals who reported light-to-moderate alcohol use had lower Medicare expenditures than abstainers. Screening older adults for alcohol use is still important, but this study suggest that treating individuals with established alcoholism is likely to be more cost saving than broader efforts to reduce alcohol use in this population.

CONCLUSION

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 has helped to expand CMS' focus from treating acute illnesses to preventing disease and helping people manage their health. The introduction of the Medicare drug benefit should not only result in major savings to beneficiaries, but also to improving their health by removing financial barriers to medications that can help them manage existing conditions, prevent complications, and delay progression. This law also provided for the phasing-in of a chronic care improvement program, now referred to as the Medicare Health Support Program, which if successful, will provide a significant population-based intervention model for promoting secondary and tertiary prevention for beneficiaries with chronic disease. In the long run, though, major Medicare savings can be achieved through increased emphasis on promoting appropriate use of preventive services and healthy lifestyles.

Medicare has made great strides in closing the coverage gap by reimbursing clinicians for recommended preventive services. The challenge is to close the prevention gap—the difference between

the number of beneficiaries who could take advantage of preventive services and those who actually do. The studies included in this issue could inform efforts to close this gap, but more research is needed focusing on reaching racial and ethnic populations and individuals with low health literacy, identifying systematic approaches using information technology to incorporate prevention into routine clinical practice, and understanding what incentives are most effective for motivating clinicians to deliver preventive care and encouraging people to take better care of themselves.

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