

I. BUDGET OVERVIEW

Information about the Federal, DHHS and CMS budgets.

HIGHLIGHTS

- o Medicare benefit payments are expected to increase by 4.4 percent from 2001 to 2002 and by 4.0 percent from 2002 to 2003.*
- o Federal and State Medicaid medical assistance payments are expected to increase by 12.4 percent from 2001 to 2002 and by 8.8 percent from 2002 to 2003.*
- o Program benefit payments for Medicare and Medicaid combined are expected to increase by 8.5 percent from 2001 to 2002 and by 6.4 percent from 2002 to 2003.*

II. EXPENDITURES

Information about proposed, current and past spending for health care by Medicare, Medicaid, CMS, the Department and the nation as a whole.

Health care spending is shown for CMS programs and national aggregates over time. Data are shown by type of service, source of funds and broad beneficiary eligibility categories.

HIGHLIGHTS

- o Medicare spending between fee-for-service (FFS) and managed care is expected to fluctuate between 2001 and 2003, with managed care's share of total benefit payments accounting for 17.8 percent in 2001, decreasing to 13.6 percent in 2002 and then increasing to 14.0 percent in 2003.*
- o Medicare FFS benefit payments for inpatient hospital care are projected to increase 6.5 percent from fiscal year 2001 to 2002. During the same period of time, FFS physician and supplier payments under Medicare are expected to increase 9.7 percent.*
- o Spending for FFS inpatient hospital services as a share of total Medicare spending decreased from 64.9 percent in 1983 to a projected 40.3 percent in 2002.*
- o The financing for home health care shifted dramatically from Part A to Part B because of the Balanced Budget Act of 1997. In 2002, Part A HHA benefit payments accounted for \$5.4 billion, a decline of 33.8 percent from \$4.1 billion in 2001. Comparably, Part B HHA payments increased from \$5.2 billion in 2001 to nearly \$6.8 billion in 2002, an increase of 29.7 percent.*
- o Total Medicaid payments increased by 73 percent from 1985 to 1990 and by another 135.3 percent from 1990 to 1999 to reach \$152.6 billion in 1999.*

Medical care price indexes continue to increase at a faster rate than the "All Item" Consumer Price Index.

- o In recent years, changes in the CPI for all items have lagged considerably behind outpatient and physician services.*
- o In 2001, the CPI for all items increased by 3.2 percent, the same rate of increase as the previous year. The percent increases for outpatient and physician services in 2001 were 6.8 and 3.7, respectively, compared to 6.9 and 3.4 in 2000.*
- o Public funding for NHE has grown significantly from 24.9 percent in 1965 to 45.2 percent in 2000.*
- o Likewise, private funding for NHE declined from 75.1 percent in 1965 to 54.8 percent in 2000.*

**CMS Benefit Payments by Major Program Service Categories
Fiscal Year 2000**

Type of Service	Total Program Payments		Medicare		Medicaid ¹	
	Amount	Percent Distribution	Amount	Percent Distribution	Amount	Percent Distribution
Amount in millions						
Total	\$410,653	100.0	\$215,147	100.0	\$195,506	100.0
Inpatient Hospital	131,266	32.0	87,279 ²	40.6	43,987 ⁷	22.5
Nursing Facilities	60,105	14.6	10,313	4.8	49,793 ⁸	25.5
Home Health & Related	28,465	6.9	8,728	4.1	19,737 ⁹	10.1
Physician & Other Practitioner	56,451	13.7	47,732 ³	22.2	8,719 ¹⁰	4.5
Outpatient	24,251	5.9	16,271	7.6	7,980 ¹¹	4.1
Clinic	5,864	1.4	⁴		5,864 ¹²	3.0
Prescribed Drugs	16,575	4.0	--	--	16,575 ¹³	8.5
Capitation Payments	73,460	17.9	39,811 ⁵	18.5	33,649 ¹⁴	17.2
Other Care	14,216	3.5	5,013 ⁶	2.3	9,203 ¹⁵	4.7

¹ Payments (Federal and State) from financial management reports (Form CMS-64).

² Includes inpatient hospital (\$87,043 million) and Quality Improvement Organization (\$236 million).

³ Includes physicians, other practitioners, durable medical equipment, ambulatory surgical center facility costs, physician-administered drugs, and other Part B suppliers (total of \$47,690 million) and Quality Improvement Organization (\$43 million).

⁴ Covered clinic services are included under outpatient.

⁵ Includes Part A managed care payments (\$21,463 million) and Part B managed care payments (\$18,348 million).

⁶ Includes hospice (\$2,818 million) and clinical laboratory services furnished in a physician's office and an independent laboratory (\$2,194 million).

⁷ Includes Inpatient hospital payments (\$28,388) and disproportionate share (DSH) payments (\$15,598).

⁸ Includes services in nursing facilities (\$39,608) and intermediate care facilities for the mentally retarded (\$10,185).

⁹ Includes home health (\$2,312 million), home and community-based waivers (\$12,629 million), personal care services (\$4,567 million), and home and community-based services for functionally disabled elderly (\$230 million).

¹⁰ Includes physician (\$5,893 million), dental (\$1,795 million), and other practitioner services (\$1,030 million).

¹¹ Includes outpatient hospital (\$7,367 million) and laboratory/radiological services (\$613 million).

¹² Includes clinic (\$5,063 million), rural health clinic (\$175 million), and federally qualified health clinic services (\$626 million).

¹³ Includes gross prescription drug expenditures (\$20,555 million) and drug rebates (-\$3,981 million).

¹⁴ Includes Medicare premiums (\$4,204 million) and other capitation payments (\$29,446 million).

¹⁵ Includes early and periodic screening, diagnosis and treatment (EPSDT) (\$829 million), targeted case management (\$1,893 million), primary care case management (\$290), hospice (\$403 million), emergency services for undocumented immigrants (\$864 million), miscellaneous coinsurance payments (\$460 million), sterilizations (\$118 million), Program for All-inclusive Care of Elderly (PACE) (\$5 million), other care services (\$7,849 million), and various collections (-\$3,508 million).

NOTE: Because of rounding, table components may not add to totals.

**Medicare Trust Fund Projections
Fiscal Years 2001 - 2003**

	2001	2002	2003
	Amount in millions		
HI Total Disbursements ¹	\$142,901	\$144,964	\$150,567
HI Administrative Expenses ²	1,716	2,021	2,020
HI Benefit Payments	135,979	140,772	146,884
Disabled	118,524	122,268	127,292
Net Health Care Fraud and Abuse Control ³	17,455	18,504	19,592
HI Transfer to SMI for Home Health	926	1,010	1,075
Quinquennial Adjustment	3,103	1,161	588
SMI Total Disbursements ¹	1,177	--	--
SMI Administrative Expenses ²	99,452	107,075	111,366
SMI Benefit Payments	1,981	2,150	2,294
Disabled	100,514	106,021	109,660
SMI Transfer to Medicaid ⁴	86,030	90,076	92,969
HI Transfer to SMI for Home Health	14,483	15,946	16,691
	60	65	--
	(3,103)	(1,161)	(588)

¹ Current law data. Totals do not necessarily equal the sum of rounded components. ² Administrative expenses include the sum of administrative costs, research, and QIO expenditures. ³ Net Health Care Fraud and Abuse Control outlays as reported in the Treasury Annual Report. ⁴ SMI Transfer to Medicaid for Medicare Part B premium assistance.

NOTES: Based on FY 2003 Mid-Session Review. Benefit estimates do not reflect proposed legislation. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/OACT/OFM

**Medicare Benefit Payments by Type of Benefit
Fiscal Years 2001 - 2003**

	Benefit Payment ¹			Percent Distribution 2003
	2001	2002	2003	
	Amount in millions			
Total HI ²	\$135,979	\$140,772	\$146,884	100.0
Inpatient Hospital	93,246	99,352	103,976	70.8
Skilled Nursing Facility	12,420	14,204	13,636	9.3
Home Health Agency	4,057 ³	5,429	6,033	4.1
Hospice	3,419	3,756	4,019	2.7
Managed Care	22,837	18,032	19,220	13.1
Total SMI ²	100,514	106,021	109,660	100.0
Physician/Other Suppliers	54,066	59,334	61,044	55.7
Outpatient Hospital/Other Providers	17,601	19,584	19,525	17.8
Home Health Agency	5,242 ³	6,800	7,557	6.9
Laboratory	4,357	4,813	4,949	4.5
Managed Care	19,249	15,490	16,585	15.1

¹ Includes the effect of regulatory items and recent legislation but not proposed law. ⁴ Excludes QIO expenditures.

³ Distribution of home health benefits between the trust funds reflects the actual outlays as reported by the Treasury.

NOTES: Based on FY 2003 Mid-Session Review. Benefits by type of service are estimated and are subject to change. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/OACT/OFM

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**Medicaid Payments by Basis of Eligibility
Selected Fiscal Years**

	Payments					Percent Distribution
	1985	1990	1995	1998	1999 ¹	1999
Amount in millions						
Total	\$37,508	\$64,859	\$120,141	\$142,260	\$152,629	100.0
Age 65 and over	14,096	21,508	36,527	40,601	42,347	27.7
Blind/Disabled	13,452	24,403	49,418	60,374	65,668	43.0
Dependent Children under Age 21	4,414	9,100	17,976	20,547	21,018	13.8
Adults in Families with Dependent Children	4,746	8,590	13,511	14,865	15,637	10.2
Foster Children				2,349	2,828	1.9
Unknown	798	1,051	1,499	3,524	5,131	3.4

¹ Not all States reporting.

NOTES: In 1997, the Other title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. Beginning in FY 1998, payments include capitated payments as a type of service category. The large increase between 1995 and 1998 is primarily the result of this change of definition. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/CMSO/ORDI

**Medicaid Payments by Type of Service and Basis of Eligibility
Fiscal Year 1999**

	Total Payments	Inpatient Hospital Services	Long-Term Care Services ¹	Other Services
		Percent Distribution		
All Groups	100.0	14.5	30.9	54.6
Age 65 and over	27.7	1.1	18.5	8.2
Blind and Disabled	43.0	6.4	11.4	25.1
Children under Age 21	13.8	2.7	0.4	10.7
AFDC-Type Adults	10.2	2.8	0.1	7.3
Foster Child	1.9	0.2	0.3	1.4
Unknown	3.4	1.2	0.2	1.9

¹ Includes services in mental facilities, all nursing facilities, and home health services, and all ICF/MR.

NOTE: Totals may not equal the sum of rounded components.

SOURCE: CMS/CMSO

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**Medicaid Payments by Type of Service
Selected Fiscal Years**

	1985	1997	1998	1999	Percent Distribution 1999
Amount in millions					
Total	\$37,508	\$124,430	\$142,260	\$152,629	100.0
Inpatient Services	10,645	25,152	24,241	23,940	15.7
General Hospitals	9,453	23,142	21,441	22,182	14.5
Mental Hospitals	1,192	2,009	2,801	1,758	1.2
Nursing Facilities ¹	5,071	30,504	31,892	33,113	21.7
ICF Services	11,246	9,798	9,482	9,326	6.1
Mentally Retarded	4,731	9,798	9,482	9,326	6.1
All Other ¹	6,516				
Physician Services	2,346	7,041	6,070	6,497	4.3
Dental Services	458	1,036	901	1,203	0.8
Other Practitioner Services	251	979	587	467	0.3
Outpatient Hospital Services	1,789	6,169	5,759	6,061	4.0
Clinic Services	714	4,252	3,921	5,778	3.8
Laboratory & Radiological Services	337	1,033	939	1,147	0.8
Home Health Services	1,120	12,237	2,702	2,898	1.9
Prescribed Drugs	2,315	11,972	13,522	16,567	10.9
Family Planning ⁴	195	418	449		
EPSDT ⁴	85	1,617	1,335		
Rural Health Clinics ⁴	7	308			
Home and Comm. Based Waiver Serv. ⁴			6,709		
Prepaid Health Care			19,296	21,115	13.8
PCCM Services			134	463	0.3
Sterilization Services	NA	NA	NA	121	0.1
Personal Support Services			8,222	10,499	6.9
Other Care	928	11,033	4,386	12,967	8.5
Unknown			1,713	469	0.3

¹ Beginning in 1991, the category, nursing facilities, was created to include skilled nursing facilities and intermediate care facility services for all other than the mentally retarded. ⁴ Beginning in 1999, these services were reclassified as program types and the payments subsumed in the remaining types of service.

NOTES: Percent distribution based on rounded numbers. Prior to 1998, vendor payments exclude premiums and capitation amounts. Beginning in FY 1998, payments include capitated payments as a type of service category.

SOURCES: CMS/CMSO/ORDI

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**National Health Care by Type of Expenditure
Calendar Year 2000**

	National Total in billions	Per Capita	Percent Paid		
			Total	Medicare	Medicaid ¹
Total	\$1,299.5	\$4,637	32.8	17.3	15.5
Health Services and Supplies	1,255.5	4,481	33.9	17.9	16.1
Personal Health Care	1,130.4	4,034	35.8	19.2	16.6
Hospital Care	412.1	1,471	47.4	30.5	16.9
Physicians' Services	286.4	1,022	27.4	20.8	6.6
Nursing Home Care	92.2	329	58.4	10.3	48.1
Other Personal Health Care	339.6	1,212	22.6	6.5	16.1
Other Services and Supplies	125.1	447	17.1	5.9	11.2
Research and Construction	43.9	157	--	--	--

¹ Excludes SCHIP and Medicaid SCHIP Expansion.

NOTES: Per capita amounts based on July 1 Census resident population estimates. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/OACT and U. S. Bureau of the Census

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**CMS Benefit Payments by Major Personal Health Expenditure Service Categories
Calendar Year 2000**

Type of Service ¹	Total Program Payments		Medicare		Medicaid ⁵	
	Amount in billions	Percent Distribution	Amount in billions	Percent Distribution	Amount in billions	Percent Distribution
Total	\$404.7	100.0	\$217.0	100.0	\$187.6	100.0
Hospital Care	195.5	48.3	125.7	57.9	69.7	37.2
Physician and Clinical Services	78.5	19.4	59.6	27.4	19.0	10.1
Dentists' Services	2.5	0.6	0.1	0.0	2.4	1.3
Other Professional Services ⁴	6.2	1.5	4.7	2.2	1.5	0.8
Home Health Care ³	15.2	3.8	9.2	4.3	6.0	3.2
Prescription Drugs	23.2	5.7	2.3	1.1	20.9	11.1
Other Non-Durable Medical Products	1.3	0.3	1.3	0.6	--	--
Durable Medical Equipment	4.6	1.1	4.6	2.1	--	--
Nursing Home Care ²	53.9	13.3	9.5	4.4	44.4	23.7
Other Personal Health Care	23.8	5.9	--	--	23.8	12.7

¹ Service categories used in this table are based on the National Health Accounts and differ from those used elsewhere to present program data. For example, expenditures for hospital based ICF-MR hospital based nursing homes and hospital based home health services appear as hospital care rather than nursing home care or as home health services.

⁴ Other professional services include private duty nurses, chiropractors, optometrists, and other licensed health professionals.

³ Includes non-facility based home health care and some Medicaid care delivered in homes.

² Freestanding nursing facilities only.

⁵ Excludes Medicaid SCHIP Expansion & SCHIP.

NOTES: Payments under the Medicaid program are more commonly referred to as medical assistance payments which include vendor payments and certain premiums or per capita payments. The Federal share of total Medicaid payments was 59 percent in calendar year 2000.

