

Chapter 2: Medicare Enrollment

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Introduction

The growth in the number of persons enrolled in the Medicare program is a significant factor in the rise in program payments. The enrollment statistics presented in this chapter are meant to assist in the monitoring and evaluation of program benefits, policy and legislative issues, and research initiatives related to the administration of the Medicare program. The statistics are presented by selected demographic and program characteristics.

Growth of the enrolled population

When the Medicare program went into effect on July 1, 1966, only persons 65 years of age or over were covered. Medicare coverage was extended to persons under 65 years of age when disabled persons and persons with end stage renal disease (ESRD) were made eligible by the 1972 Amendments to the Social Security Act (Public Law 92-603). Coverage of the latter groups began on July 1, 1973.

In 1990, the total enrollment in Medicare was 34.2 million. The total enrollment of the aged grew from 19.1 million in 1966 to almost 31 million in 1990, an average annual rate of growth of 2.0 percent. The enrollment of persons under 65 years of age has grown at a more rapid pace. The number of persons under age

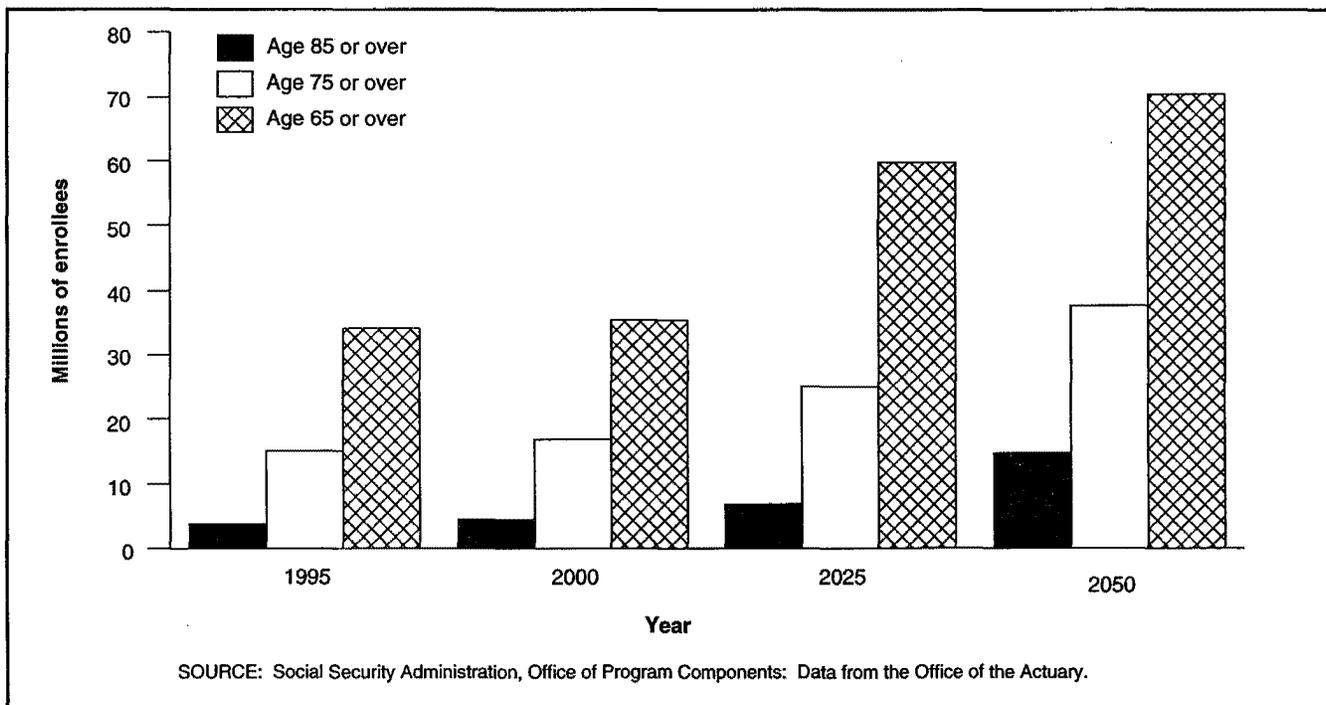
65 enrolled for Medicare has almost doubled, from 1.7 million in 1973 to 3.2 million in 1990. This is an average growth rate of 3.8 percent per year.

In 1966, the estimated total resident population of the United States was 197 million. When Medicare was implemented on July 1, 1966, it provided health care services to 19.1 million enrollees, who represented about 9.7 percent of the total resident population. By 1990, the estimated resident population was 248.7 million. Of this total, Medicare provided health insurance to about 34.2 million enrollees, or almost 13.8 percent of the total resident population.

In 1966, about 10 percent of the United States population was age 65 or over; by 1990, the proportion rose to 12 percent. Actuarial projections indicate that the aged population will continue to expand and will represent 19 to 20 percent of the population by the year 2025. As shown in Figure 2.1, the number of the Social Security aged population is projected to increase to 59.8 million individuals in 2025 and 70.5 million in 2050.

