

Table 4.4

**Number of Persons Served and Cost-Sharing Liability for Medicare Beneficiaries, by Type of Liability and Type of Coverage:
Calendar Year 2005**

| Amount of Cost-Sharing Liability Incurred | Total HI and/or SMI Liability | Hospital Insurance (HI) | | | Supplementary Medical Insurance (SMI) | | | |
|--|-------------------------------------|-------------------------|-------------|-------------|---------------------------------------|-------------|--------------|-----------|
| | | Total | Deductible | Coinsurance | Total | Deductible | Coinsurance | Balance |
| | | | | | | | | |
| Total | 33,506,940 | 7,699,800 | 7,602,460 | 1,098,380 | 32,758,920 | 32,245,060 | 32,110,700 | 2,122,760 |
| \$1 - \$499 | 14,744,340 | 920 | 60 | 860 | 14,131,600 | 13,758,320 | 13,494,120 | 651,900 |
| \$500 - \$999 | 5,899,820 | 123,920 | 121,160 | 2,800 | 5,789,920 | 5,748,460 | 5,788,580 | 460,260 |
| \$1,000 - \$1,999 | 5,984,100 | 2,315,960 | 2,306,360 | 28,420 | 5,968,840 | 5,911,760 | 5,959,760 | 460,160 |
| \$2,000 - \$4,999 | 5,073,640 | 3,737,320 | 3,708,360 | 319,500 | 5,068,180 | 5,038,260 | 5,067,980 | 424,200 |
| \$5,000 - \$9,999 | 1,210,940 | 991,760 | 961,940 | 399,320 | 1,208,140 | 1,200,240 | 1,208,060 | 91,320 |
| \$10,000 - \$14,999 | 428,600 | 382,240 | 369,980 | 249,420 | 427,200 | 423,500 | 427,180 | 25,920 |
| \$15,000 or More | 165,500 | 147,680 | 134,600 | 98,060 | 165,040 | 164,520 | 165,020 | 9,000 |
| Liability in Thousands | | | | | | | | |
| Total | \$48,858,015 | \$13,509,401 | \$8,298,938 | \$5,210,463 | \$35,348,614 | \$3,499,556 | \$31,788,697 | \$60,361 |
| \$1 - \$499 | 3,514,513 | 184 | 10 | 174 | 3,514,329 | 1,475,797 | 2,028,690 | 9,843 |
| \$500 - \$999 | 4,225,869 | 111,291 | 110,196 | 1,094 | 4,114,578 | 629,419 | 3,474,131 | 11,028 |
| \$1,000 - \$1,999 | 8,708,947 | 2,131,997 | 2,118,332 | 13,665 | 6,576,951 | 646,855 | 5,916,523 | 13,573 |
| \$2,000 - \$4,999 | 15,328,666 | 4,519,046 | 4,104,756 | 414,291 | 10,809,620 | 551,740 | 10,240,177 | 17,703 |
| \$5,000 - \$9,999 | 8,300,232 | 2,798,236 | 1,314,735 | 1,483,501 | 5,501,996 | 131,384 | 5,365,015 | 5,598 |
| \$10,000 - \$14,999 | 5,142,374 | 2,420,505 | 463,940 | 1,956,565 | 2,721,869 | 46,345 | 2,673,681 | 1,843 |
| \$15,000 or More | 3,637,414 | 1,528,143 | 186,970 | 1,341,173 | 2,109,271 | 18,018 | 2,090,481 | 772 |
| Average Liability per Person Served ¹ | | | | | | | | |
| Total | \$1,458 | \$1,755 | \$1,092 | \$4,744 | \$1,079 | \$109 | \$990 | \$28 |
| \$1 - \$499 | 238 | 200 | 158 | 203 | 249 | 107 | 150 | 15 |
| \$500 - \$999 | 716 | 898 | 910 | 391 | 711 | 109 | 600 | 24 |
| \$1,000 - \$1,999 | 1,455 | 921 | 918 | 481 | 1,102 | 109 | 993 | 29 |
| \$2,000 - \$4,999 | 3,021 | 1,209 | 1,107 | 1,297 | 2,133 | 110 | 2,021 | 42 |
| \$5,000 - \$9,999 | 6,854 | 2,821 | 1,367 | 3,715 | 4,554 | 109 | 4,441 | 61 |
| \$10,000 - \$14,999 | 11,998 | 6,332 | 1,254 | 7,844 | 6,371 | 109 | 6,259 | 71 |
| \$15,000 or More | 21,978 | 10,348 | 1,389 | 13,677 | 12,780 | 110 | 12,668 | 86 |

¹Represents beneficiaries who received covered services under fee-for-service and for whom program payments were made. Includes a small number of beneficiaries with no cost-sharing liability.

NOTES: While the overall levels of potential liability are more accurate, the number of persons falling into certain categories and levels of cost sharing are slightly understated. This in part is because of changes during the year in some beneficiaries' health insurance claim number (HIC). Most changes to the HIC involved the beneficiary identification code (BIC), which identifies the beneficiary's relationship to the primary wage earner; for example, a wife being converted to a widow. These changes were accounted through what is known as an equitable BIC routine which was performed on the input file. Other changes involved changes in the beneficiary claim account number portion of the HIC, for example, a wife acquiring enough quarters of credit to get benefits under her own account. No cross-referencing was done to get all claims for the small number of individuals who either enter or exit the 5-percent sample. In addition, managed care people who leave managed care during the calendar year are credited with prorated shares of an estimated amount of the annual Part B deductible, based on the amount of time in managed care and estimated time for most beneficiaries to reach the Part B deductible under fee-for-service. No estimating was done to attribute such amounts to individuals. It should also be noted that certain services are not subject to deductible and/or coinsurance. Numbers may not add to totals because of rounding.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.