SOURCE: CMS/OACT

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National Health Care Trends in Public versus Private Funding Selected Calendar Years

Calendar Year	GDP in billions	National Health Expenditures								
		Total			Private Funds			Public Funds		
		Amount in billions	Per Capita	Percent of GDP	Amount in billions	Per Capita	Percent of Total	Amount in billions	Per Capita	Percent of Total
1965	\$720	\$41.0	\$205	5.7	\$30.8	\$154	75.1	\$10.2	\$51	24.9
1966	789	45.1	224	5.7	31.6	156	69.9	13.6	67	30.1
1967	834	50.7	249	6.1	31.8	156	62.8	18.9	93	37.2
1970	1,040	73.1	348	7.0	45.4	216	62.2	27.6	131	37.8
1975	1,635	129.8	590	7.9	74.8	340	57.6	55.0	250	42.4
1980	2,796	245.8	1,067	8.8	140.9	612	57.3	104.8	455	42.7
1981	3,131	285.1	1,225	9.1	163.9	704	57.5	121.2	521	42.5
1982	3,259	321.0	1,365	9.8	186.7	794	58.2	134.3	571	41.8
1983	3,535	353.5	1,489	10.0	206.1	868	58.3	147.5	621	41.7
1984	3,933	390.1	1,628	9.9	229.3	957	58.8	160.8	671	41.2
1985	4,213	426.8	1,765	10.1	252.2	1,043	59.1	174.6	722	40.9
1986	4,453	457.2	1,872	10.3	266.9	1,093	58.4	190.4	780	41.6
1987	4,742	498.0	2,020	10.5	289.3	1,173	58.1	208.8	847	41.9
1988	5,108	558.1	2,243	10.9	331.7	1,333	59.4	226.4	910	40.6
1989	5,489	622.7	2,477	11.3	370.9	1,476	59.6	251.8	1,002	40.4
1990	5,803	696.0	2,738	12.0	413.5	1,627	59.4	282.5	1,111	40.6
1991	5,986	761.8	2,966	12.7	441.3	1,718	57.9	320.6	1,248	42.1
1992	6,319	827.0	3,183	13.1	468.5	1,803	56.6	358.5	1,380	43.4
1993	6,642	888.1	3,381	13.4	497.7	1,895	56.0	390.4	1,486	44.0
1994	7,054	937.2	3,534	13.3	510.3	1,924	54.4	427.0	1,610	45.6
1995	7,400	990.3	3,698	13.4	534.1	1,994	53.9	456.2	1,704	46.1
1996	7,813	1,040.0	3,849	13.3	558.2	2,066	53.7	481.8	1,783	46.3
1997	8,318	1,091.2	4,001	13.1	588.8	2,159	54.0	502.4	1,842	46.0
1998	8,782	1,149.8	4,177	13.1	628.8	2,285	54.7	520.9	1,893	45.3
1999	9,269	1,215.6	4,377	13.1	666.5	2,400	54.8	549.0	1,977	45.2
2000	9,873	1,299.5	4,637	13.2	712.3	2,542	54.8	587.2	2,096	45.2

NOTES: These data reflect Bureau of Economic Analysis Gross Domestic Product as of October 2001. Per capita is calculated using Census resident based population estimates.

SOURCES: CMS/OACT; U.S. Bureau of the Census; and U.S. Department of Commerce, Bureau of Economic Analysis

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National Health Care Source of Funds ¹
Selected Calendar Years

	1965	1970	1975	1980	1985	1990	1995	1996	1997	1998	1999	2000
Total in billions	\$41.0	\$73.1	\$129.8	\$245.8	\$426.8	\$696.0	\$990.3	\$1,040.0	\$1,091.2	\$1,149.8	\$1,215.6	\$1,299.5
Percent Distribution												
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Private Funds	75.1	62.2	57.6	57.3	59.1	59.4	53.9	53.7	54.0	54.7	54.8	54.8
Out-of-Pocket	44.3	34.3	28.8	23.7	22.4	19.7	14.8	14.6	14.9	15.2	15.2	15.0
Private Health Insurance	24.6	21.3	23.4	27.8	30.5	33.5	33.3	33.2	32.9	33.3	33.7	34.2
Other Private	6.3	6.6	5.5	5.9	6.3	6.1	5.8	5.9	6.1	6.2	6.0	5.7
Federal Government	11.4	24.1	27.8	29.0	28.6	27.7	32.5	33.1	32.9	32.0	31.7	31.7
Medicare	--	10.5	12.6	15.2	16.8	15.8	18.4	19.0	19.1	18.2	17.5	17.3
Federal Medicaid	--	3.9	5.7	5.9	5.3	6.1	8.7	8.9	8.7	8.7	8.9	9.1
Other Federal ²	11.4	9.7	9.5	7.9	6.5	5.8	5.4	5.2	5.1	5.1	5.3	5.3
State/Local Government	13.5	13.7	14.5	13.6	12.3	12.9	13.6	13.3	13.2	13.3	13.5	13.5
State Medicaid	--	3.3	4.6	4.7	4.3	4.5	5.8	5.8	5.9	6.2	6.4	6.5
Other State/Local ²	13.5	10.4	9.9	8.9	8.0	8.4	7.8	7.5	7.3	7.1	7.1	7.0

¹ Includes personal health care, expenses for prepayment and administration, government public health activities, and research and medical facilities construction.

² 1998 and later, Includes Medicaid SCHIP Expansion and SCHIP.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

September 2002

Personal Health Care Payment Source ¹
Selected Calendar Years

	1965	1970	1975	1980	1985	1990	1995	1996	1997	1998	1999	2000
Total in billions	\$34.7	\$63.2	\$113.0	\$214.6	\$372.3	\$609.4	\$865.7	\$911.9	\$959.2	\$1,009.9	\$1,062.6	\$1,130.4
	Percent Distribution											
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Private Funds	79.6	64.8	60.2	59.7	60.6	61.0	55.4	55.1	55.7	56.6	56.9	56.7
Private Health Insurance	25.1	22.3	24.4	28.3	29.9	33.4	33.4	33.3	33.4	33.9	34.2	34.6
Out-of-Pocket	52.3	39.7	33.1	27.1	25.6	22.5	16.9	16.7	16.9	17.3	17.4	17.2
Other Private	2.2	2.8	2.7	4.3	5.1	5.0	5.1	5.2	5.4	5.4	5.3	5.0
Public Funds	20.4	35.2	39.8	40.3	39.4	39.0	44.6	44.9	44.3	43.4	43.1	43.3
Federal ²	8.1	22.9	27.1	29.3	29.5	28.6	34.1	34.6	34.2	33.1	32.6	32.8
State and Local ²	12.3	12.3	12.7	11.1	10.0	10.5	10.5	10.2	10.1	10.3	10.5	10.5

¹ Excludes administrative expenses, research, construction, and other types of spending that are not directed at patient care.

² 1998 and later, includes Medicaid SCHIP Expansion and SCHIP.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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**National Medical Care Price Indicators
(1982-1984=100)
Average Annual Index**

Fiscal Year '	CPI				CPI - Medical Care									
	All items		All Services		Services								Commodities	
	Total	Less Medical	Total	Less Medical	Total	Hospital and Related Services			Physicians'		Total	Prescription Drugs		
					Total	Total	Total	Hospital Services	Inpatient Services	Outpatient Services	Total	Total		
Year Ending June:														
1965	31.2	31.7	26.3	27.1	24.9	22.3	--	--	--	--	24.6 ²	45.0 ²	48.0 ²	
1970	37.8	38.1	33.7	34.3	32.9	31.2	--	--	--	--	33.2	45.8	47.1	
1975	51.8	52.3	46.1	46.5	45.1	44.2	--	--	--	--	45.7	51.3	49.7	
Year Ending September:														
1980	80.0	80.4	75.4	75.6	73.0	72.9	66.9	--	--	--	74.6	73.7	70.8	
1985	106.6	106.3	108.6	108.3	111.7	111.4	114.7	--	--	--	111.5	113.3	117.6	
1990	128.7	126.9	137.2	135.0	159.2	158.9	173.4	--	--	135.1	158.0	160.2	177.5	
1995	151.4	147.6	167.2	162.2	218.3	221.7	254.9	--	--	202.2	206.6	203.6	233.9	
1996	155.6	151.6	172.7	167.3	226.5	230.6	266.8	--	--	212.7	214.7	208.9	240.9	
1997	159.8	155.6	178.1	172.6	233.1	237.5	276.4			222.5	221.4	214.3	248.1	
1998	162.4	158.0	183.1	177.3	240.1	244.8	285.2	104.1	103.2	230.9	227.6	219.7	255.4	
1999	165.5	160.9	187.6	181.6	248.4	252.9	296.1	108.1	106.7	242.2	234.5	228.4	269.5	
2000	170.8	166.0	193.5	187.1	258.1	263.0	312.3	114.0	112.1	259.0	242.4	236.5	282.9	
2001	176.3	171.2	201.6	194.9	269.7	275.5	332.7	121.6	119.0	276.8	251.4	244.9	296.4	

¹ Revisions to scope, concept and methodology related to the CPI, beginning in January 1997, make comparisons with earlier periods tenuous, as the goods or services priced in 1997 and later years may differ from that priced in 1996 and earlier years. Also, shifts of the weights assigned to various goods and services have altered the composition of aggregate indexes such as "all items" and "medical care". For changes in titles of components and in definitions, see Bureau of Labor Statistics, CPI Detailed Report, January 2001.

² Calculated based on reported June 1964, December 1964 and June 1965 index levels.

³ New series began in January 1997; fiscal year annual average cannot be calculated.

SOURCES: CMS/OACT and U.S. Department of Labor, Bureau of Labor Statistics

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National Medical Care Price Indicators
(1982-1984=100)
Average Annual Percent Change from Last Year Shown ¹

Fiscal Year ²	CPI				CPI - Medical Care									
	All Items		All Services		Services						Commodities			
	Total	Less Medical	Total	Less Medical	Total	Hospital and Related Services				Physicians' Services	Total	Prescription Drugs		
						Total	Total	Total	Total				Total	Total
Year Ending June:														
1965	--	--	--	--	--	--					--	--		
1970	3.9	3.7	5.1	4.8	5.7	6.9						6.1	0.4	-0.4
1975	6.5	6.5	6.5	6.3	6.5	7.2						6.6	2.3	1.1
Year Ending September:														
1980	8.6	8.6	9.9	9.8	9.5	9.9	--	--	--	--		9.7	7.1	7.0
1985	5.9	5.7	7.6	7.5	8.9	8.9	11.4	--	--	--		8.4	9.0	10.7
1990	3.8	3.6	4.8	4.5	7.3	7.4	8.6	--	--	--		7.2	7.2	8.6
1995	3.3	3.1	4.0	3.7	6.5	6.9	8.0	--	--	8.4		5.5	4.9	5.7
1996	2.8	2.7	3.3	3.1	3.8	4.0	4.7	--	--	5.2		3.9	2.6	3.0
1997	2.7	2.6	3.1	3.2	2.9	3.0	3.6	--	--	4.6		3.1	2.6	3.0
1998	1.6	1.5	2.8	2.7	3.0	3.1	3.2			3.8		2.8	2.5	2.9
1999	1.9	1.8	2.5	2.4	3.5	3.3	3.8	3.8	3.4	4.9		3.0	4.0	5.5
2000	3.2	3.2	3.1	3.1	3.9	4.0	5.5	5.5	5.1	6.9		3.4	3.5	5.0
2001	3.2	3.1	4.2	4.1	4.5	4.8	6.6	6.6	6.2	6.8		3.7	3.6	4.8

¹ Based on average of monthly figures for given years. Percent change for 1980 year ending September is calculated as the average annual growth from year ending September 1975 to year ending September 1980.

² Revisions to scope, concept, and methodology related to the CPI, beginning in January 1997, make comparisons with earlier periods tenuous, as the goods or services priced in 1997 and later years may differ from that priced in 1996 and earlier years. Also, shifts of the weights assigned to various goods and services have altered the composition of aggregate indexes such as "all items" and "medical care". For changes in titles of components and in definitions, see Bureau of Labor Statistics, CPI Detailed Report, January 2001.

³ New series begins in January 1997: fiscal year annual average percent change cannot be calculated.

SOURCES: CMS/OACT and U.S. Department of Labor, Bureau of Labor Statistics

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III. ADMINISTRATIVE/OPERATING

Information in this section concerns activities and services related to the oversight of the day-to-day operations of CMS programs. Current and trend data on trust fund operations, contractor performance and administrative costs are included.

HIGHLIGHTS

- o Medicare Hospital Insurance (HI) benefit payments grew from \$2.5 billion in FY 1967 to \$139.4 billion in FY 2001 (FY 2002 HI Trustees' Report). The Medicare Supplementary Medical Insurance (SMI) benefit payments increased from \$0.7 billion in FY 1967 to \$97.5 billion in FY 2001 (FY 2002 SMI Trustees' Report). The greatest increase to both programs occurred between 1970 and 1980, due to the addition of coverage for disabled persons beginning in 1973.*
- o Medicare total HI and SMI administrative expenses as a percent of total HI and SMI benefit payments decreased from 7.1 percent in FY 1967 to 1.8 percent in FY 2001.*
- o As of May 2002, Medicare had 28 intermediaries and 20 carriers processing claims. Between 2000 and 2001 Part A unit costs remained the same at \$0.86 per claim, while Part B units costs decreased slightly over the same period, from \$0.63 to \$0.61.*
- o In FY 2001, covered charges on assigned claims were reduced an average of \$103.22. Covered charges on unassigned claims in FY 2001 were reduced an average of \$18.59.*

**Medicare Operations of the HI Trust Fund
Selected Fiscal Years**

Fiscal Year ¹	Income							Disbursements			Trust Fund	
	Payroll Taxes	Transfers from Railroad Retirement Account	Transfers for Uninsured Persons	Reimbursement for Voluntary Enrollees	Payments for Military Wage Credits	Interest and Other Income ²	Total Income	Benefit Payments ³	Administrative Expenses ⁴	Total Disbursements	Net Increase in Fund	Fund at End of Year
Amount in millions												
1967	\$2,689	\$16	\$327		\$11	\$46	\$3,089	\$2,508	\$89	\$2,597	\$492	\$1,343
1970	4,785	64	617		11	137	5,614	4,804	149	4,953	661	2,677
1975	11,291	132	481	\$6	48	609	12,568	10,353	259	10,612	1,956	9,870
1980	23,244	244	697	17	141	1,072	25,415	23,790	497	24,288	1,127	14,490
1985	46,490	371	766	38	86	3,182	50,933	47,841	813	48,654	4,103 ⁵	21,277
1990	70,655	367	413	113	107	7,908	79,563	65,912	774	66,687	12,876	95,631
1995	98,053	396	462	998	61	14,876	114,847	113,583	1,300	114,883	-36	129,520
1996	106,934	401	419	1,107	-2,293 ⁶	14,565	121,135	124,088	1,229	125,317	-4,182	125,338
1997	112,725	419	481	1,279	70	13,575	128,548	136,175	1,661	137,836	-9,287	116,050
1998	121,913	419	34	1,320	67	14,449	138,203	135,487 ⁷	1,653	137,140	1,063	117,113
1999	134,385	430	652	1,401	71	16,075	153,015	129,463 ⁷	1,978	131,441	21,570	138,687
2000	137,738	465	470	1,392	2	19,614	159,681	127,934 ⁷	2,350	130,284	29,397	168,084
2001	151,931	470	453	1,440	-1,175 ⁸	17,896	171,014	139,356 ⁷	2,368	141,723	29,290	197,374

¹ Fiscal years 1975 and earlier consist of the 12 months ending on June 30 of each year; fiscal years 1980 and later consist of the 12 months ending on September 30 of each year.

² Other income includes recoveries of amounts reimbursed from the trust fund income that are not obligations of the trust fund, taxation of benefits, receipts from the fraud and abuse control program, and a small amount of miscellaneous income.

³ Includes cost of Peer Review Organizations (beginning with the implementation of the Prospective Payment System on October 1, 1983).

⁴ Includes cost of experiments and demonstration projects and non-expenditure transfers for Health Care Fraud and Abuse Control.

⁵ Includes repayment of loan principal from Old Age Survivors Insurance trust fund of \$1,824 million.

⁶ Includes the lump sum general revenue transfer of -\$2,366 million, as provided for by section 151 of P.L. 98-21.

⁷ Benefit payments plus monies transferred to the SMI trust fund for home health agency costs, as provided by P.L. 105-33.