Statistical examination of the aged population (65 years of age or over) within the Medicare program indicates increasing life expectancy for beneficiaries. The median age for this population rose from 72.8 years in 1966 to 73.5 years in 1987. Although the overall aged population of the program has been increasing at an average annual rate of 2.1 percent, the category of

Figure 2.1
Projected growth of the Social Security aged population: Selected calendar years 1995, 2000, 2025, and 2050



persons 85 years of age or over has been increasing at an average annual rate of 4.6 percent.

Basis of entitlement

There are three basic entitlement categories: persons 65 years of age or over who are eligible for retirement under Social Security or the railroad retirement system, persons under 65 years of age who have been entitled for at least 2 years to disability benefits under Social Security or the railroad retirement system, and persons with ESRD who do not otherwise meet the age or disability requirements. The latter two groups together are known as the "under 65" enrollees.

All persons 65 years of age or over who are entitled to monthly Social Security benefits or payments from the railroad retirement system are eligible for benefits under the Medicare hospital insurance (HI) program. Since July 1, 1973, disabled persons entitled to cash benefits under the Social Security or railroad retirement programs also have been eligible for HI benefits. A person must be disabled for 6 months before disability benefits begin and then be entitled to 24 months of cash benefits before becoming eligible for HI benefits. Thus, Medicare coverage begins the 30th month after the first full calendar month of disability.

HI coverage also extends to persons who have ESRD and require renal dialysis or a kidney transplant. In addition, they must be currently insured, entitled to monthly Social Security benefits, or be the spouses or dependent children of such insured persons. Eligibility for coverage begins the third month after renal dialysis treatments begin or before this qualifying dialysis period for ESRD enrollees who receive kidney transplants without starting or receiving dialysis in preparation for transplantation. Eligibility ends with the 36th month after a person receives a kidney transplant or after dialysis treatment has been terminated.

The 1972 Amendments to the Social Security Act, effective July 1973, permit most persons 65 years of age or over who are ineligible for HI coverage to enroll voluntarily by paying a monthly premium. This "premium-HI" was set at \$175 a month for 1990 and represents the actuarial cost of HI.

About 98 percent of the Nation's aged population is enrolled in the HI program. Nearly everyone covered by HI voluntarily enrolls in the supplementary medical insurance (SMI) program. Under buy-in agreements, most State Medicaid programs pay those premiums for individuals who qualify for both Medicare and Medicaid benefits. Table 2.2 shows HI and SMI

Table 2.2

Number of aged and disabled enrollees in the Medicare hospital insurance and/or supplementary medical insurance programs, by type of entitlement: July 1, 1966-91

Year ¹	Type of entitlement									
	Hospital insurance and/or supplementary medical insurance			Hospital insurance			Supplementary medical insurance			
	Total	Aged	Disabled	Total	Aged	Disabled	Total	Aged	Disabled	
Numbers in thousands										
1966	19,109	19,109	—	19,082	19,082	—	17,736	17,736	—	
1967	19,521	19,521	—	19,494	19,494	—	17,893	17,893	—	
1968	19,821	19,821	—	19,770	19,770	—	18,805	18,805	—	
1969	20,103	20,103	—	20,014	20,014	—	19,195	19,195	—	
1970	20,491	20,491	—	20,361	20,361	—	19,584	19,584	—	
1971	20,915	20,915	—	20,742	20,742	—	19,975	19,975	—	
1972	21,332	21,332	—	21,115	21,115	—	20,351	20,351	—	
1973	23,545	21,815	1,731	23,301	21,571	1,731	22,491	20,921	1,570	
1974	24,201	22,273	1,928	23,924	21,996	1,928	23,167	21,421	1,745	
1975	24,959	22,790	2,168	24,640	22,472	2,168	23,905	21,945	1,959	
1976	25,663	23,271	2,392	25,313	22,920	2,392	24,614	22,446	2,168	
1977	26,458	23,838	2,619	26,094	23,474	2,619	25,363	22,991	2,373	
1978	27,164	24,371	2,793	26,777	23,984	2,793	26,074	23,531	2,543	
1979	27,859	24,948	2,911	27,459	24,548	2,911	26,757	24,098	2,659	
1980	28,478	25,515	2,963	28,067	25,104	2,963	27,400	24,680	2,719	
1981	29,010	26,011	2,999	28,590	25,591	2,999	27,949	25,182	2,759	
1982	29,494	26,540	2,954	29,069	26,115	2,954	28,412	25,707	2,705	
1983	30,026	27,109	2,918	29,587	26,670	2,918	28,975	26,292	2,682	
1984	30,455	27,571	2,884	29,996	27,112	2,884	29,415	26,764	2,651	
1985	31,083	28,176	2,907	30,589	27,683	2,907	29,989	27,311	2,678	
1986	31,750	28,791	2,959	31,216	28,257	2,959	30,590	27,863	2,727	
1987	32,411	29,380	3,031	31,853	28,822	3,031	31,170	28,382	2,788	
1988	32,980	29,879	3,102	32,413	29,312	3,101	31,617	28,780	2,837	
1989	33,579	30,409	3,171	33,040	29,869	3,171	32,099	29,216	2,883	
1990	34,213	30,961	3,252	33,731	30,479	3,252	32,636	29,691	2,945	
1991	34,870	31,485	3,385	34,429	31,043	3,385	33,237	30,185	3,052	

¹Data for each year 1968-91 reflect information recorded in the health insurance master file through March of the year following the report year. Data for 1966 and 1967 reflect information recorded through December of the year following the report year.

SOURCE: Health Care Financing Administration, Bureau of Data Management and Strategy; Data from the Current Utilization Series of the Medicare Decision Support System; data development by the Office of Statistics and Data Management.

enrollment since the beginning of the Medicare program.

Type of coverage

Medicare beneficiaries also can be characterized by the type of insurance coverage for which they are enrolled, that is, either HI or SMI. Generally, persons who meet one of the three eligibility requirements do not have to pay a premium for HI coverage. However, as indicated previously, persons not eligible for automatic HI coverage may obtain coverage by paying a premium. Coverage under SMI always requires the payment of a monthly premium. Persons may elect to forgo SMI coverage and not pay a premium. For this reason, not every Medicare beneficiary covered by HI is covered by SMI. By the same token, not everyone who elects to buy SMI coverage would choose to buy HI coverage if not otherwise receiving automatic coverage.

In 1990, about 94 percent (32.1 million) of the persons enrolled for Medicare had coverage under both HI and SMI. About 1.6 million enrollees were covered only by HI, that is, had elected not to pay the premiums for SMI coverage (derived from Table 2.3). Less than one-half million aged enrollees had only SMI coverage; disabled enrollees are not permitted to enroll in SMI only. Many enrollees with only HI coverage, which is usually extended automatically, may have had supplementary coverage through employment-related plans and did not feel the need to purchase SMI coverage. Younger persons with ESRD may have had private employment-related insurance whereby Medicare was a secondary payer to the private insurance; therefore, purchase of SMI may not have been perceived as advantageous. Table 2.3 summarizes aged and disabled enrollment in the HI and SMI programs for 1990.

Some types of employment are not covered by Social Security, and retirees from these occupations would not be automatically entitled to HI coverage. Although they may have employment-related coverage for services that are covered by HI, they may want extra protection against the costs of medical services covered by SMI. Federal retirees covered by the civil service retirement system probably constitute a large portion of the "SMI only" group.

Most Medicare enrollees paid their own SMI premiums. State Medicaid programs paid the premiums for about 3.6 million enrollees. Most of the latter beneficiaries were also covered by the State Medicaid program. If these persons lack coverage under either HI or SMI but otherwise meet the eligibility criteria, the State may buy coverage for them under either or both programs through payment of the applicable premiums on their behalf. This group of enrollees is considered as "dually enrolled." State Medicaid programs are required to purchase Medicare coverage for persons whose incomes do not exceed 100 percent of the Federal poverty level and whose assets are below specified limits. Whether Medicaid coverage is extended to those "qualified Medicare beneficiaries" who normally would not meet the State criteria for Medicaid eligibility

Table 2.3

Number of aged and disabled Medicare enrollees, by type of enrollment: July 1, 1990

Type of enrollment	Total	Aged	Disabled
Number in millions			
Hospital insurance and/or supplementary medical insurance	34.2	31.0	3.3
Hospital insurance and supplementary medical insurance	32.1	29.2	2.9
Hospital insurance	33.7	30.5	3.3
Supplementary medical insurance	32.6	29.7	2.9
Supplementary medical insurance only	0.5	0.5	—

NOTE: Numbers may not add to totals because of rounding.

SOURCE: Health Care Financing Administration, Bureau of Data Management and Strategy: Data from the Medicare Decision Support System.

is a State option. For both groups, however, Medicare becomes the primary payer for the services covered by HI and SMI, but the State Medicaid program pays the applicable deductibles and coinsurance. Medicare enrollees covered by either HI or SMI as a result of State premium payments on their behalf are referred to as "buy-ins."

Private health plan option

Medicare enrollees can also be differentiated by whether or not they have elected to enroll in and receive services from an organized medical service system. These organized delivery systems of health services are generally known as health maintenance organizations (HMOs). They are also referred to as health care prepayment plans (HCPPs) or competitive medical plans (CMPs). Although they vary significantly in the details of their operations, the distinctive feature of HCPPs is that Medicare pays them a monthly prospectively set capitation to provide covered services to Medicare-covered enrollees. This payment arrangement is in contrast to the fee-for-service arrangement that has been the historic pattern of the American health care system. In 1990, about 1.9 million Medicare beneficiaries or 5.5 percent were enrolled in HMOs. Less than 2 percent of the disabled were enrolled, compared with almost 6 percent of the aged (Table 2.4).