⁸ Includes the lump sum general revenue transfer of -\$1,177 million, as provided for by section 151 of P.L. 98-21.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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Medicare Operations of the SMI Trust Fund Selected Fiscal Years

Fiscal Year ¹	Income			Disbursements			Trust Fund		
	Premiums from Participants	Government Contributions ²	Interest and Other Income ³	Total Income	Benefit Payments	Adminis- trative Expenses	Total Disburse- ments	Net Increase in Fund	Fund at End of Year ⁴
Amount in millions									
1967	\$647	\$623	\$15	\$1,285	\$664	^b	\$799		\$486
1970	936	928	12	1,876	1,979	217	2,196	-321	57
1975	1,887	2,330	105	4,322	3,765	405	4,170	152	1,424
1980	2,928	6,932	415	10,275	10,144	593	10,737	-462	4,532
1985	5,524	17,898	1,155	24,577	21,808	922	22,730	1,847	10,646
1990	11,494 ^b	33,210 ^b	1,434 ^b	46,138 ^b	41,498	1,524 ^b	43,022 ^b	3,115 ^b	14,527 ^b
1995	19,244	36,988 ^c	1,937	58,169	63,491	1,722	65,213	-7,045	13,874 ^c
1996	18,931	61,702 ^c	1,392	82,025	67,176	1,771	68,946	13,079	26,953 ^c
1997	19,141	59,471	2,193	80,806	71,133	1,420	72,553	8,253	35,206
1998	19,427	59,919	2,608	81,955	74,837 ^d	1,435	76,272	5,683	40,889
1999	20,160	62,185	2,933	85,278	79,008 ^d	1,510	80,518	4,760	45,649
2000	20,515	65,561	3,164	89,239	87,212 ^d	1,780	88,992	247	45,896
2001	22,307	69,838	3,191	95,336	97,466 ^d	1,986	99,452	-4,116	41,780

¹ Fiscal years 1975 and earlier consist of the 12 months ending on June 30 of each year; fiscal years 1980 and later consist of the 12 months ending on September 30 of each year.

² The payments shown as being from the general fund of the Treasury include certain interest-adjustment items.

³ Other income includes recoveries of amounts reimbursed from the trust fund that are not obligations of the trust fund and other miscellaneous income.

⁴ The financial status of the program depends on both the total net assets and the liabilities of the program.

^b Administrative expenses shown include those paid in fiscal years 1966 and 1967.

^c Includes the impact of the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360)

^d General fund transfers of \$6.7 billion could not be made in FY 1995 due to the absence of funding. Subsequently, a transfer was made in March 1996. Consequently, SMI government contributions are abnormally low for FY 1995 and abnormally high for FY 1996.

^e Benefit payments less monies transferred from the HI trust fund for home health agency costs, as provided by P.L. 105-33.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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**Medicare SMI Trust Fund Income
Selected Fiscal Years**

Fiscal Year	Total Income (less interest)	Premiums from Participants			Government Contributions ^{1 2}		
		Total	Aged	Disabled	Total	Aged	Disabled
Amount in millions							
1967	\$1,270	\$647	\$647	--	\$623	\$623	--
1970	1,863	936	936	--	928	928	--
1975	4,217	1,887	1,736	\$151	2,330	1,711	\$619
1980	9,860	2,928	2,637	291	6,932	5,608	1,324
1985	23,422	5,524	5,042	482	17,898	15,072	2,826
1990	44,704	11,494 ³	10,138	995	33,210	31,107	2,103
1995	56,232	19,244	17,126	2,117	36,988	31,146	5,842
1996	80,633	18,931	16,858	2,073	61,702	52,353	9,349
1997	78,613	19,141	16,984	2,158	59,471	51,082	8,390
1998	79,346	19,427	17,153	2,274	59,919	51,483	8,436
1999	82,345	20,160	17,722	2,438	62,185	53,653	8,532
2000	86,076	20,515	17,961	2,554	65,561	54,741	10,820
2001	92,146	22,307	19,447	2,861	69,838	57,817	12,021
Percent change							
1967-2001	7,156	3,348	2,906		11,110		
1975-2001	2,085	1,082	1,020	1,794	2,897	3,279	1,842
1999-2000	5	2	1	5	5	2	27
2000-2001	7	9	8	12	7	6	11

¹ Interest on delayed transfers from general funds is included.

² Government contributions include not only amounts to help cover program costs but adjustments to the assets to account for contingencies. Since the financing rates to determine both premium rates and government contributions are set prospectively, the financing may not be adequate to cover actual program expenditures. Consequently, trust fund assets contain contingency levels to cover the impact of a reasonable degree of variation between actual and projected expenditures. The government contributions include adjustments to maintain adequate contingency levels. Some of the adjustments increase the contingency levels when they have been depleted and in other cases decrease the levels when they are more than sufficient.

³ Total includes the catastrophic premiums due to the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360).

NOTES: Totals do not necessarily equal the sum of rounded components. For more detail on fund transactions, see "Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds." Legislation mandates that from January 1984 through December 1990, and January 1996 and thereafter the monthly premium for aged enrollees be kept at a constant 25 percent of

**Medicare Ratio of SMI Benefit Payments to Premium Income
Selected Fiscal Years**

Fiscal Year	Benefit Payments			Ratio of Benefit Payments to Premium Income		
	Total	Age ^d	Disabled	Total	Age ^d	Disabled
Amount in Millions						
1967	\$664	\$664	--	1.0	1.0	--
1970	1,979	1,979	--	2.1	2.1	--
1975	3,765	3,289	\$476	2.0	1.9	3.2
1980	10,144	8,497	1,647	3.5	3.2	5.7
1985	21,808	19,077	2,731	3.9	3.8	5.7
1990	41,498	36,837	4,661	3.7	3.6	4.7
1995	63,491	54,831	8,660	3.3	3.2	4.1
1996	67,176	57,816	9,360	3.5	3.4	4.5
1997	71,133	61,002	10,131	3.7	3.6	4.7
1998	75,815	65,144	10,670	3.9	3.8	4.7
1999	79,187	68,025	11,162	3.9	3.8	4.6
2000	88,918	76,450	12,468	4.3	4.3	4.9
2001	100,569	86,078	14,491	4.5	4.4	5.1
Percent change						
1967-2001	15,046	12,864	--			
1975-2001	2,571	2,517	2,944			
1997-1998	7	7	5			
1998-1999	4	4	5			
1999-2000	12	12	12			
2000-2001	13	13	16			

NOTE: For more detail on fund transactions, see "Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds."

SOURCE: CMS/OACT

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Medicare Administrative Expenses Selected Fiscal Years

Fiscal Year	Administrative Expenses	
	Amount in Millions	Percent of Benefit Payments
HI Trust Fund		
1967	\$89	3.5
1970	149	3.1
1975	259	2.5
1980	497	2.1
1985	813	1.7
1990	774	1.2
1995	1,300	1.1
1996	1,229	1.0
1997	1,661 ¹	1.2
1998	1,653 ¹	1.2
1999	1,978 ¹	1.5
2000	2,350 ¹	1.9
2001	2,368 ¹	1.7
SMI Trust Fund		
1967	135 ²	20.3
1970	217	11.0
1975	405	10.8
1980	593	5.8
1985	922	4.2
1990	1,524	3.7
1995	1,722	2.7
1996	1,771	2.6
1997	1,420	2.0
1998	1,435	1.9
1999	1,510	1.9
2000	1,780	2.0
2001	1,986	2.0

¹ Includes non-expenditure transfers for Health Care Fraud and Abuse Control.

² Includes expenses paid in fiscal years 1966 and 1967.

**Medicare Contractors
2002**

	Intermediaries	Carriers
Blue Cross/Blue Shield	26	15
Other	2	5

NOTE: Data as of May 2002.

SOURCE: CMS/OFM

**Medicare Claims Processing Costs
Selected Fiscal Years**

	Net Unit Cost per Claim					
	1975	1980	1985	1990	2000	2001
Intermediaries ¹	\$3.84	\$2.96	\$2.33	\$1.86	\$0.86 ³	\$0.86 ³
Carriers ⁴	\$2.90	\$2.33	\$1.88	\$1.56	\$0.63	\$0.61

¹ Includes direct costs and overhead costs for bill payment, reconsiderations and hearings lines.

⁴ Includes direct costs and overhead costs for the claims payment, reviews and hearings, and beneficiary/physician inquiries lines.

³ Beginning in FY 1998, inquiries and PET activities are separated from other bill payment cost for intermediaries.

SOURCE: CMS/OFM

**Medicare Appeals
Fiscal Years 2000 - 2001**

	2000		2001	
	Intermediary Reconsiderations	Carrier Reviews	Intermediary Reconsiderations	Carrier Reviews
Number Processed	47,805	3,344,925	50,143	3,722,068
Percent With Increased Payments	29.2	65.0	25.1	64.3

SOURCE: CMS/OFM

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**Medicare Physician/Supplier Claims Charge Reductions
Selected Fiscal years 1980 - 2001**

Fiscal Year	Claims Approved		Total Covered Charges		
	Number in thousands	Percent Reduced	Amount in millions	Percent Reduced	Amount Reduced per Claim
<u>Assigned (HCFA-1490/1500)</u>					
1980	70,937	80.0	\$6,878	22.5	\$21.81
1985	168,587	81.7	20,743	27.0	33.19
1986	188,075	82.5	24,108	28.4	36.43
1987	222,277	83.0	29,436	27.9	36.90
1988	264,096	85.5	36,083	29.3	39.97
1989	295,666	86.3	41,852	30.9	43.72
1990	329,061	87.6	48,711	32.6	48.22
1991	373,250	86.7	57,547	35.2	54.20
1992	406,502	87.0	66,062	39.2	63.60
1993	446,475	88.2	74,261	42.1	70.08
1994	496,264	88.1	82,855	42.5	71.03
1995	534,972	86.4	91,672	42.2	72.31
1996	544,639	87.1	96,205	44.4	78.42
1997	564,461	87.5	102,279	45.7	82.74
1998	573,077	87.6	105,682	46.5	85.91
1999	586,227	88.7	113,008	47.5	91.76
2000	612,875	88.3	124,024	47.7	96.69
2001	646,131	87.7	139,272	47.9	103.22
<u>Unassigned (HCFA-1490/1500)</u>					
1980	66,207	83.7	\$6,527	22.3	\$21.96
1985	77,646	84.6	10,051	25.6	33.12
1986	84,853	84.9	10,581	26.6	33.15
1987	85,160	82.5	10,516	25.5	31.44
1988	78,484	85.7	9,351	24.7	29.47
1989	74,621	89.2	8,794	25.2	29.67
1990	75,879	90.3	8,702	25.3	28.97
1991	78,450	90.7	8,134	24.0	24.84
1992	69,522	85.4	6,671	19.8	18.95
1993	54,096	85.5	4,724	16.9	14.75
1994	42,544	86.7	3,489	16.4	13.45
1995	32,695	83.9	2,725	15.6	13.01
1996	24,390	84.5	2,071	15.6	13.22
1997	19,765	84.4	1,726	16.3	14.23
1998	16,051	82.9	1,450	16.9	15.26
1999	14,061	81.6	1,321	17.5	16.49
2000	13,128	79.4	1,301	18.1	17.85
2001	12,200	77.7	1,254	18.1	18.59

NOTE: Charge reduction is the total dollar amount reduced as a result of charge determination made by a carrier.

**Medicare Charge Determination Data for Physician/Supplier Claims
Selected Fiscal Years 1975-2001**

Fiscal Year	Claims Paid or Applied to Deductible		Claims on Which Charge Reductions Were Made				
	Number in thousands	Total Covered Charges in thousands	Number in thousands	Percent of Claims Paid or Applied to Deductible	Amount of Reduction		
					Total in thousands	Percent of Covered Charges	Avg. Amount per Approved Claim
1975	75,694	\$5,324,636	50,738	67.0	\$863,847	16.2	\$11.41
1980	145,157	13,765,039	113,707	78.3	3,063,364	22.3	21.10
1985	246,337	30,800,071	203,405	82.6	8,168,817	26.5	33.16
1986	272,969	34,692,565	227,127	83.2	9,664,309	27.9	35.40
1987	307,437	39,952,727	254,672	82.8	10,879,839	27.2	35.39
1988	342,580	45,434,338	293,027	85.5	12,867,579	28.3	37.56
1989	370,288	50,646,122	321,851	86.9	15,139,981	29.9	40.89
1990	404,939	57,413,496	356,775	88.1	18,063,716	31.5	44.61
1991	451,700	65,680,424	394,615	87.4	22,179,014	33.8	49.10
1992	476,024	72,733,350	413,095	86.8	27,170,734	37.4	57.08
1993	500,572	78,984,666	439,888	87.9	32,089,244	40.6	64.11
1994	538,808	86,344,476	473,907	88.0	35,823,544	41.5	66.49
1995	567,666	94,396,848	489,467	86.2	39,108,517	41.4	68.89
1996	569,029	98,276,302	494,764	86.9	43,035,169	43.8	75.63
1997	584,226	104,004,862	510,568	87.4	46,987,436	45.2	80.43
1998	589,128	107,132,423	515,427	87.5	49,475,682	46.2	83.98
1999	600,288	114,329,416	531,776	88.6	54,023,415	47.3	90.00
2000	626,003	125,325,545	551,784	88.1	59,491,359	47.5	95.03
2001	658,003	140,525,531	576,428	87.6	66,918,719	47.6	101.65

NOTE: Data prior to July 1, 1976 exclude claims handled by the Social Security Administration's Office of Direct Reimbursement.

SOURCE: CMS/OFM

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**Medicaid Administrative Expenses
Fiscal Years 1999 - 2001**

	1999	2000	2001
	Amount in thousands		
Total Payments Computable for Federal Funding ¹	\$9,492,347	\$10,577,053	\$11,880,615
Federal Share ¹			
Family Planning	\$21,688	\$24,045	\$23,198
Design, Development or Installation of MMIS ²	112,790	73,439	141,923
Skilled Professional Medical Personnel	326,235	391,825	327,814
Operation of an Approved MMIS	803,165	847,718	962,534
Mechanized Systems Not Approved Under MMIS ²	82,114	68,811	82,503
All Other	3,976,949	4,486,357	5,017,419
Total Federal Share	\$5,322,941	\$5,892,195	\$6,555,391
Net Adjusted Federal Share ³	\$5,265,505	\$5,732,484	\$6,533,230

¹ Source: Form CMS-64 (Net Expenditures Reported -- Administration).

Fiscal Year 2001 is preliminary (04/2002)

² Medicaid Management Information System.

³ Includes CMS adjustments.

SOURCE: CMS/CMSO

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IV. POPULATIONS

Information about persons covered by Medicare Hospital Insurance (HI) and Supplementary Medical Insurance (SMI) and Medicaid.

Medicare statistics are based on persons enrolled for coverage. Medicaid recipient counts are used as a surrogate of persons eligible for coverage. Current and trend data showing demographic and eligibility category distributions are included.

HIGHLIGHTS

- o In 2001, 86 percent of the Medicare population was age 65 and over.*
- o An estimated 96 percent of the total aged population has some type of Medicare coverage.*
- o In 2001, approximately 93.1 percent of the total Medicare population was covered by both Part A and Part B.*
- o The Medicare Part A beneficiaries ages 85 and over, as a percent of all aged beneficiaries, increased from 6.2 percent in 1966 to 12.7 percent in 2001. During this same time period, the 65 to 69 year age group, as a percent of all aged beneficiaries, decreased from 34.1 percent in 1966 to 26.8 percent in 2001.*
- o The Medicare female beneficiaries enrolled in Medicare Part A, as a percent of all aged beneficiaries, increased from 57.4 percent in 1966 to 58.5 percent in 2001. During this same time period, the Medicare male beneficiaries enrolled in Medicare Part A, as a percent of all aged beneficiaries, decreased from 42.6 percent in 1966 to 41.5 percent in 2001.*
- o There has been an increase of 10.3 percent in the number of Medicare State Buy-Ins between 1998 and 2001.*

**Medicare Enrollees
Selected Years**

	1975	1980	1985	1990	1995	2000	2001	2002	2003
Number in millions									
HI and/or SMI									
Total	24.9	28.4	31.1	34.3	37.6	39.6	40.1	40.4	40.8
Aged	22.7	25.5	28.1	31.0	33.2	34.1	34.4	34.6	34.8
Disabled	2.2	3.0	2.9	3.3	4.4	5.4	5.7	5.8	6.0
HI									
Total	24.5	28.0	30.6	33.7	37.2	39.2	39.7	40.0	40.4
Aged	22.3	25.0	27.7	30.5	32.7	33.7	34.0	34.2	34.4
Disabled	2.2	3.0	2.9	3.3	4.4	5.4	5.7	5.8	6.0
SMI									
Total	23.7	27.3	29.9	32.6	35.6	37.3	37.7	38.0	38.4
Aged	21.8	24.6	27.2	29.6	31.7	32.6	32.7	32.9	33.1
Disabled	1.9	2.7	2.7	2.9	3.9	4.8	5.0	5.2	5.3
HI and SMI	23.4	26.8	29.4	32.1	35.2	36.9	37.2	37.6	38.0
HI Only	1.1	1.2	1.2	1.7	2.0	2.3	2.4	2.4	2.5
SMI Only	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.4	0.4

NOTES: Historical data through 2001. Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

September 2002

**Medicare HI and/or SMI Enrollment Demographics
2001**

	Total	Male	Female
All Persons	40,025,717	17,353,117	22,672,600
Aged Persons	34,457,024	14,260,623	20,196,401
65 - 74	17,764,379	8,110,710	9,653,669
75 - 84	12,303,987	4,878,705	7,425,282
	4,388,658	1,271,208	3,117,450
Disabled Persons	5,568,693	3,092,494	2,476,199
Under 45	1,658,257	957,676	700,581
45 - 54	1,727,547	963,430	764,117
55 - 64	2,182,889	1,171,388	1,011,501
White	34,014,934	14,725,880	19,289,054
Black	3,801,185	1,608,577	2,192,608
All Other	2,110,755	984,612	1,126,143
Native American	67,159	32,607	34,552
Asian/Pacific	569,799	248,527	321,272
Hispanic	922,492	437,872	484,620
Other	551,305	265,606	285,699
Unknown Race	98,843	34,048	64,795

NOTES: Data as of July 1 based on the 100% Denominator File. Totals do not necessarily equal the sum of the rounded components. Data by race are shown by the Office of Management and Budget Statistical Directive 15 (Federal Register, 1978). The use of the category of Other reflects CMS's use of SSA's Master Beneficiary Record which was not expanded. See Arday et al., "HCFA's Racial and Ethnic Data: Current Accuracy and Recent Improvements," HCF Review, Vol. 21, No. 4.

SOURCE: CMS/ORDI

**Medicare HI and/or SMI Enrollment End Stage Renal Disease Demographics
2001**

	Number
All Persons	356,319
Age	
Under 35	28,887
35-44	39,806
45-64	133,814
65 and over	153,812
Sex	
Male	193,671
Female	162,648
Race	
White	199,866
Non-white	155,292
Unknown	1,161

NOTES: Data reflect persons ever enrolled. Based on the 2001 Denominator File.

SOURCE: CMS/ORDI

September 2002

**Medicare HI Enrollment Demographics
Selected Years**

Year	Number in thousands	Percent Distribution by Age					Median Age in Years	
		Total	65-69	70-74	75-79	80-84		85+
1966	19,082	100.0	34.1	28.7	19.8	11.2	6.2	72.6
1970	20,361	100.0	33.3	27.2	20.3	12.0	7.2	73.0
1975	22,472	100.0	33.5	26.3	19.3	12.5	8.4	73.0
1980	25,104	100.0	33.1	26.3	18.8	12.2	9.6	73.0
1985	27,683	100.0	31.9	26.3	19.2	12.3	10.3	73.3
1990	30,464	100.0	31.4	25.7	19.5	12.7	10.7	73.5
1995	32,742	100.0	28.7	26.4	19.8	13.5	11.6	74.0
1999	33,519	100.0	26.8	25.5	21.3	14.0	12.4	74.6
2000	33,841	100.0	26.9	25.1	21.3	14.2	12.6	74.6
2001	34,039	100.0	26.8	24.8	21.1	14.5	12.7	74.7

Percent Distribution of Aged Enrollees by Sex and Race							
Male				Female			
Total	White	Non-White	Unknown	Total	White	Non-White	Unknown
42.6	38.6	3.4	0.6	57.4	50.8	4.1	2.5
41.8	37.4	3.5	0.9	58.2	51.9	4.4	1.9
40.8	36.2	3.6	1.0	59.2	52.8	4.7	1.7
40.4	35.7	3.7	1.1	59.5	52.9	4.9	1.7
40.3	35.4	3.7	1.2	59.7	52.8	5.1	1.8
40.3	35.2	3.9	1.2	57.7	52.1	5.8	1.9
40.7	35.9	3.8	1.0	59.3	52.2	5.8	1.4
41.0	35.6	3.8	1.5	59.0	50.8	6.1	2.1
41.3	36.2	5.0	0.1	58.7	51.2	7.3	0.2
41.5	36.3	5.1	0.1	58.5	50.9	7.4	0.2

Percentages do not necessarily equal the sum of rounded components. Beginning in 2000, the 100% Denominator File was the source of distribution by age groups and race. The detail on race available in that source allows additional breakouts of race formerly classified as unknown.

**Medicare State Buy-Ins for SMI
1998 - 2001**

Type of Beneficiary ¹				
All Persons				
Number	5,209,297	5,391,704	5,549,170	5,744,330
Percent of SMI Enrolled	14.2	14.5	14.9	15.2
Aged				
Number	3,474,102	3,562,777	3,632,069	3,713,670
Percent of SMI Enrolled	10.7	11.0	11.1	11.3
Disabled				
Number	1,735,195	1,828,927	1,917,101	2,030,660
Percent of SMI Enrolled	39.7	40.5	41.2	41.2

¹ Buy-ins represent beneficiaries in person-years for whom the State paid the Medicare SMI premium during the year. Percent calculated using Part B person-years.

SOURCE: CMS/ORDI

September 2002

**Medicaid Enrollment and Beneficiaries
Selected Fiscal Years**

	1975	1980	1985	1990	1995	1999	2000	2001	2002	2003
Enrollment (person-years) Number in millions										
Total	NA	NA	NA	22.9	33.4	32.8	34.0	36.9	39.0	40.4
Aged	NA	NA	NA	3.1	3.7	3.8	3.9	4.1	4.2	4.3
Blind/Disabled	NA	NA	NA	3.8	5.8	6.6	6.8	7.2	7.5	7.7
Children	NA	NA	NA	10.7	16.5	16.3	16.7	18.0	18.9	19.6
Adults	NA	NA	NA	4.9	6.7	6.2	6.7	7.7	8.4	8.8
Other Title XIX	NA	NA	NA	0.5	0.6	NA	NA	NA	NA	NA
Beneficiaries Number in millions										
Total	22.4	21.6	21.8	25.3	36.3	41.0	42.5	46.1	48.9	50.7
Aged	3.7	3.4	3.1	3.2	4.2	4.5	4.5	4.8	4.9	5.0
Blind/Disabled	2.4	2.8	3.0	3.7	6.0	7.3	7.5	7.9	8.3	8.5
Children	9.8	9.3	9.8	11.2	17.6	20.9	21.5	23.1	24.3	25.2
Adults	4.7	4.8	5.5	6.0	7.8	8.4	9.0	10.4	11.4	12.0
Other Title XIX	1.9	1.5	1.2	1.1	0.6	NA	NA	NA	NA	NA

NOTES: Beneficiaries are enrollees on behalf of whom at least one payment is made during the fiscal year. Prior to 1991, beneficiary categories do not add to total because beneficiaries could be reported in more than one category. Totals after 1990 may not add due to rounding. Aged and Blind/Disabled eligibility groups include Qualified Medicare Beneficiaries (QMB) and Specified Low-Income Medicare Beneficiaries (SLMB). Children and Adult groups include both AFDC/TANF and poverty level recipients who are not disabled. Beneficiary data for fiscal years 1975-1995 are historical data from OIS as reported by states. Enrollment and beneficiary projections for fiscal years 1999-2003 were prepared by the Office of the Actuary for the President's FY 2003 budget. FY 1998-2003 do not include the State Children's Health Insurance Program (SCHIP).

In 1997, the Other Title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. In 1998, Medicaid beneficiaries were redefined to include enrollees on behalf of whom a capitation payment is paid. The large increase between 1995 and 1999 is primarily the result of this change of definition.

**Medicaid Recipient Demographics
Selected Fiscal Years**

	1996	1997	1998	1999
All Recipients in thousands	36,118	33,579	40,096	40,264
Percent Distribution				
Age	100.0	100.0	100.0	100.0
Under 21	50.6	51.8	51.9	51.0
21 - 64	30.8	31.5	30.3	28.9
65 - 100	13.0	13.6	11.6	10.7
Unknown	5.6	3.0	6.2	9.5
Sex	100.0	100.0	100.0	100.0
Male	36.4	37.5	36.7	36.4
Female	57.9	59.4	55.8	54.1
Unknown	5.7	3.1	7.5	9.5
Race	100.0	100.0	100.0	100.0
White	44.8	46.1	41.8	41.1
Black	23.9	24.4	24.6	24.2
American Indian/Alaskan Native	0.8	1.0	0.8	1.2
Asian/Pacific Islander	2.1	2.0	2.5	2.3
Hispanic	17.5	14.8	15.8	15.7
Unknown	10.9	11.6	14.4	15.5

NOTES: The percent distribution is based on rounded numbers. Totals do not necessarily equal the sum of rounded components. These estimates may differ from those based on Medicaid person-years of enrollment. Beginning in FY 1998, Medicaid recipients were redefined to include those eligibles for whom a capitated payment was made.

SOURCES: CMS/CMSO/OIS/ORDI

September 2002

Life Expectancy at Birth and at Age 65 by Race and Sex: United States
Selected Calendar Years

Calendar Year	All Races			White			Black		
	Both Sexes	Men	Women	Both Sexes	Men	Women	Both Sexes	Men	Women
At Birth									
1950	68.2	65.6	71.1	69.1	66.5	72.2	60.7	58.9	62.7
1980	73.7	70.0	77.4	74.4	70.7	78.1	68.1	63.8	72.5
1985	74.7	71.1	78.2	75.3	71.8	78.7	69.3	65.0	73.4
1990	75.4	71.8	78.8	76.1	72.7	79.4	69.1	64.5	73.6
1992	75.8	72.3	79.1	76.5	73.2	79.8	69.6	65.0	73.9
1994	75.7	72.4	79.0	76.5	73.3	79.6	69.5	64.9	73.9
1995	75.8	72.5	78.9	76.5	73.4	79.6	69.6	65.2	73.9
1996	76.1	73.1	79.1	76.8	73.9	79.7	70.2	66.1	74.2
1997	76.5	73.6	79.4	77.1	74.3	79.9	71.1	67.2	74.7
1998	76.7	73.8	79.5	77.3	74.5	80.0	71.3	67.6	74.8
1999	76.7	73.9	79.4	77.3	74.6	79.9	71.4	67.8	74.7
2000	76.9	74.1	79.5	77.4	74.8	80.0	71.8	68.3	75.0
At Age 65									
1950	13.9	12.8	15.0	NA	12.8	15.1	13.9	12.9	14.9
1980	16.4	14.1	18.3	16.5	14.2	18.4	15.1	13.0	16.8
1985	16.7	14.5	18.5	16.8	14.5	18.7	15.2	13.0	16.9
1990	17.2	15.1	18.9	17.3	15.2	19.1	15.4	13.2	17.2
1992	17.5	15.4	19.2	17.6	15.5	19.3	15.7	13.5	17.4
1994	17.4	15.5	19.0	17.5	15.6	19.1	15.7	13.6	17.2
1995	17.4	15.6	18.9	17.6	15.7	19.1	15.6	13.6	17.1
1996	17.5	15.7	19.0	17.6	15.8	19.1	15.8	13.9	17.2
1997	17.7	15.9	19.2	17.8	16.0	19.3	16.1	14.2	17.6
1998	17.8	16.0	19.2	17.8	16.1	19.3	16.1	14.3	17.4
1999	17.7	16.0	19.1	17.8	16.1	19.2	16.0	14.3	17.3
2000	17.9	16.3	19.2	17.9	16.3	19.2	16.2	14.6	17.5

¹ Preliminary data for 2000.

SOURCE: Public Health Service, Health United States, 2002 (preliminary)

September 2002

**Life Expectancy at Age 65
Based on U.S. Life Table Functions**

Calendar Year	Male	Female
	Number in years	
1965	12.9	16.3
1970	13.1	17.1
1975	13.7	18.0
1980	14.0	18.4
1985	14.4	18.6
1990	15.0	19.0
1991	15.1	19.1
1992	15.2	19.2
1993	15.1	19.0
1994	15.3	19.0
1995	15.3	19.0
1996	15.4	19.0
1997	15.5	19.1
1998	15.6	19.0
1999	15.7	18.9
2000 ¹	15.7	19.0
2005 [^]	16.0	19.1
2010 [^]	16.4	19.4
2015 [^]	16.7	19.7
2020 [^]	17.0	20.0
2025 [^]	17.3	20.3
2030 [^]	17.7	20.6
2035 [^]	18.0	20.9
2040 [^]	18.3	21.2
2045 [^]	18.6	21.5
2050 [^]	18.8	21.8
2055 [^]	19.1	22.1
2060 [^]	19.4	22.4
2065 [^]	19.7	22.6
2070 [^]	19.9	22.9

¹ Preliminary or estimated.

[^] Projected.

NOTE: The life expectancy is the average number of years of life remaining to a person if he were to experience the age-specific mortality rates for the tabulated year throughout the remainder of his life.

SOURCE: SSA/OACT

September 2002

HIGHLIGHTS

- o The number of aged Medicare enrollees who received a covered service increased from 528 per 1,000 in 1975 to 916 per 1,000 enrollees in 2000.*
- o The number of disabled Medicare enrollees receiving services per 1,000 enrollees increased from 450 to 835 during the same period.*
- o The total number of all outpatient visits in the United States and the adjusted expense per patient day has increased steadily since 1983.*
- o The Medicare average length of stay for all short-stay and excluded units has been dropping for the past several years.*
- o The Medicare aged persons served rate per 1,000 enrollees for Medicare skilled nursing facilities has grown five-fold from 1982 to 2000. During the same period, the home health agencies Medicare aged persons served rate per 1,000 enrollees more than doubled.*

**Medicare Short-Stay Hospital Utilization
Selected Fiscal Years**

	1990	1997	1998	1999	2000
Discharges					
Total in millions	10.5	11.9	11.9	11.7	11.8
Rate per 1,000 Enrollees ¹	313	317	319	310	303
Days of Care					
Total in millions	94	76	74	71	71
Rate per 1,000 Enrollees ¹	2,805	2,014	1,972	1,897	1,825
Average Length of Stay					
All short-stay	9.0	6.4	6.2	6.1	6.0
Excluded Units ²	19.5	13.4	12.9	12.6	12.3
Total Charges per Day	\$1,060	\$2,167	\$2,332	\$2,496	\$2,720

¹ The population base is HI enrollment excluding HI enrollees residing in foreign countries and should be treated as preliminary.

² Includes alcohol/drug, psychiatric, and rehabilitation units through 1990, and psychiatric and rehabilitation units from 1997 through 2000.

NOTES: Data may reflect under reporting due to a variety of reasons including: operational difficulties experienced by intermediaries; no-pay, at-risk managed care utilization; and no-pay Medicare secondary payer bills. Average length of stay is shown in days. The data for 1990 through 2000 are based on 100 percent MEDPAR. Data may differ from other sources or from the same source with different update cycle.