Enrollment by basis of eligibility

Of the 34.2 million persons enrolled in Medicare on July 1, 1990, 30.9 million qualified on the basis of being 65 years of age or over. There were 3.1 million beneficiaries who were disabled and about 44,000 of these had ESRD. About 65,000 were receiving Medicare benefits solely because of ESRD. About 52,000 aged persons had ESRD in 1990. However, when a beneficiary reaches 65 years of age, eligibility is on the basis of age regardless of the original reason for

Table 2.4
Number of Medicare enrollees and type of entitlement, by demographic characteristics: July 1, 1990

Demographic characteristic	Entitlement													
	Total	Hospital insurance	Supplementary medical insurance	Aged without ESRD	Aged with ESRD	Disabled without ESRD	Disabled with ESRD	ESRD only	Type of service		Enrollment		Residence	
									Prepaid plan	Fee for service	State buy-in	All other	Urban	Rural
	Numbers in thousands													
Total	34,213	33,731	32,636	30,909	52	3,144	44	65	1,903	32,310	3,584	30,630	25,274	8,939
Age														
Under 19 years	4	4	4	—	—	(1)	0	4	(1)	4	2	2	3	1
19-34 years	480	480	438	—	—	459	7	14	4	476	233	247	358	122
35-54 years	1,398	1,398	1,257	—	—	1,345	23	30	20	1,378	391	1,007	1,009	389
55-64 years	1,371	1,371	1,246	—	—	1,340	14	17	38	1,333	251	1,120	965	405
65-74 years	17,657	17,406	16,755	17,623	34	—	—	—	1,078	16,579	1,151	16,506	13,162	4,495
75-84 years	10,022	9,825	9,824	10,006	16	—	—	—	617	9,406	1,007	9,016	7,363	2,660
85 years or over	3,282	3,247	3,113	3,280	2	—	—	—	146	3,136	551	2,731	2,414	868
Sex														
Male	14,462	14,328	13,586	12,404	26	1,971	28	33	812	13,649	1,108	13,354	10,561	3,900
Female	19,752	19,403	19,050	18,506	25	1,172	16	32	1,090	18,661	2,476	17,276	14,713	5,039
Race														
White	29,347	29,081	28,094	26,832	34	2,418	26	36	1,645	27,702	2,454	26,893	21,452	7,895
Black	2,843	2,761	2,677	2,298	13	500	14	18	119	2,725	790	2,053	2,238	605
Other	982	884	882	801	2	168	3	8	79	903	253	729	812	170
Unknown	1,041	1,005	983	977	2	58	1	3	60	981	86	954	772	269
Under 65 years														
Males:														
White	1,564	1,564	1,401	—	—	1,529	16	19	31	1,533	332	1,232	1,068	497
Black	319	319	295	—	—	301	9	9	4	315	94	225	251	69
Other	148	148	129	—	—	141	2	5	3	145	35	113	111	37
Females:														
White	916	916	836	—	—	889	10	17	19	897	285	631	660	255
Black	212	212	201	—	—	199	5	9	3	210	97	115	173	40
Other	92	92	82	—	—	85	1	6	2	90	32	61	73	19
65-74 years														
Males:														
White	6,727	6,683	6,311	6,715	12	—	—	—	406	6,321	194	6,533	4,928	1,800
Black	561	552	509	557	4	—	—	—	29	531	67	494	451	110
Other	474	450	431	473	1	—	—	—	37	438	47	428	376	99
Females:														
White	8,461	8,373	8,140	8,451	10	—	—	—	518	7,942	527	7,933	6,267	2,193
Black	771	736	738	766	5	—	—	—	39	732	211	560	621	150
Other	663	612	626	661	2	—	—	—	49	614	105	558	520	143

See footnotes at end of table.

Table 2.4—Continued
Number of Medicare enrollees and type of entitlement, by demographic characteristics: July 1, 1990

Demographic characteristic	Entitlement							Type of service		Enrollment		Residence		
	Total	Hospital insurance	Supplementary medical insurance	Aged without ESRD	Aged with ESRD	Disabled without ESRD	Disabled with ESRD	ESRD only	Prepaid plan	Fee for service	State buy-in	All other	Urban	Rural
Numbers in thousands														
75-84 years														
Males:														
White	3,299	3,270	3,223	3,293	6	—	—	—	219	3,079	161	3,137	2,371	928
Black	262	256	252	261	2	—	—	—	14	248	50	212	198	64
Other	203	187	192	202	1	—	—	—	19	183	29	174	158	45
Females:														
White	5,491	5,408	5,407	5,486	5	—	—	—	321	5,170	534	4,956	4,041	1,449
Black	463	436	456	461	2	—	—	—	21	442	170	293	360	103
Other	305	269	294	304	1	—	—	—	22	283	62	243	235	70
85 years or over														
Males:														
White	788	783	746	787	1	—	—	—	44	744	70	718	565	223
Black	73	72	62	73	(¹)	—	—	—	3	70	20	52	51	22
Other	44	42	35	44	(¹)	—	—	—	4	40	10	36	35	8
Females:														
White	2,102	2,085	2,030	2,013	1	—	—	—	87	2,014	349	1,752	1,552	550
Black	181	177	164	164	(¹)	—	—	—	5	177	81	101	134	47
Other	95	88	76	76	(¹)	—	—	—	4	90	23	72	77	18

¹Fewer than 500 enrollees.

NOTE: ESRD is end stage renal disease.

SOURCE: Health Care Financing Administration, Bureau of Data Management and Strategy: Data from the Medicare Decision Support System; data development by the Office of Research and Demonstrations.