SOURCE: CMS/OIS

September 2002

**Medicare Short-Stay Hospital Days per Person by Days of Care
Calendar Year 2000**

Total Days of Care	Persons Using Number of Days	Percent Distribution	Cumulative Percent Distribution	Total Days Used	Percent Distribution	Days Per Person
TOTAL	6,936,255	100.0	---	70,040,520	100.0	10.1
1 day	674,680	9.7	9.7	674,680	1.0	1.0
2 days	728,735	10.5	20.2	1,457,470	2.1	2.0
3 days	760,030	11.0	31.2	2,280,090	3.3	3.0
4 days	655,890	9.5	40.6	2,623,560	3.7	4.0
5 days	524,760	7.6	48.2	2,623,800	3.7	5.0
6 days	430,740	6.2	54.4	2,584,440	3.7	6.0
7 days	368,905	5.3	59.7	2,582,335	3.7	7.0
8 days	300,935	4.3	64.1	2,407,480	3.4	8.0
9 days	250,010	3.6	67.7	2,250,090	3.2	9.0
10 days	217,625	3.1	70.8	2,176,250	3.1	10.0
11 days	186,965	2.7	73.5	2,056,615	2.9	11.0
12 days	163,145	2.4	75.9	1,957,740	2.8	12.0
13 days	145,865	2.1	78.0	1,896,245	2.7	13.0
14 days	134,855	1.9	79.9	1,887,970	2.7	14.0
15 days	118,150	1.7	81.6	1,772,250	2.5	15.0
16 days	103,550	1.5	83.1	1,656,800	2.4	16.0
17 days	90,445	1.3	84.4	1,537,565	2.2	17.0
18 days	82,620	1.2	85.6	1,487,160	2.1	18.0
19 days	73,785	1.1	86.7	1,401,915	2.0	19.0
20 days	68,915	1.0	87.7	1,378,300	2.0	20.0
21-30 days	431,960	6.2	93.9	10,709,295	15.3	24.8
31-40 days	194,265	2.8	96.7	6,778,770	9.7	34.9
41-50 days	98,060	1.4	98.1	4,410,970	6.3	45.0
51-60 days	53,145	0.8	98.9	2,922,740	4.2	55.0
61-90 days	58,085	0.8	99.7	4,172,300	6.0	71.8
91 days or more	20,135	0.3	100.0	2,353,690	3.4	116.9

NOTES: These data reflect total individual hospital days during the calendar year. A beneficiary may have multiple hospital stays. Days from all stays are combined. Calendar year data are derived from 2000 MEDPAR stay file. This file includes stays recorded in CMS central office through June 2001. Totals do not necessarily equal the sum of rounded components. Data may differ from other sources or from the same source with different update cycle.

SOURCE: CMS/ORDI

September 2002

**Medicare Short-Stay Hospital Discharges by Length of Stay
Calendar Year 2000**

Total Length of Stay	Discharges (aged and disabled)			Total Days of Care		
	Number	Percent Distribution	Cumulative Percent Distribution	Number	Percent Distribution	Cumulative Percent Distribution
TOTAL	11,716,800	100.0	--	70,040,520	100.0	--
1 day	1,519,790	13.0	13.0	1,519,790	2.2	2.2
2 days	1,621,895	13.8	26.8	3,243,790	4.6	6.8
3 days	1,706,830	14.6	41.4	5,120,490	7.3	14.1
4 days	1,446,705	12.3	53.7	5,786,820	8.3	22.4
5 days	1,113,830	9.5	63.2	5,569,150	8.0	30.3
6 days	860,055	7.3	70.6	5,160,330	7.4	37.7
7 days	700,500	6.0	76.6	4,903,500	7.0	44.7
8 days	518,055	4.4	81.0	4,144,440	5.9	50.6
9 days	383,245	3.3	84.2	3,449,205	4.9	55.5
10 days	299,820	2.6	86.8	2,998,200	4.3	59.8
11 days	238,945	2.0	88.8	2,628,395	3.8	63.6
12 days	189,140	1.6	90.5	2,269,680	3.2	66.8
13 days	159,940	1.4	91.8	2,079,220	3.0	69.8
14 days	148,820	1.3	93.1	2,083,480	3.0	72.8
15 days	115,345	1.0	94.1	1,730,175	2.5	75.2
16 days	89,820	0.8	94.8	1,437,120	2.1	77.3
17 days	73,485	0.6	95.5	1,249,245	1.8	79.1
18 days	62,075	0.5	96.0	1,117,350	1.6	80.7
19 days	52,625	0.4	96.5	999,875	1.4	82.1
20 days	47,605	0.4	96.9	952,100	1.4	83.4
21-30 days	241,540	2.1	98.9	5,890,895	8.4	91.9
31-40 days	70,240	0.6	99.5	2,435,880	3.5	95.3
41-50 days	28,165	0.2	99.8	1,260,945	1.8	97.1
51-60 days	12,655	0.1	99.9	694,965	1.0	98.1
61-90 days	11,670	0.1	100.0	832,615	1.2	99.3
91 days or more	4,005	0.0	100.0	482,865	0.7	100.0

NOTES: These data reflect individual stays. A beneficiary may use more than one stay and each is counted separately. Calendar year data are derived from the 2000 MEDPAR stay file. This file includes stays recorded in CMS central office through June 2001. Totals do not necessarily equal the sum of rounded components. Data may differ from other sources or from the same source with different update cycle.

**Medicare Short-Stay Hospital DRGs Ranked by Discharges
Fiscal Year 2000**

Rank	DRG No.	DRG Relative Weight	Discharges ¹		Average Length of Stay	Average Charge Per Discharge	Total Payments ² (in thousands)	Total Medicare Payments (in thousands)	Beneficiary Payments ³ (in thousands)	Average Payments ⁴		
			Number	Percent						Total	Medicare	Beneficiary
			11,778,705	100.0	6.0	\$14,570	\$88,043,604	\$81,288,767	\$6,754,836	\$7,475	\$6,901	\$573
1	127	1.0144	685,026	5.8	5.3	11,227	3,464,848	3,122,012	342,836	5,058	4,558	500
2	089	1.0855	531,770	4.5	6.0	11,561	2,782,405	2,472,562	309,843	5,232	4,650	583
3	088	0.9406	397,090	3.4	5.1	9,934	1,771,809	1,548,616	223,192	4,462	3,900	562
4	209	2.1175	346,360	2.9	5.1	22,710	3,441,399	3,205,099	236,301	9,936	9,254	682
5	116	2.4651	334,384	2.8	3.6	26,492	4,043,940	3,850,745	193,195	12,094	11,516	578
6	014	1.1914	324,325	2.8	5.9	13,372	1,892,185	1,693,462	198,722	5,834	5,221	613
7	430	0.7881	314,054	2.7	11.2	12,860	1,983,293	1,790,710	192,583	6,315	5,702	613
8	462	1.3599	265,937	2.3	13.0	18,589	2,585,021	2,527,144	57,877	9,720	9,503	218
9	182	0.7821	246,678	2.1	4.3	8,729	938,842	805,051	133,792	3,806	3,264	542
10	174	0.9981	242,866	2.1	4.8	11,097	1,200,185	1,065,702	134,483	4,942	4,388	554
11	296	0.8556	241,497	2.1	5.2	9,635	1,047,779	927,936	119,843	4,339	3,842	496
12	143	0.5342	206,493	1.8	2.1	6,076	541,827	414,815	127,012	2,624	2,009	615
13	138	0.8154	196,316	1.7	4.0	9,250	792,294	684,206	108,087	4,036	3,485	551
14	320	0.8647	188,954	1.6	5.3	9,673	818,871	713,417	105,454	4,334	3,776	558
15	416	1.4988	185,469	1.6	7.4	17,708	1,451,963	1,349,449	102,514	7,829	7,276	553
16	079	1.6439	171,606	1.5	8.5	18,378	1,413,033	1,323,307	89,726	8,234	7,711	523
17	121	1.6295	163,538	1.4	6.4	17,326	1,173,528	1,157,997	86,871	7,176	7,081	531
18	132	0.6713	149,428	1.3	3.0	7,310	477,693	400,759	76,933	3,197	2,682	515
19	015	0.7397	146,750	1.2	3.6	8,266	524,375	431,909	92,466	3,573	2,943	630
20	124	1.4020	134,209	1.1	4.3	16,088	925,754	852,216	73,538	6,898	6,350	548
21	148	3.4289	130,773	1.1	12.2	38,627	2,422,034	2,337,926	84,108	18,521	17,878	643
22	210	1.8028	122,362	1.0	6.8	20,048	1,063,378	986,213	77,165	8,690	8,060	631
23	478	2.3515	109,246	0.9	7.3	27,291	1,389,865	1,331,303	58,562	12,722	12,186	536
24	475	3.7065	108,221	0.9	11.2	42,560	2,188,571	2,120,341	68,230	20,223	19,593	630
25	316	1.3380	106,101	0.9	6.6	15,298	720,815	702,233	18,582	6,794	6,619	175

¹ Based on the stay records for 100% of Medicare aged and disabled beneficiaries as recorded in the MEDPAR file.

² Total payments represent total hospital revenue for Medicare enrollee utilization, including Medicare payments and beneficiary obligations.

Excluded bills for no-pay, at-risk managed care utilization and no-pay Medicare secondary payer bills.

³ Beneficiary payments are the responsibility of the beneficiary or other third party payer.

⁴ Average payments are calculated using actual dollar amount, not rounded data as shown.

**Medicare Ranking for all Short-Stay Hospitals
Fiscal Year 2000 versus 1999**

DRG Number	Descriptions
127	Heart Failure and Shock
089	Simple Pneumonia and Pleurisy, Age over 17 with Complicating Conditions
088	Chronic Obstructive Pulmonary Disease
209	Major Joint and Limb Reattachment Procedures
116	Other Perm Cardiac Pacemaker Implant or Acid Lead or Generator Procedure
014	Specific Cerebrovascular Disorders Except Transient Ischemic Attack
430	Psychoses
462	Rehabilitation
182	Esophagitis, Gastroenteritis and Miscellaneous Digestive Disorders, Age over 17 with Complicating Conditions
174	Gastrointestinal Hemorrhage with Complicating Conditions
296	Nutritional and Miscellaneous Metabolic Disorders, Age over 17 with Complicating Conditions
143	Chest Pain
138	Cardiac Arrhythmia and Conduction Disorders, with Complicating Conditions
320	Kidney and Urinary Tract Infections, Age over 17 with Complicating Conditions
416	Septicemia, Age over 17
079	Respiratory Infections and Inflammations, Age over 17 with Complicating Conditions
121	Circulatory Disorders with Acute Myocardial Infarction, with Cardiovascular Complications, Discharged Alive
132	Atherosclerosis with Complicating Conditions
015	Transient Ischemic Attack and Precerebral Occlusions
124	Circulatory Disorders excluding Acute Myocardial Infarction, with Cardiovascular Catheter with Complex Diagnosis
148	Major Small and Large Bowel Procedures with Complicating Conditions
210	Hip and Femur Procedures except Major Joint, Age over 17 with Complicating Conditions
478	Other Vascular Procedures with Complicating Conditions
475	Respiratory System Diagnosis with Ventilator Support
316	Renal Failure

**Medicare Leading Part B Procedure Codes Based on Allowed Charges
Calendar Year 2000**

Procedure Code	Description	Allowed Charges	Percent of Allowed Charges ¹
All Procedure Codes ²		\$67,102,165,000	100.0
Leading Procedure Codes ³		32,847,084,678	49.0
99213	Office/outpatient evaluation and management, established patient, level 3	4,223,341,524	6.3
99214	Evaluation and Management, established patient, level 4	2,536,736,293	3.8
99232	Subsequent hospital care, per day, evaluation and management, level 2	2,127,965,468	3.2
66984	Remove cataract, insert lens	1,880,120,539	2.8
99233	Subsequent hospital care, per day, evaluation and management, level 2	973,451,372	1.5
99212	Office/outpatient visit, est	955,833,657	1.4
99231	Subsequent hospital care, per day, evaluation and management, level 1	847,597,401	1.3
99223	Initial hospital care for evaluation and management, level 3	703,906,975	1.0
88305	Level II - Surgical pathology, gross and microscopic examination	638,755,359	1.0
99215	Office/outpatient evaluation and management, established patient, level 5	592,998,991	0.9
99254	Initial inpatient consultation for a new or established patient, level 4	591,364,609	0.9
99285	Emergency department evaluation and management, level 5	559,847,501	0.8
99244	Office consultation for a new or established patient, level 4	557,853,681	0.8
93307	Echocardiography, real-time with image documentation (2D), complete	539,909,917	0.8
92014	Eye exam & treatment	525,895,555	0.8
78465	Heart image (3D) multiple	494,728,742	0.7
90921	ESRD related services, age 20 and over	465,922,117	0.7
99284	Emergency dept visit	463,404,085	0.7
99255	Initial inpatient consultations	418,747,893	0.6
99312	Subsequent nursing facility care, per day, for evaluation, level 3	396,627,459	0.6
99238	Emergency department evaluation and management, level 3	395,990,062	0.6
99222	Initial hospital care, for evaluation and management, level 2	373,107,876	0.6
99243	Office consultation, established patient, moderate severity, 40 minutes	370,798,765	0.6
99203	Office/outpatient visit, new, evaluation and management, low complexity	353,717,944	0.5
99204	Office/outpatient visit, new, evaluation and management, moderate complexity	327,548,271	0.5

Calendar Year 2000

Procedure Code	Description	Allowed Charges	Percent of Allowed Charges ¹
99291	Critical care, including the diagnostic and therapeutic services	326,447,682	0.5
90806	Psychotherapy, office, 45-50 min	312,174,952	0.5
99283	Emergency department evaluation and management, level 3	301,983,715	0.5
99245	Office consultation for a new or established patient, level 5	301,355,438	0.4
45378	Diagnostic colonoscopy	284,386,584	0.4
92012	Ophthalmological medical exam/evaluation, established patient	281,907,770	0.4
99253	Initial inpatient consultation, new, evaluation and management	278,375,641	0.4
93000	Electrocardiogram, complete with at least 12 leads, interpretation & report	271,434,027	0.4
71020	Radiologic examination, chest, two views, frontal and lateral	271,305,184	0.4
97110	Therapeutic exercises, one or more areas, 15 minutes each	267,144,847	0.4
27447	Arthroplasty, knee, condyle and plateau	265,329,937	0.4
92980	Insert intracoronary stent, single vessel	262,777,483	0.4
70553	Magnetic image, brain	254,434,766	0.4
33533	Coronary artery bypass, using arterial graft(s); single arterial graft	246,824,243	0.4
93320	Doppler echo exam, heart, pulsed wave and/or continuous wave	231,036,365	0.3
99311	Subsequent nursing facility care, per day, for evaluation, level 1	228,783,909	0.3
11721	Debride nail, 6 or more	228,025,814	0.3
45385	Colonoscopy, with removal of tumor, polyp, or lesion	219,251,836	0.3
93510	Left heart catheterization, retrograde, from aortic, axillary or femoral artery	217,481,815	0.3
43239	Upper GI endoscopy, including esophagus biopsy	217,197,853	0.3
93325	Doppler color flow velocity mapping	211,104,364	0.3
98941	Chiropractic manipulation, three to four regions	209,245,994	0.3
90862	Medication management including prescription use and review of medication	205,054,312	0.3
66821	Laser surgery (YAG laser), one or more stages	203,022,222	0.3
77427	Radiation tx management, x5	200,080,311	0.3
93880	Duplex scan of extracranial arteries, complete bilateral study	193,858,820	0.3
20610	Drain/inject, joint/bursa	185,670,279	0.3
76092	Mammogram, screening	183,185,932	0.3
99211	Office/outpatient visit, established patient	180,540,566	0.3
98940	Chiropractic manipulation	177,432,333	0.3
99202	Office/Outpatient visit, new patient	174,300,899	0.3

**Medicare Leading Part B Procedure Codes Based on Allowed Charges (continued)
Calendar Year 2000**

Procedure Code	Description	Allowed Charges	Percent of Allowed Charges ¹
93010	Electrocardiogram, interpretation and report only	173,187,629	0.3
00142	Anesth., lens surgery	171,580,376	0.3
17000	Destroy benign/premal lesion	170,174,435	0.3
99205	Office/outpatient visit, new	169,942,378	0.3
84443	Thyroid simulating hormone (TSH)	168,248,231	0.3
72148	Magnetic image, lumbar spine	167,102,507	0.2
80061	Lipid panel	164,414,150	0.2
71010	Chest x-ray, single view, frontal	161,501,989	0.2
92004	Eye exam, new patient	161,306,060	0.2
93015	Cardiovascular stress test with physician supervision	155,246,561	0.2
76075	Dual energy x-ray study	149,456,480	0.2
70450	CT scan of head or brain	141,287,536	0.2
74160	CT abdomen w/dye	140,743,009	0.2
17003	Destroy lesions, 2-14	139,897,480	0.2
99313	Subsequent nursing facility care, per day, for evaluation, level 1	136,990,490	0.2
00562	Anesth., open heart surgery	133,595,710	0.2
72193	CT pelvis w/dye	129,024,466	0.2
99242	Office consultation	128,939,186	0.2
45380	Colonoscopy and biopsy	128,841,632	0.2
27130	Total hip replacement	127,275,099	0.2
52000	Cystoscopy	126,001,325	0.2

¹ Allowed charges are shown as a percent of all physician and supplier allowed charges submitted to Part B carriers.