Table 2.5
Number and type of Medicare hospital insurance (HI) and/or supplementary medical insurance (SMI) enrollees, by area of residence: Calendar year 1990

Area of residence	Total	Type of entitlement						
		Type of coverage		Aged without ESRD	Aged with ESRD	Disabled without ESRD	Disabled with ESRD	ESRD only
		HI	SMI					
Total	34,213,200	33,731,200	32,635,800	30,909,360	51,540	3,143,500	43,840	64,960
United States	33,499,160	33,018,580	32,298,100	30,303,500	50,860	3,037,880	43,180	63,740
Northeast	7,435,820	7,319,420	7,117,940	6,799,340	11,280	603,800	8,600	12,800
North Central	8,405,400	8,334,540	8,133,400	7,623,800	12,560	745,100	9,600	14,340
South	11,543,600	11,392,660	11,163,080	10,314,100	17,440	1,170,660	17,240	24,160
West	6,114,340	5,971,960	5,883,680	5,566,260	9,580	518,320	7,740	12,440
New England	1,890,120	1,878,060	1,797,860	1,730,360	2,380	152,360	1,880	3,140
Connecticut	468,720	464,720	449,760	434,640	760	32,100	420	800
Maine	183,000	181,440	177,460	164,000	200	18,380	200	220
Massachusetts	867,760	864,460	818,580	795,100	800	69,660	860	1,340
New Hampshire	136,380	135,660	130,300	124,120	200	11,740	100	220
Rhode Island	159,280	157,460	149,880	145,120	300	13,220	240	400
Vermont	74,980	74,320	71,880	67,380	120	7,260	60	160
Middle Atlantic	5,545,700	5,441,360	5,320,080	5,068,980	8,900	451,440	6,720	9,660
New Jersey	1,090,000	1,071,640	1,050,880	1,004,340	1,740	80,160	1,300	2,460
New York	2,505,400	2,438,760	2,388,260	2,276,940	3,620	217,340	2,880	4,620
Pennsylvania	1,950,300	1,930,960	1,880,940	1,787,700	3,540	153,940	2,540	2,580
East North Central	5,781,780	5,726,060	5,586,680	5,216,280	9,160	538,580	6,840	10,920
Illinois	1,534,620	1,515,280	1,476,180	1,399,200	2,700	127,700	1,700	3,320
Indiana	755,320	753,900	729,920	677,820	1,020	74,020	1,240	1,220
Michigan	1,238,800	1,228,460	1,201,740	1,106,640	2,100	126,120	1,320	2,620
Ohio	1,541,180	1,520,420	1,487,400	1,386,200	2,480	147,880	1,900	2,720
Wisconsin	711,860	708,000	691,440	646,420	860	62,860	680	1,040
West North Central	2,623,620	2,608,480	2,546,720	2,407,520	3,400	206,520	2,760	3,420
Iowa	455,760	454,000	444,880	420,260	400	34,060	380	660
Kansas	360,640	358,480	349,340	334,520	540	24,800	300	480
Minnesota	586,500	584,080	569,180	542,700	960	41,660	520	660
Missouri	777,240	770,700	752,980	699,600	980	74,680	960	1,020
Nebraska	234,240	233,300	227,460	218,280	240	15,080	300	340
North Dakota	98,880	98,220	95,960	90,880	120	7,720	80	80
South Dakota	110,360	109,700	106,920	101,280	160	8,520	220	180
South Atlantic	6,167,960	6,090,880	5,971,500	5,546,600	9,800	590,420	8,480	12,660
Delaware	86,920	86,440	84,080	78,760	140	7,820	20	180
District of Columbia	80,740	76,080	74,020	72,960	280	6,920	80	500
Florida	2,342,780	2,333,380	2,286,340	2,171,880	3,480	161,760	2,240	3,420
Georgia	735,440	721,300	711,560	635,720	1,420	94,380	1,660	2,260
Maryland	545,880	533,580	520,260	499,600	760	43,240	680	1,600
North Carolina	893,800	880,640	866,800	786,600	1,320	102,420	1,700	1,760
South Carolina	445,920	437,120	431,360	386,900	820	56,420	800	980
Virginia	727,740	714,420	697,740	649,320	1,260	74,540	1,040	1,580
West Virginia	308,740	307,920	299,340	264,860	320	42,920	260	380
East South Central	2,182,240	2,149,840	2,111,620	1,893,220	2,660	278,440	3,540	4,380
Alabama	582,580	571,220	561,520	510,020	740	69,580	1,000	1,240
Kentucky	539,220	528,800	522,560	463,220	500	74,220	540	740
Mississippi	367,100	358,220	355,000	313,220	620	51,700	760	800
Tennessee	693,340	691,600	672,540	606,760	800	82,940	1,240	1,600
West South Central	3,193,400	3,151,940	3,079,960	2,874,280	4,980	301,800	5,220	7,120
Arkansas	391,540	386,420	379,300	343,460	520	46,600	440	520
Louisiana	527,480	516,980	504,700	456,520	1,380	66,980	1,180	1,420
Oklahoma	452,220	450,400	437,060	412,980	320	37,680	620	620
Texas	1,822,160	1,798,140	1,758,900	1,661,320	2,760	150,540	2,980	4,560

See footnotes at end of table.

eligibility, such as ESRD. Thus, there was a total of 172,078 persons with ESRD (Table 2.4).

Medicaid buy-ins

Some part or all of Medicare coverage was purchased through premiums paid by a State or territorial

Medicaid agency for about 10.5 percent (3.6 million) of the Medicare enrollees (Table 2.4). Almost 27 percent of the enrollees under age 65 were "buy-ins." Most of these were disabled persons unable to work and probably suffered long-standing disabilities that prevented them from engaging in sufficient gainful

Table 2.5—Continued

Number and type of Medicare hospital insurance (HI) and/or supplementary medical insurance (SMI) enrollees, by area of residence: Calendar year 1990

Area of residence	Total	Type of coverage		Type of entitlement				
		HI	SMI	Aged without ESRD	Aged with ESRD	Disabled without ESRD	Disabled with ESRD	ESRD only
Mountain	1,639,680	1,622,620	1,574,400	1,489,100	2,200	143,680	2,060	2,640
Arizona	498,320	493,600	480,680	454,720	920	41,060	780	840
Colorado	358,580	353,240	343,280	322,940	340	34,240	480	580
Idaho	132,400	132,120	128,200	121,840	180	10,060	100	220
Montana	116,820	116,420	112,940	105,000	100	11,460	100	160
Nevada	141,580	140,700	134,260	128,600	220	12,400	160	200
New Mexico	179,180	175,680	170,560	160,240	320	18,000	260	360
Utah	161,360	159,680	154,940	148,440	80	12,500	140	200
Wyoming	51,440	51,180	49,540	47,320	40	3,960	40	80
Pacific	4,474,660	4,349,340	4,309,280	4,077,160	7,380	374,640	5,680	9,800
Alaska	25,440	25,320	23,520	22,200	0	3,100	40	100
California	3,271,980	3,158,880	3,154,360	2,977,140	5,980	276,980	4,180	7,700
Hawaii	126,780	123,480	119,260	117,140	340	8,680	260	360
Oregon	430,760	427,740	415,180	395,040	340	34,280	420	680
Washington	619,700	613,920	596,960	565,640	720	51,600	780	960
Outlying and foreign	714,040	712,620	337,700	605,860	680	105,620	660	1,220

NOTE: ESRD is end stage renal disease.

SOURCE: Health Care Financing Administration, Bureau of Data Management and Strategy: Data from the Medicare Decision Support System; data development by the Office of Research and Demonstrations.

employment to acquire automatic HI coverage or the resources to pay for their SMI coverage. Almost 17 percent of the enrollees 85 years or over were buy-ins. Very likely, this was related to impoverishment attributable to the need for lengthy nursing home stays and other expensive health care services. One out of eight female enrollees was a Medicaid buy-in. This reflects the greater longevity of women, their greater risk of nursing home stays, and the fact that they often incur high health care expenditures that result in the depletion of their assets. Almost 28 percent of black enrollees were buy-ins.

Enrollment by demographic characteristics

Table 2.4 also shows the number of Medicare enrollees by selected demographic characteristics as of July 1, 1990. Enrollees under 65 years of age constituted about 3.2 million or 9.5 percent of the total Medicare enrollment (derived from table). This group consisted of persons who were disabled and persons with end stage renal disease who did not meet the criteria for disability either because they had not received Social Security disability payments for the requisite 2 years or they continued to work. About 42 percent were age 55 to 64 and almost 15 percent were under age 35.

The 30.9-million enrollees who were age 65 or over constituted the bulk of the Medicare enrollment. Persons age 75 or over are generally considered to be the high-cost group in terms of the health care expenditures they incur. This group constituted 43 percent of the aged enrollees and is expected to increase in size in the future. Efforts to contain growing Medicare expenditures will have to contend with this demographic trend.

Among the aged, females constituted 60 percent of the Medicare enrollees. This proportion has been growing and is expected to continue to grow because of their greater longevity. Females age 75 or over constituted 25 percent of the enrollment. Among males, only 14 percent were age 75 or over.

Among the disabled, almost 63 percent of the enrollees were males. Among persons with ESRD, excluding those age 65 or over, males constituted almost 57 percent of the enrollees. Among ESRD enrollees who were age 65 or over, the distribution by sex is roughly even. Among the aged, white persons constituted almost 87 percent of the enrollees. Enrollees of all races other than white represented about 11 percent (3.5 million) of the aged Medicare enrollment population. About 7.5 percent were black persons. "Other" minorities accounted for about 2.6 percent of the enrollment. For about 3 percent of the aged, race was not known.

Among enrollees under age 65 (including persons eligible by reason of ESRD only), 76 percent were white. About 16 percent were black. Among those under age 65 with ESRD, however, almost 29 percent were black.

About 73 percent of all Medicare enrollees living in the United States resided in urban areas. The difference between the aged and the disabled in this respect was not significant (Table 2.4). The South Atlantic States had the largest number of both aged and disabled enrollees in comparison to all other census divisions (Table 2.5). According to 1990 data, of the enrollees living in the United States, about 35 percent of the aged and 38 percent of those under age 65 lived in the South (derived from table).