² The total number of procedure codes is approximately 10,000.

³ Allowed charges were aggregated by procedure code. The above listed 77 procedure codes account for approximately 49% of the allowed charges.

NOTES: The AMA owns the copyright on the CPT codes and the copyright remains unaltered by the CMS publication of CPT codes in this document. CPT codes are not public property and must always be used in compliance with copyright law.

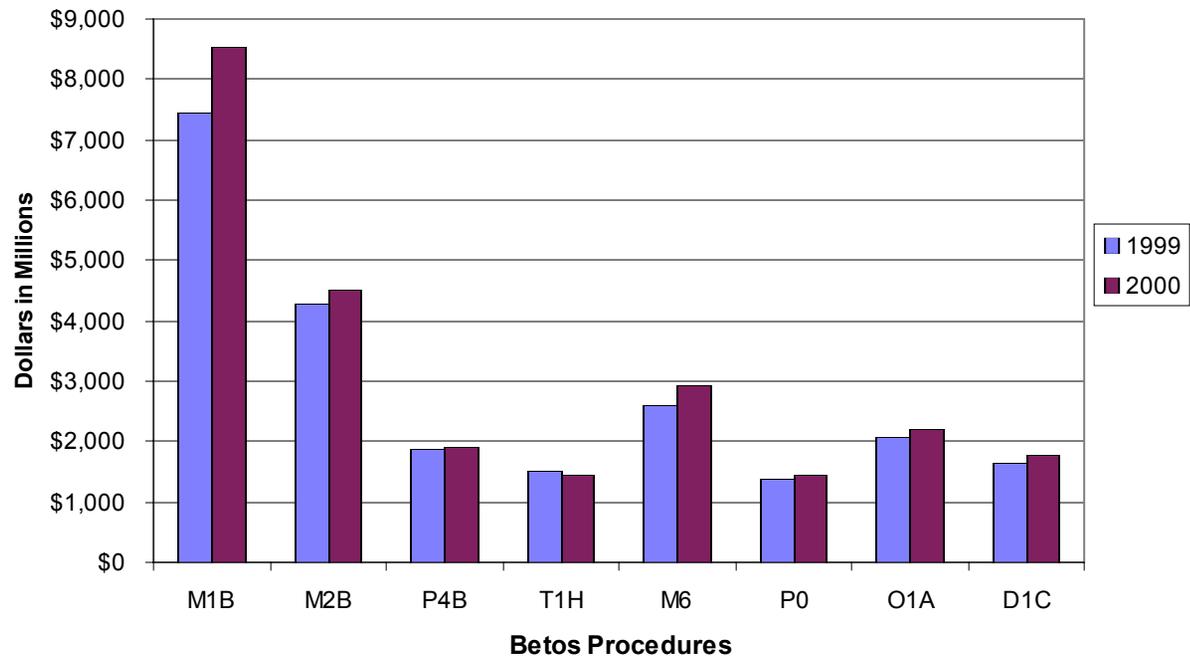
**Leading Medicare Physician and Supplier BETOS¹⁹⁹⁹
Procedures, Based on Allowed Charges²⁰⁰⁰
Calendar Years 1999 and 2000**

Betos Code	Description	1999	2000
		Medicare Allowed Charges	
M1B	Office Visits - Established	\$7,440,581,498	\$8,548,562,453
M2B	Hospital Visit - Subsequent	4,279,031,581	4,502,138,903
P4B	Eye Procedure - Cataract/Removal Lens Insertion	1,876,199,027	1,901,684,180
T1H	Lab Tests - Other (Non-Medicare Fee Schedule)	1,527,525,225	1,452,414,451
M6	Consultations	2,618,535,123	2,944,063,178
P0	Anesthesia	1,396,221,202	1,463,313,530
O1A	Ambulance	2,074,180,935	2,221,895,701
D1C	Oxygen and Supplies	1,632,139,433	1,773,277,946

NOTE: BETOS is the Berenson/Eggers Type of Service classification system, a joint Urban Institute/Centers for Medicare & Medicaid Services effort.

SOURCE: CMS/OIS

Betos Allowed Charges



**Medicare Persons Served by Type of Coverage
Selected Calendar Years**

	1975	1980	1985	1995	1999	2000
Aged Persons Served						
per 1,000 Enrollees						
HI and/or SMI	528	638	722	826	921	916
-----	221	240	219	218	232	232
	536	652	739	858	966	965
Disabled Persons Served						
per 1,000 Enrollees						
HI and/or SMI	450	594	669	759	830	835
-----	219	246	228	212	198	196
	471	634	715	837	936	943

NOTES: Prior to 1998, utilization rates per 1,000 enrollees came from the Annual Person Summary and were not yet modified to exclude persons enrolled in managed care. Beginning in 1998, utilization counts are based on a five-percent sample of beneficiaries and the rates are adjusted to exclude managed care enrollees.

SOURCES: CMS/OIS/ORDI

**Medicare Persons Served by Type of Service
Calendar Year 2000**

	Aged		Disabled	
	Persons Served in thousands ¹	Served per 1,000 Enrollees ²	Persons Served in thousands ¹	Served per 1,000 Enrollees ²
Hospital and/or Supplementary Medical Insurance	25,486	916	4,096	835
Hospital Insurance	6,361	232	964	196
Inpatient Hospital	5,975	218	942	192
Skilled Nursing Facility	1,390	51	78	16
Home Health Agency	1,325	48	119	24
Hospice	514	19	27	6
Supplementary Medical Insurance	25,256	965	4,057	943
Physician/Other Supplier	24,846	949	3,917	910
Outpatient	18,159	694	2,870	667
Home Health Agency	1,081	41	110	26

¹ Medicare enrollees who received a covered service for which Medicare Trust Fund payments were made and for which bills were received and processed in CMS Central Office.

² Rates exclude members of prepaid health care plans.

SOURCE: CMS/ORDI

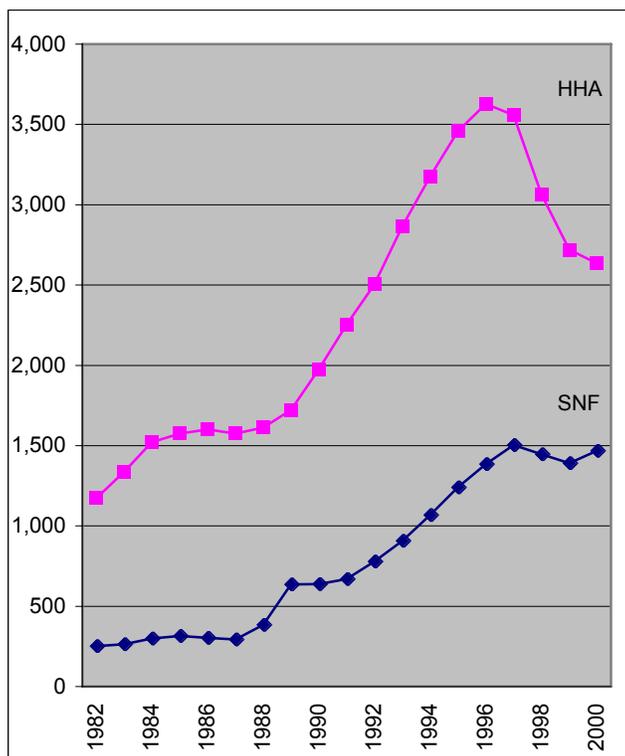
September 2002

Medicare Use of Selected Types of Long-Term Care Calendar Years 1982 - 2000

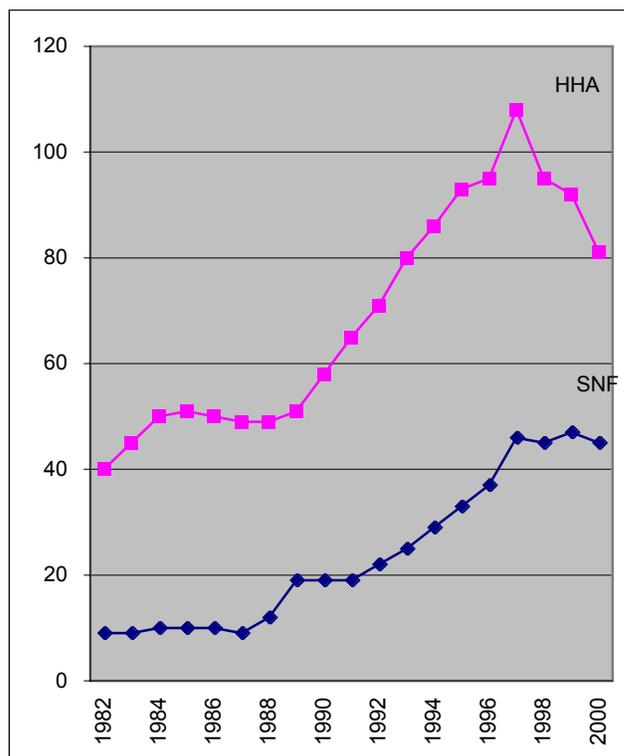
Calendar Year	Skilled Nursing Facilities		Home Health Agencies	
	Persons Served in thousands	Rate Per 1,000 Enrollees	Persons Served in thousands	Rate Per 1,000 Enrollees
1982	252	9	1,172	40
1983	264	9	1,338	45
1984	299	10	1,522	50
1985	315	10	1,576	51
1986	304	10	1,601	50
1987	293	9	1,575	49
1988	384	12	1,613	49
1989	636	19	1,721	51
1990	638	19	1,978	58
1991	670	19	2,255	65
1992	779	22	2,504	71
1993	908	25	2,867	80
1994	1,068	29	3,176	86
1995	1,240	33	3,457	93
1996	1,384	37	3,627	95
1997	1,503	46 ¹	3,558	108 ¹
1998	1,447	45 ¹	3,062	95 ¹
1999	1,390	47 ¹	2,720	92 ¹
2000	1,468	45 ¹	2,634	81 ¹

¹ Excludes managed care enrollees in rate.

Persons Served in Thousands



Rates Per 1,000 Enrollees



**End Stage Renal Disease Care Provided by
Medicare Approved Facilities
Selected Calendar Years**

	1990	1998	1999	2000
Dialysis Patients	129,800	245,710	259,493	273,333
Outpatient	107,160	216,310	231,032	245,207
Home	22,640	29,400	28,461	28,126
Dialysis Patient Eligibility Status				
Medicare	113,127	207,218	216,232	227,238
Medicare Application Pending	9,582	14,512	16,279	18,763
Non-Medicare	7,091	23,980	26,982	27,332
Transplant Patients	9,779	13,272	13,483	14,311
Transplant Patient Eligibility Status				
Medicare	8,340	10,241	9,900	10,260
Medicare Application Pending	633	1,105	1,183	1,540
Non-Medicare	806	1,918	2,395	2,500
Transplant Procedures	9,796	13,272	13,483	14,311
Living Related Donor	2,001	3,453	3,583	4,052
Living Unrelated Donor	90	1,067	1,061	1,375
Cadaveric Donor	7,705	8,752	8,839	8,884
Medicare Approved ESRD Facilities	2,072	3,586	3,917	4,153
Dialysis (Hospital and Non-Hospital)	1,799	3,307	3,637	3,869
Transplant and Dialysis	169	148	145	146
Transplant Only	53	87	92	96
Inpatient Care Only	51	44	43	42
Average Dialysis Payment Rate	\$127	\$127	\$127	\$129
Hospital Based	129	129	129	131
Independents	125	125	125	127

SOURCES: CMS/OCSQ/CMM

September 2002

Home Health Agency - Medicare National Summary

Calendar Year	Total Claims	Total Reimbursement	Total Visits	Average Reimbursement Per Patient	Average Visit Per Patient
1998	12,229,153	\$10,446,204,875	154,992,259	\$3,412	51
1999	9,740,299	7,908,326,030	112,747,716	2,914	42
2000	8,120,066	7,352,198,941	90,729,921	2,965	37

NOTE: Data include Puerto Rico, Virgin Islands, and unknown.

Hospice - Medicare National State Summary

Calendar Year	Total Patients	Total Reimbursement	Total Covered Days	Average Reimbursement Per Patient	Average Days Per Patient
1998	420,824	\$2,206,671,929	20,211,128	\$5,244	48
1999	474,270	2,525,402,040	22,746,562	5,325	48
2000	534,261	2,926,546,746	25,814,389	5,478	48

NOTE: Data include Puerto Rico.

Skilled Nursing Facilities Non Swing Bed - Medicare National Summary

Calendar Year	Total Discharges	Total Reimbursement	Total Covered Days	Average Reimbursement Per Discharge	Average Days Per Discharge
1998	1,587,931	\$11,312,643,901	45,240,400	\$7,124	29
1999	1,449,536	9,471,398,469	42,534,503	6,534	29
2000	1,438,690	10,420,208,068	44,103,335	7,243	31

NOTES: Data include Puerto Rico, Virgin Islands, and unknown. Data does not include swing bed units.

Outpatient - Medicare National Summary

Calendar Year	Total Patients	Total Charges	Total Payments	Average Charge Per Patient	Average Payment Per Patient
1998	20,453,026	\$54,845,037,206	\$16,865,568,630	\$2,684	\$825
1999	20,572,387	56,480,389,232	16,297,320,577	2,745	792
2000	21,039,207	52,631,299,474	16,893,178,592	2,502	803

NOTE: Data include Puerto Rico, Virgin Islands, and unknown.

SOURCES: CMS/OIS/HCIS

September 2002

**Medicaid Recipients by Type of Service
Fiscal Years 1997 - 1999**

	1997	1998	1999
	in thousands		
Total	34,872	40,096	39,962
Inpatient Services			
General Hospitals	4,746	4,270	4,492
Mental Hospitals	87	135	97
Nursing Facilities Services ¹	1,603	1,646	1,612
ICF Services			
Mentally Retarded	136	126	122
Physician Services	21,170	18,553	18,296
Dental Services	5,935	4,965	5,616
Other Practitioner Services	5,141	4,342	3,964
Outpatient Hospital Services	13,632	12,158	12,355
Clinic Services	4,713	5,281	6,719
Laboratory & Radiological	11,074	9,381	10,132
Home Health Services	1,861	1,225	811
Personal Care Support Services	NA	3,108	4,071
Prescribed Drugs	20,954	19,338	19,819
Family Planning Services/Sterilization	2,091	1,963	133
Rural Health Clinics	1,446	NA	NA
Early and Periodic Screening	6,450	6,175	NA
Home & Community Based Waiver Services	NA	467	NA
Prepaid Health Care	NA	19,670	20,510
PCCM Services	NA	4,066	3,890
Other Care	12,389	6,975	8,489
Unknown	1,295	NA	136

¹ Nursing facilities services recipients include individuals other than the mentally retarded receiving "all other" intermediate care facility services.

SOURCES: CMS/CMSO/ORDI

September 2002

**National Community Hospital Utilization
1973 - 2000**

Year	Admissions in millions	Inpatient Days in millions	Average Stay in days	Outpatient Visits in millions	Adjusted Expenses per Inpatient Day
1973	31.7	248	7.8	173	\$102
1974	32.9	255	7.8	189	114
1975	33.4	258	7.7	191	134
1976	34.0	261	7.7	201	153
1977	34.3	261	7.6	199	174
1978	34.5	262	7.6	202	194
1979	35.1	265	7.6	199	217
1980	36.1	273	7.6	202	245
1981	36.4	278	7.6	203	284
1982	36.4	278	7.6	248	327
1983	36.2	273	7.6	210	369
1984	35.2	257	7.3	212	411
1985	33.4	237	7.1	219	460
1986	32.4	229	7.1	232	501
1987	31.6	227	7.2	246	539
1988	31.5	227	7.2	269	586
1989	31.1	225	7.2	286	637
1990	31.2	226	7.2	301	687
1991	31.1	223	7.2	322	752
1992	31.0	221	7.1	349	820
1993	30.7	216	7.0	367	881
1994	30.7	207	6.7	383	931
1995	30.9	200	6.5	414	968
1996	31.1	194	6.2	440	1,006
1997	31.6	193	6.1	450	1,033
1998	31.8	191	6.0	474	1,067
1999	32.4	192	5.9	495	1,103
2000	33.0	192	5.8	521	1,149

SOURCE: American Hospital Association

September 2002

VI. PROVIDERS/SUPPLIERS

Information in this section concerns institutions, agencies or professionals who provide health care services and furnish health care equipment or supplies. Medicare and Medicaid providers are combined in this section since Medicare providers are deemed certified for the Medicaid program. Additional information on providers of services are contained in STATE DATA (Section VII).