Nearly three-fourths (25.3 million) of all Medicare HI and/or SMI enrollees were located in urban areas of the United States. Enrollees residing in urban areas of eight

Table 2.6

Type of service for and enrollment of Medicare hospital insurance (HI) and/or supplementary medical insurance (SMI) enrollees, by area of residence: Calendar year 1990

Area of residence	Total	Type of service		Enrollment		Residence	
		Prepaid plan	Fee for service	State buy-in	All other	Urban	Rural
Total	34,213,200	1,902,740	32,310,460	3,583,540	30,629,660	25,274,120	8,939,080
United States	33,499,160	1,901,500	31,597,660	3,577,800	29,921,360	24,560,080	8,939,080
Northeast	7,435,820	290,660	7,145,160	625,380	6,810,440	6,592,660	843,160
North Central	8,405,400	346,140	8,059,260	600,960	7,804,400	5,522,240	2,883,160
South	11,543,600	341,960	11,201,640	1,495,700	10,047,900	7,503,960	4,039,640
West	6,114,340	922,740	5,191,600	855,760	5,258,580	4,941,220	1,173,120
New England	1,890,120	64,580	1,825,540	154,800	1,735,320	1,623,720	266,400
Connecticut	468,720	9,620	459,100	22,840	445,880	454,520	14,200
Maine	183,000	140	182,860	21,040	161,960	101,400	81,600
Massachusetts	867,760	48,460	819,300	88,680	779,080	806,420	61,340
New Hampshire	136,380	420	135,960	4,360	132,020	89,460	46,920
Rhode Island	159,280	5,920	153,360	10,600	148,680	159,280	0
Vermont	74,980	20	74,960	7,280	67,700	12,640	62,340
Middle Atlantic	5,545,700	226,080	5,319,620	470,580	5,075,120	4,968,940	576,760
New Jersey	1,090,000	34,600	1,055,400	92,280	997,720	1,090,000	0
New York	2,505,400	147,880	2,357,520	255,180	2,250,220	2,245,920	259,480
Pennsylvania	1,950,300	43,600	1,906,700	123,120	1,827,180	1,633,020	317,280
East North Central	5,781,780	162,740	5,619,040	414,140	5,367,640	4,273,280	1,508,500
Illinois	1,534,620	73,680	1,460,940	93,120	1,441,500	1,182,840	351,780
Indiana	755,320	20,640	734,680	56,160	699,160	495,720	259,600
Michigan	1,238,800	18,600	1,220,200	89,780	1,149,020	944,140	294,660
Ohio	1,541,180	34,240	1,506,940	108,160	1,433,020	1,207,660	333,520
Wisconsin	711,860	15,580	696,280	66,920	644,940	442,920	268,940
West North Central	2,623,620	183,400	2,440,220	186,820	2,436,800	1,248,960	1,374,660
Iowa	455,760	13,800	441,960	42,720	413,040	165,680	290,080
Kansas	360,640	12,280	348,360	26,540	334,100	154,160	206,480
Minnesota	586,500	128,420	458,080	38,740	547,760	324,960	261,540
Missouri	777,240	23,880	753,360	53,760	723,480	465,840	311,400
Nebraska	234,240	4,220	230,020	10,500	223,740	83,200	151,040
North Dakota	98,880	780	98,100	4,560	94,320	29,220	69,660
South Dakota	110,360	20	110,340	10,000	100,360	25,900	84,460
South Atlantic	6,167,960	290,160	5,877,800	689,060	5,478,900	4,406,160	1,761,800
Delaware	86,920	180	86,740	4,620	82,300	52,440	34,480
District of Columbia	80,740	2,360	78,380	13,780	66,960	80,740	0
Florida	2,342,780	235,000	2,107,780	198,560	2,144,220	2,089,260	253,520
Georgia	735,440	2,020	733,420	126,140	609,300	418,720	316,720
Maryland	545,880	6,600	539,280	48,180	497,700	493,960	51,920
North Carolina	893,800	3,180	890,620	113,140	780,660	447,020	446,780
South Carolina	445,920	480	445,440	77,580	368,340	255,200	190,720
Virginia	727,740	10,180	717,560	78,500	649,240	457,160	270,580
West Virginia	308,740	30,160	278,580	28,560	280,180	111,660	197,080
East South Central	2,182,240	23,180	2,159,060	374,660	1,807,580	1,097,640	1,084,600
Alabama	582,580	4,980	577,600	97,680	484,900	357,160	225,420
Kentucky	539,220	15,380	523,840	74,720	464,500	229,220	310,000
Mississippi	367,100	160	366,940	90,340	276,760	89,240	277,860
Tennessee	693,340	2,660	690,680	111,920	581,420	422,020	271,320
West South Central	3,193,400	28,620	3,164,780	431,980	2,761,420	2,000,160	1,193,240
Arkansas	391,540	1,060	390,480	65,880	325,660	124,020	267,520
Louisiana	527,480	240	527,240	87,420	440,060	343,160	184,320
Oklahoma	452,220	2,860	449,360	50,720	401,500	224,500	227,720
Texas	1,822,160	24,460	1,797,700	227,960	1,594,200	1,308,480	513,680

See SOURCE at end of table.

States—New Jersey, New York, Pennsylvania, Illinois, Ohio, Florida, Texas, and California—account for 56 percent (13.8 million) of all Medicare urban enrollees living in the United States (Table 2.6). Three States—California (3.3 million), New York (2.5 million), and Florida (2.3 million)—accounted for nearly one-fourth

of all Medicare enrollees. The States with the lowest number of Medicare enrollees were Alaska (25,440), Wyoming (51,440), and Vermont (74,980).

Table 2.7 and Figure 2.8 show the States' Medicare enrollment as a percent of resident population.

Table 2.6—Continued

Type of service for and enrollment of Medicare hospital insurance (HI) and/or supplementary medical insurance (SMI) enrollees, by area of residence: Calendar year 1990

Area of residence	Total	Type of service		Enrollment		Residence	
		Prepaid plan	Fee for service	State buy-in	All other	Urban	Rural
Mountain	1,639,680	135,400	1,504,280	129,360	1,510,320	1,022,300	617,380
Arizona	498,320	58,100	440,220	30,460	467,860	369,700	128,620
Colorado	358,580	47,760	310,820	36,420	322,160	272,620	85,960
Idaho	132,400	720	131,680	8,560	123,840	23,560	108,840
Montana	116,820	360	116,460	9,600	107,220	26,160	90,660
Nevada	141,580	11,620	129,960	9,480	132,100	114,940	26,640
New Mexico	179,180	13,960	165,220	21,440	157,740	81,740	97,440
Utah	161,360	2,400	158,960	10,360	151,000	117,380	43,980
Wyoming	51,440	480	50,960	3,040	48,400	16,200	35,240
Pacific	4,474,660	787,340	3,687,320	726,400	3,748,260	3,918,920	555,740
Alaska	25,440	160	25,280	4,380	21,060	9,820	15,620
California	3,271,980	611,420	2,660,560	627,580	2,644,400	3,060,940	211,040
Hawaii	126,780	33,380	93,400	13,040	113,740	92,180	34,600
Oregon	430,760	78,020	352,740	28,620	402,140	279,900	150,860
Washington	619,700	64,360	555,340	52,780	566,920	476,080	143,620
Outlying and foreign	714,040	1,240	712,800	5,740	708,300	714,040	0

SOURCE: Health Care Financing Administration, Bureau of Data Management and Strategy: Data from the Medicare Decision Support System; data development by the Office of Research and Demonstrations.

Table 2.7

Total resident population of the United States, total Medicare population, and Medicare enrollees as a percent of resident population, by State of residence: July 1, 1990

State of residence	Resident population in thousands	Medicare population in thousands	Enrollees as percent of population	State of residence	Resident population in thousands	Medicare population in thousands	Enrollees as percent of population
Total	252,557	134,213	13.5	Missouri	5,117	777	15.2
Alabama	4,041	583	14.4	Montana	799	117	14.6
Alaska	550	25	4.6	Nebraska	1,578	234	14.8
Arizona	3,665	498	13.6	Nevada	1,202	142	11.8
Arkansas	2,351	392	16.7	New Hampshire	1,109	136	12.3
California	29,760	3,272	11.0	New Jersey	7,730	1,090	14.1
Colorado	3,294	359	10.9	New Mexico	1,515	179	11.8
Connecticut	3,287	469	14.3	New York	17,990	2,505	13.9
Delaware	866	87	13.1	North Carolina	6,629	894	13.5
District of Columbia	607	81	13.3	North Dakota	639	99	15.5
Florida	12,938	2,343	18.1	Ohio	10,847	1,541	14.2
Georgia	6,478	735	11.3	Oklahoma	3,146	452	14.4
Hawaii	1,108	127	11.5	Oregon	2,842	431	15.2
Idaho	1,007	132	13.1	Pennsylvania	11,882	1,950	16.4
Illinois	11,431	1,535	13.4	Rhode Island	1,003	159	15.9
Indiana	5,544	755	13.6	South Carolina	3,487	446	12.8
Iowa	2,777	456	16.4	South Dakota	696	110	15.8
Kansas	2,478	361	14.6	Tennessee	4,877	693	14.2
Kentucky	3,686	539	14.6	Texas	16,987	1,822	10.7
Louisiana	4,220	527	12.5	Utah	1,723	161	9.3
Maine	1,228	183	14.9	Vermont	563	75	13.3
Maryland	4,781	546	11.4	Virginia	6,187	728	11.8
Massachusetts	6,016	868	14.4	Washington	4,867	620	12.7
Michigan	9,295	1,239	13.3	West Virginia	1,793	309	17.2
Minnesota	4,375	587	13.4	Wisconsin	4,862	712	14.6
Mississippi	2,573	367	14.3	Wyoming	454	51	11.2

¹Consists of Puerto Rico, Virgin Islands, Guam, and other areas not shown separately.

SOURCE: Resident population from the U.S. Bureau of the Census, 1990 Census. Press Release No. CB 91-100. Washington. Mar. 11, 1991. Medicare population from the Health Care Financing Administration, Bureau of Data Management and Strategy: Data from the Medicare Decision Support System.

Figure 2.8
Medicare enrollment as a percent of resident population: United States 1990