HIGHLIGHTS

- o From 1980 to 2002, the number of inpatient hospital facilities decreased 11.4 percent from 6,777 to 6,002. Beds per 1,000 enrollees dropped from 46.7 in 1980 to 24.4 in 2002. During this same period, the number of psychiatric hospitals increased from 408 to 494, but their beds per 1,000 enrollees dropped from 5.3 to 1.7.*
- o Skilled nursing facilities have nearly tripled from 5,052 in 1980 to 14,755 in 2002. Home health agencies have more than doubled from 2,924 in 1980 to 6,813 in 2002.*
- o The number of ambulatory surgical centers increased tenfold from 336 in 1985 to 3,371 in 2002. During this same period the number of hospices increased from 164 to 2,275.*
- o By December 2001, 173,807 facilities had registered under the Clinical Lab Improvement Act which became effective 10/1/92.*
- o End-Stage Renal Disease facilities have quadrupled from 999 in 1980 to 4,113 in 2002.*
- o The percent of Medicare assigned claims (51.9 percent in 1975) continues to increase, from 97.8 percent in 2000 to 98.1 percent in 2001.*
- o As of January 2001, enrollment in the Medicare participating physician program was 88.7 percent. By January 2002, the enrollment was 89.3 percent.*
- o As of March 1985, Medicare had 154 HMO/CMP plans with 1.1 million enrollees. By July 2002, there were 224 Managed Care plans with 5.5 million enrollees.*

Medicare Hospital Status 2002

Total Hospitals	6,018
Hospitals under Inpatient Prospective Payment System (PPS) ¹	4,196
PPS Hospitals Receiving Special Consideration	1,068
Regional Referral Centers	201
Sole Community Hospitals	568
Sole Community/Regional Referral Center	81
Medicare Dependent Hospitals	218
PPS Hospitals Not Receiving Special Consideration	3,128
Non-PPS Hospitals	1,822
Categorically Exempt	1,700
Psychiatric	493
Rehabilitation	216
Religious Non-Medical	15
Childrens	75
Other Long-Term	270
Critical Access	631
Alcohol/Drug	0
Other Reasons Exempt	122
Short-Stay Hospitals in Waiver State (Maryland)	67
Short-Stay Indian Health Service Hospitals	44
Cancer Hospitals	11
Total Excluded Units	2,372
Psychiatric	1,436
Rehabilitation	936

¹ Total number of hospitals subject to PPS regardless of actual submitted inpatient hospital claims during the fiscal year.

NOTE: Data as of August.

SOURCES: CMS/CMM/CMSO/OCSQ/OIS

September 2002

**Medicare Inpatient Hospitals
Selected Years**

	1980	1990	2001	2002
Total Hospitals	6,777	6,707	6,520	6,031
Beds in thousands	1,150	1,144	1,105	983
Beds per 1,000 Enrollees ¹	46.7	42.5	37.0	25.4
Short-Stay	6,104	6,034	5,549	4,704
Beds in thousands	991	1,027	970	863
Beds per 1,000 Enrollees ¹	40.2	38.2	32.5	22.3
Psychiatric	408	474	674	519
Beds in thousands	131	95	99	69
Beds per 1,000 Enrollees ¹	5.3	3.5	3.3	1.8
Other Long-Stay	265	199	297	808
Beds in thousands	28	22	35	51
Beds per 1,000 Enrollees ¹	1.1	0.8	1.2	1.3

¹ Based on number of HI enrollees.

NOTES: Facility data for selected years 1980-1990 are as of July 1. Facility data for 2001 and 2002 are as of December 2000 and December 2001, respectively. Facilities certified for Medicare are deemed to meet Medicaid standards.

SOURCES: CMS/ORDI/OIS

**Other Medicare Providers and Suppliers
Selected Years**

	1980	1985	1990	2001	2002
Skilled Nursing Facilities	5,052	6,451	8,937	14,841	14,755
Beds in thousands	436	NA	509	939	1,050
Home Health Agencies	2,924	5,679	5,730	7,099	6,813
Clinical Lab Improvement Act Facilities	NA	NA	NA	168,333	173,807
End Stage Renal Disease Facilities	999	1,393	1,937	3,991	4,113
Outpatient Physical Therapy	419	854	1,195	2,874	2,836
Portable X-Ray	216	308	443	675	644
Rural Health Clinics	391	428	551	3,334	3,283
Comprehensive Outpatient Rehabilitation Facilities	NA	72	186	518	524
Ambulatory Surgical Centers	NA	336	1,197	3,147	3,371
Hospices	NA	164	825	2,267	2,275

NOTES: Facility data for selected years 1980-1990 are as of July 1. Facility data for 2001 and 2002 are as of December 2000 and December 2001, respectively. Facilities certified for Medicare are deemed to meet Medicaid standards.

SOURCES: CMS/ORDI/OIS

September 2002

**Selected Medicare Facilities by Type of Control
2002**

	Short Stay Hospitals	Skilled Nursing Facilities	Home Health Agencies
All Facilities	4,429	14,755	6,813
Percent Distribution			
Voluntary	60.2	28.5	35.4
Proprietary	14.9	66.3	49.0
Government	24.9	5.2	

NOTES: Data as of December 2001. Facilities certified for Medicare are deemed to meet Medicaid standards. Percent distribution may not add to 100 percent due to rounding.

SOURCES: CMS/ORDI/OIS

**Medicare PIP Facilities
Selected Years**

	1975	1980	1985	1990	1999	2000	2001
Hospitals						869	
Number of PIP	1,524	2,276	3,242	1,352	915		754
Percent of Total						14.4	
Participating	22.5	33.8	48.3	20.6	15.3		12.5
Skilled Nursing Facilities							
Number of PIP	161	203	224	774	1,387	8.3	1,161
Percent of Total							
Participating	4.1	3.9	3.4	7.3	9.3		7.9
Home Health Agencies							
Number of PIP	86	481	931	1,211	1,122	1,000	42
Percent of Total						14.4	
Participating	3.8	16.0	16.0	21.0	14.3		0.1

NOTES: Data from 1985 to date are as of September; prior years are as of December. These are facilities receiving periodic interim payments (PIP) under Medicare. Effective for claims received on or after July 1, 1987, the Omnibus Budget Reconciliation Act of 1986 (P.L. 99-509) eliminates PIP for many PPS hospitals when the servicing intermediary meets specified processing time standards.

SOURCE: CMS/OFM

September 2002

Medicare Participating Physician Program

Participation Status	Number of Physicians ¹	Participation Status			
		January 2002	January 2001	January 2000	January 1999
Participating	750,927	89.3%	88.7%	88.3%	84.6%
Billing Medicare	841,298				

¹ Includes M.D.s, D.O.s, limited license practitioners, and non-physician practitioners.

NOTES: The participating physician program was originally enacted as a part of the 1984 Deficit Reduction Act (DEFRA). Congress provided additional incentives through the 1986 Omnibus Budget Reconciliation Act (OBRA). CMS wrote to physicians to explain the benefits of participation beginning January 1, 1989. Participation counts reflect physicians who are participating in at least one practice setting. For example, a physician who is participating in private practice but not in his group practice is counted as participating.

SOURCE: CMS/OFM

**Medicare Assigned Claims
Selected Fiscal Years**

Fiscal Year	Net Assignment Rate ¹
1975	51.9
1980	51.4
1985	67.7
1990	80.9
1991	82.5
1992	85.4
1993	89.2
1994	92.1
1995	94.2
1996	95.6
1997	96.5
1998	97.2
1999	97.5
2000	97.8
2001	98.1

¹ The net assignment rate is the percentage of assigned claims to total assigned/unassigned claims received. If a physician or supplier agrees to accept assignment, he or she agrees not to charge more than the Medicare approved fee for a particular service.

SOURCE: CMS/OFM

September 2002

**Participation Rates as Percentage of Physicians, by Specialty
Selected Periods**

	Apr. 1990	Jan. 1995	Jan. 1997	Jan. 1998	Jan. 1999	Jan. 2000	Jan. 2001	Jan. 2002
	Dec. 1990	Dec. 1995	Dec. 1997	Dec. 1998	Dec. 1999	Dec. 2000	Dec. 2001	Dec. 2002
Percent of Physicians Participating								
Physicians (M.D.s and D.O.s):								
General practice	39.7	59.9	69.2	71.1	73.7	80.2	79.0	80.2
General surgery	55.8	80.2	87.8	89.3	90.4	93.3	92.5	92.8
Otology, laryngology, rhinology	45.2	77.1	85.8	87.7	88.7	91.8	91.3	91.7
Anesthesiology	30.8	73.9	83.5	85.9	88.9	93.7	92.3	92.3
Cardiovascular disease	60.6	84.9	90.2	91.5	92.9	95.8	94.4	94.3
Dermatology	53.4	79.3	85.4	87.2	88.0	90.8	90.1	90.1
Family practice	47.2	74.5	84.0	85.9	86.9	90.8	90.3	90.8
Internal medicine	48.8	73.8	82.2	84.8	86.8	90.7	88.7	88.8
Neurology	53.1	78.9	85.8	87.1	88.4	92.1	89.9	89.1
Obstetrics-gynecology	48.8	72.5	79.5	81.3	82.9	86.8	86.3	86.5
Ophthalmology	55.6	81.2	87.9	89.8	90.9	93.3	92.8	93.3
Orthopedic surgery	53.7	82.6	88.7	90.4	90.6	93.8	93.1	92.4
Pathology	53.4	78.9	85.0	86.6	89.8	93.6	92.2	92.0
Psychiatry	41.6	58.7	67.6	70.4	73.9	79.1	79.6	80.4
Radiology	55.6	82.8	87.0	88.3	91.6	95.3	91.9	91.6
Urology	49.6	83.0	89.3	90.6	91.5	94.6	93.8	93.6
Nephrology	66.5	87.0	90.6	91.3	93.0	95.1	93.6	93.6
Clinic or other group practice - not GPPP	68.7	79.4	87.8	90.1	89.2	91.6	92.7	93.5
Limited license practitioners (LLP):								
Chiropractor	26.2	42.6	51.0	54.3	56.3	59.4	63.0	64.4
Podiatry-surgical chiropody	54.0	79.2	86.0	87.9	88.4	90.7	91.6	92.1
Optometrist	54.0	66.9	72.2	74.7	76.0	78.4	80.0	80.6

NOTE: Effective with the October 1, 1985 election period, carriers were instructed to count individuals only once, even if practicing in multiple settings.

SOURCE: CMS/OFM

September 2002

**Medicare Benefit and Premium Summary
Medicare+Choice Coordinated Care Plans
Contract Year 2002**

Percent of Plans Offering Specific Benefits	In Standard Package	For an Additional Premium
Vision Exams		
Hearing Exams	67.1	0.2
Prescription Drugs	67.8	4.8
Eyewear	62.7	1.0
Hearing Aids	38.5	0.7
Chiropractic	9.0	3.9
Podiatry	38.3	3.9
Preventive Dental	26.2	7.7
Comprehensive Dental	8.5	6.5
Point of Service	5.1	1.5
Median PCP Copayment (Physician Office Visit)		\$10.00
Median Generic Drug Copayment		\$10.00
Median Brand Name Drug Copayment		\$25.00
<u>Premium ¹ Distribution (Percent of Packages)</u>		
<u>Range</u>		
\$0.00		
\$0.01 - \$20.00		3.4
\$20.01 - \$40.00		12.3
\$40.01 - \$60.00		19.6
\$60.01 - \$80.00		12.3
\$80.01 - \$100.00		10.7
More than \$100.00		7.7
Median Plan Premium 2002		\$42.00

¹ The premium is the monthly payment made by the beneficiary to the health insurance organization.

Medicare Contracts with Prepaid Organizations

Type of Contract	Number of Contracts	Number of Enrollees	Payment FY 2002 to date in millions
Total Prepaid Organizations	224	5,525,427	\$30,856.3
Medicare+Choice Programs	156	4,990,358	28,882.7
TEFRA Cost (Cost 1, Cost 2, Cost C)	30	291,110	638.9
Demonstrations	23	139,513	1,193.2
HCPPs Part B (Health Care Prepayment Plans)	15	104,446	141.5

NOTES: The Balanced Budget Act of 1997 changed the requirements regarding effective dates of coverage. As a result, the numbers do not include beneficiaries who changed enrollment status in the latter part of each month. Therefore, the total number of enrollees is understated. This understatement will continue for all future months until the report modifications have been completed. As of July 1, 2002.

SOURCE: CMS/CBC

September 2002

Medicare Summary of Monthly Risk Contracts

Date	Number of Contracts	Total Enrollees	Monthly Payment in millions
1999			
January	383	6,553,306	\$2,956
February	386	6,671,340	3,106
March	401	6,726,091	3,107
April	398	6,764,232	3,123
May	400	6,819,700	3,147
June	402	6,863,049	3,167
July	395	6,913,826	3,148
August	400	6,960,699	3,246
September	400	6,987,204	3,235
October	400	7,012,118	3,287
November	399	7,029,203	3,290
December	398	7,020,196	3,262
2000			
January	348	6,831,637	3,307
February	346	6,848,119	3,292
March	346	6,853,392	3,276
April	345	6,865,504	3,328
May	343	6,856,197	3,307
June	343	6,866,435	3,292
July	345	6,872,270	3,395
August	343	6,873,845	3,339
September	344	6,868,985	3,365
October	343	6,860,037	3,327
November	343	6,847,912	3,351
December	343	6,826,877	3,334
2001			
January	247	6,153,976	3,085
February	247	6,199,297	3,151
March	250	6,225,458	3,246
April	250	6,225,282	3,209
May	249	6,185,684	3,194
June	250	6,179,262	3,199
July	250	6,179,980	3,208
August	250	6,173,178	3,238
September	251	6,159,822	3,247
October	251	6,144,528	3,191
November	252	6,106,141	3,165
December	253	6,061,252	3,142

SOURCE: CMS/CBC

September 2002

Medicare Summary of Risk and Cost Contracts by Category

Type of Contract	Number of Contracts	Percent	Number of Enrollees	Percent
HCPP Contracts Model				
Group	10	67	70,814	68
	2	13	20,118	19
Employer Group	1	7	4,219	4
	1	7	2,418	2
Other	1	6	6,877	7
Ownership				
Profit	1	7	2,418	2
Nonprofit	13	93	95,151	98
Cost Contracts ¹ Model				
	11	37	193,628	67
Group	16	53	91,510	31
Staff	3	10	5,972	2
Ownership				
Profit	7	23	45,839	16
Nonprofit	23	77	245,271	84
CCP Contracts ¹ Model				
	79	55	2,868,845	59
Group	54	38	1,519,837	31
Staff	11	7	478,379	10
Ownership				
Profit	93	64	2,828,956	58
NonProfit	53	36	2,071,499	42

¹ Does not include cost enrollees remaining in risk plans.

NOTES: Data as of July 2002. IPA is the Individual Practice Association.

SOURCE: CMS/CBC

September 2002

Active Physicians

Year	Total	Type of Physician		Active Physicians per 10,000 Population
		Doctors of Medicine	Doctors of Osteopathy	
1970	323,525	310,929	12,596	15.7
1971	334,978	322,228	12,750	16.1
1972	346,179	333,259	12,920	16.5
1973	NA	NA	13,191	NA
1974	364,232	350,609	13,623	17.0
1975	380,402	366,425	13,977	17.6
1976	393,151	378,572	14,579	18.0
1977	397,113	381,969	15,144	18.0
1978	417,314	401,364	15,950	18.7
1979	434,095	417,266	16,829	19.2
1980	435,165	435,545	17,620	19.8
1981	463,330	444,899	18,431	20.1
1982	482,195	462,947	19,248	20.7
1983	499,679	479,440	20,239	21.3
1984	NA	NA	21,295	NA
1985	533,573	511,090	22,483	22.3
1986	543,247	519,393	23,854	22.5
1987	559,777	534,692	25,085	23.0
1988	575,626	549,160	26,466	23.4
1989	587,751	559,988	27,763	23.7
1990	601,612	572,660	28,952	24.0
1991	624,797	594,697	30,100	24.6
1992	636,891	605,685	31,206	24.8
1993	652,240	619,751	32,489	24.9
1994	666,200	632,121	34,079	25.2
1995	681,742	646,022	35,720	25.5
1996	701,249	663,943	37,306	26.0
1997	723,537	684,605	38,932	27.0
1998	747,784	707,032	40,752	27.5
1999	763,519	720,855	42,664	27.9
2000	782,280	737,504	44,776	27.8

NOTES: The AMA changed the methodology for calculating active MDs. Active MDs now include All Not Classified MDs, and excludes physicians whose addresses are unknown.

SOURCES: Compiled by HRSA, Bureau of Health Professions, based on data from the American Medical Association, American Association of Colleges of Osteopathic Medicine and the Bureau of the Census

September 2002

**Physicians
By CMS Region
2000**

CMS Region	Total	Type of Physician		Active Physicians per 100,000 Population ¹
		Doctors of Medicine	Doctors of Osteopathy	
Total	782,280	737,504	44,776	278
Boston	52,221	50,764	1,457	375
New York	103,945	98,525	5,420	379
Philadelphia	93,263	86,476	6,787	335
Atlanta	126,769	121,510	5,259	238
Chicago	133,091	121,628	11,463	266
Dallas	74,616	70,011	4,605	224
Kansas City	31,321	27,951	3,370	242
Denver	21,840	20,745	1,095	234
San Francisco	107,883	103,938	3,945	256
Seattle	27,229	26,025	1,204	242
U.S. Possessions ²	9,939	9,931	8	
Foreign and Unknown ³	163		163	

¹ Rate for Total (All Areas) based on U.S. Resident population as of July 1, 2000.

² Possessions include Puerto Rico, Virgin Islands, and Pacific Islands.

³ Includes osteopathic physicians in military service, U.S. Public Health Service and foreign countries.

SOURCES: HRSA, Bureau of Health Professions, based on data from the American Medical Association, American Association of Colleges of Osteopathy, and the Bureau of the Census

September 2002

**Medicare Provider Specialty Summary
Selected Years**

	January 2001		April 2002	
	Number	Percent	Number	Percent
Active in Patient Care	865,479	100.0	888,061	100.0
Medical Specialties	171,894	19.9	176,822	19.9
Surgical Specialties	153,036	17.7	153,479	17.3
Other Specialties	88,613	10.2	89,507	10.1
Family and General Practice	101,449	11.7	102,640	11.6
Emergency Medicine	26,341	3.0	27,786	3.1
Pediatrics	26,079	3.0	25,793	2.9
Non-physician specialties	297,967	34.4	306,953	34.6
Miscellaneous	NA	--	5,082	0.6

NOTES: Includes physicians, doctors of osteopathy, and limited licensed practitioners. Totals do not necessarily equal the sum of ro components.

SOURCES: CMS/OIS/ORDI

**Physician Income and Expenses by Specialty
1998**

	Mean Net Income ¹	Mean Total Expenses	Expenses						
			Total	Non- Physician Payroll	Office	Medical Supplies	Professional Liability Expenses	Medical Equipment	Other
	in thousands		Percent Distribution						
All Physicians	\$194.4	\$261.9	100.0	35.9	24.0	9.4	6.4	4.3	20.0
Specialty									
General/Family Practice	142.5	263.0	100.0	41.7	22.9	11.0	4.1	3.9	16.4
Internal Medicine	182.1	259.7	100.0	38.1	22.9	12.2	6.4	4.0	16.5
Surgery	268.2	325.8	100.0	37.4	35.3	11.0	7.0	4.3	16.4
Pediatrics	139.6	187.3	100.0	32.3	28.8	13.9	5.5	2.3	17.2
Obstetrics/Gynecology	214.4	375.9	100.0	35.6	32.9	6.5	9.5	4.3	15.5

¹ After expenses, before taxes.

NOTES: The data for categories "Mean Net Income" and "Mean Total Expenses" are in thousands. Totals do not necessarily equal the sum of rounded components.

SOURCE: American Medical Association, Socioeconomic Characteristics of Medical Practice, 2000.

September 2002

**Physician Income and Expenses
1986 - 1998**

Year	Mean Net Income ¹	Mean Total Expenses	Expenses						
			Total	Non-Physician Payroll	Office	Medical Supplier	Professional Liability Expenses	Medical Equipment	Other
	in thousands		Percent Distribution						
1986	\$119.5	\$118.4	100.0	32.8	24.1	11.1	10.8	5.9	15.3
1987	132.3	123.7	100.0	34.4	24.3	10.9	12.1	5.3	13.1
1988	144.7	140.8	100.0	34.4	24.1	10.3	11.3	4.9	15.0
1989	155.8	148.4	100.0	35.5	22.4	11.5	10.4	5.1	15.0
1990	164.3	150.0	100.0	36.3	22.5	11.0	9.7	5.1	15.5
1991	170.6	168.4	100.0	36.4	23.3	10.9	8.8	5.3	15.3
1992	177.4	179.0	100.0	36.9	23.7	9.0	7.5	4.1	18.7
1993	189.3	182.2	100.0	38.3	23.5	9.1	7.9	4.8	16.3
1994	182.4	183.1	100.0	38.9	26.0	10.5	8.2	4.6	11.7
1995	195.5	201.6	100.0	36.0	28.3	10.1	7.4	5.1	13.0
1996	199.0	217.6	100.0	34.8	23.8	9.3	6.5	3.9	21.8
1997	199.6	228.6	100.0	36.8	25.9	9.5	6.2	3.3	18.3
1998	194.4	261.9	100.0	35.9	24.0	9.4	6.4	4.3	20.0

¹ After expenses, before taxes.

NOTES: The data for categories "Mean Net Income" and "Mean Total Expenses" are in thousands. Totals do not necessarily equal the sum of rounded components.

SOURCE: American Medical Association, Socioeconomic Characteristics of Medical Practice, 2000.

Medicare Physician Registry by Specialty

Specialty ¹	April 1991		January 2001		April 2002	
	Number	Percent	Number	Percent	Number	Percent
General Practice	53,658	9.2	29,118	3.4	28,162	3.2
General Surgery	28,524	4.9	27,062	3.1	27,305	3.1
Allergy/Immunology	2,461	0.4	3,160	0.4	3,203	0.4
Otolaryngology (ENT)	7,419	1.3	9,193	1.1	9,388	1.1
Anesthesiology	23,783	4.1	33,982	3.9	34,644	3.9
Cardiology	13,497	2.3	19,076	2.2	19,556	2.2
Dermatology	6,727	1.2	9,072	1.0	9,317	1.0
Family Practice	47,140	8.1	72,331	8.4	74,479	8.4
Gastroenterology	4,886	0.8	8,538	1.0	8,813	1.0
Internal Medicine	78,711	13.5	95,791	11.1	98,411	11.1
Osteopathic Manipulative Therapy	1,082	0.2	848	0.1	853	0.1
Neurology	7,542	1.3	10,960	1.3	11,274	1.3
Neurosurgery	3,500	0.6	4,413	0.5	4,461	0.5
Obstetrics-Gynecology	29,230	5.0	35,231	4.1	35,635	4.0
Ophthalmology	15,219	2.6	18,285	2.1	18,584	2.1
Oral Surgery/Dentists only	34,237	5.9	13,319	1.5	11,687	1.3
Orthopedic Surgery	16,852	2.9	21,758	2.5	22,157	2.5
Pathology	10,072	1.7	13,190	1.5	13,308	1.5
Plastic/reconstructive Surgery	3,960	0.7	5,211	0.6	5,303	0.6
Physical Med and Rehab	3,278	0.6	5,918	0.7	6,119	0.7
Psychiatry	30,505	5.2	35,433	4.1	35,183	4.0
Colorectal Surgery (proctology)	625	0.1	736	0.1	771	0.1
Pulmonary Disease	3,956	0.7	6,353	0.7	6,533	0.7
Radiology	23,269	4.0	28,749	3.3	29,361	3.3
Thoracic Surgery	3,876	0.7	3,006	0.3	3,019	0.3
Urology	8,491	1.5	9,748	1.1	9,890	1.1
Chiropractor	39,992	6.9	51,021	5.9	52,317	5.9
Nuclear Medicine	463	0.1	814	0.1	822	0.1
Pediatrics	21,965	3.8	26,079	3.0	25,793	2.9
Geriatrics	205	0.0	823	0.1	866	0.1
Nephrology	2,345	0.4	4,316	0.5	4,534	0.5
Hand Surgery	212	0.0	492	0.1	500	0.1
Optometry	22,829	3.9	29,462	3.4	29,637	3.3
Certified Nurse Midwife	--	--	2,212	0.3	2,310	0.3
CRNA, Anesthesia Assistant	--	--	23,760	2.7	24,615	2.8
Infectious Disease	353	0.1	2,639	0.3	2,753	0.3
Endocrinology ²	--	--	2,510	0.3	2,586	0.3
Podiatry	14,367	2.5	15,254	1.8	15,577	1.8

**Medicare Physician Registry by Specialty
(continued)**

Specialty ¹	April 1991		January 2001		April 2002	
	Number	Percent	Number	Percent	Number	Percent
Ambulatory Surgical Center (formerly Misc)	897	0.2	82	0.0	74	0.0
Nurse Practitioner	--	--	26,086	3.0	29,788	3.4
Psychologist/billing independently	--	--	2,231	0.3	2,082	0.2
Audiologist/billing independently	--	--	3,160	0.4	3,398	0.4
Physical Therapist	--	--	14,204	1.6	16,917	1.9
Rheumatology ²	--	--	2,386	0.3	2,463	0.3
Occupational Therapist	--	--	1,766	0.2	2,142	0.2
Clinic multispec W/O GPP	16,050	2.8	233	0.0	230	0.0
Periph. Vascular Disease ²	220	0.0	204	0.0	203	0.0
Vascular Surgery ²	--	--	1,353	0.2	1,412	0.2
Cardiac Surgery ²	--	--	1,266	0.1	1,321	0.1
Addiction Medicine ²	--	--	123	0.0	119	0.0
Clinical Social Worker	--	--	39,927	4.6	39,659	4.5
Critical Care Intensivists ²	--	--	706	0.1	748	0.1
Hematology ²	--	--	457	0.1	465	0.1
Hematology/Oncology ²	--	--	4,138	0.5	4,264	0.5
Preventive Medicine ²	--	--	320	0.0	324	0.0
Maxillofacial Surgery ²	--	--	1,298	0.1	1,336	0.2
Neuropsychiatry ²	249	0.0	145	0.0	140	0.0
Certified Clinical Nurse	--	--	2,305	0.3	2,375	0.3
Medical Oncology ²	--	--	1,675	0.2	1,784	0.2
Surgical Oncology ²	--	--	292	0.0	309	0.0
Radiation Oncology ²	38	0.0	2,771	0.3	2,943	0.3
Emergency Medicine ²	--	--	26,341	3.0	27,786	3.1
Interventional Radiology ²	--	--	639	0.1	652	0.1
Physician Assistant	--	--	18,296	2.1	21,487	2.4
Gynecology Oncology ³	--	--	291	0.0	324	0.0
Clinical Psychology	--	--	32,582	3.8	32,604	3.7
Unknown Physician Specialty	535	0.1	239	0.0	153	0.0
Miscellaneous Specialties	--	--	103	0.0	5,082	0.6
Totals	583,229	100.0	865,479	100.0	888,061	100.0

¹ Most osteopath specialties have been combined with their appropriate specialty.

² Effective 4/92 except Hematology effective 6/92.

³ Effective 10/94.

NOTES: Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/ORDI/OFM

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VII. STATE DATA

State distributions are included for Medicare and Medicaid expenditures, populations, utilization and providers. In addition, State distributions are included for national experience on utilization and providers of services. New in this section are several tables showing number of patients and reimbursement for hospice, home health and skilled nursing facility services.

HIGHLIGHTS

- o *Medicare enrollees comprise 13.9 percent of the United States' resident population. State enrollees range from a low of 7.0 percent of Alaska's resident population to a high of 18.8 percent of West Virginia's resident population.*
- o *Medicaid enrollees (as measured by eligibles or ever enrolled) comprise 15.0 percent of the United States' resident population. State enrollees range from a low of 7.5 percent of Idaho's resident population to a high of 28.0 percent of Tennessee's resident population.*
- o *Long-stay hospital beds per 1,000 HI enrollees range from a low of 0.9 in Oregon to a high of 15.9 in the District of Columbia. This contrasts with the national average of 3.1.*
- o *The percentage of Medicare Part B participating physicians and other practitioners range from a high of 97.2 percent in Michigan to a low of 75.6 percent in Rhode Island.*
- o *Under fee-for-service, aged persons served per 1,000 enrollees (U.S.) range from a low of 797 in the District of Columbia to essentially all aged enrollees in Oregon. This contrasts with the national average of 916 persons served per 1,000 enrollees.*
- o *The average reimbursement per patient for Medicare home health agency services (U.S.) range from a high of \$5,239 in Louisiana to a low of \$1,647 in Iowa. This contrasts with the national average reimbursement per patient of \$2,945.*
- o *The average reimbursement per discharge for Medicare skilled nursing facility non-swing bed services (U.S.) range from a high of \$14,059 in New York to a low of \$4,330 in Iowa. This contrasts with the national average of \$7,243 per discharge.*

**Medicare Estimated Benefit Payments by State
Fiscal Year 2001**

Payments		Payments	
All Areas	\$236,492,551,946	Missouri	\$4,755,401,621
United States	Benefit Payments 234,970,769,877	Montana	663,415,658
Alabama	4,270,957,179	Nebraska	Benefit Payments 1,366,977,351
Alaska	169,288,393	Nevada	1,272,773,858
Arizona	3,322,292,384	New Hampshire	714,188,267
Arkansas	2,420,405,701	New Jersey	6,885,641,611
California	24,858,719,236	New Mexico	879,539,933
Colorado	2,698,488,436	New York	20,436,629,972
Connecticut	3,117,051,627	North Carolina	6,797,677,203
Delaware	500,000,394	North Dakota	562,654,098
District of Columbia	792,265,128	Ohio	10,685,163,793
Florida	21,580,487,727	Oklahoma	2,343,402,917
Georgia	4,397,177,577	Oregon	2,181,557,489
Hawaii	717,997,990	Pennsylvania	15,141,847,286
Idaho	741,440,673	Rhode Island	1,146,888,423
Illinois	8,001,946,687	South Carolina	3,356,574,015
Indiana	4,999,249,587	South Dakota	622,091,698
Iowa	1,632,031,674	Tennessee	5,545,548,969
Kansas	2,141,311,524	Texas	16,336,060,639
Kentucky	3,640,056,994	Utah	1,077,334,102
Louisiana	4,902,925,823	Vermont	361,871,329
Maine	875,798,371	Virginia	3,897,031,283
Maryland	4,611,431,715	Washington	3,209,405,506
Massachusetts	5,963,041,223	West Virginia	1,822,038,805
Michigan	7,012,604,450	Wisconsin	3,961,454,618
Minnesota	3,136,906,920	Wyoming	281,638,648
Mississippi	2,140,390,706	Puerto Rico	1,454,822,599
		All Other Areas	66,959,470

NOTES: Benefit payments for all areas represent actual Department of Treasury (DOT) disbursements. Distribution of benefit payments by State is based on a methodology which considered actual payments to health maintenance organizations and estimated payments for other providers of Medicare services. Estimated payments were determined by applying the relative weight of each State's share of total fee-for-service provider payments for fiscal year 2001 to the DOT disbursements net of Managed Care payments.

**Medicaid Medical Assistance Payments
Fiscal Year 2001**

	Total Payments Computable For Federal Funding	Net Expenditures Reported Federal Share		Total Payments Computable For Federal Funding	Net Expenditures Reported Federal Share
Amount in thousands					
TOTAL	\$216,158,343	\$123,284,681	Missouri	4,744,963	2,913,598
Alabama	2,875,373	2,016,150	Montana	482,357	356,825
Alaska	576,586	384,354	Nebraska	1,187,238	718,861
American Samoa	11,340	5,670	Nevada	674,338	342,058
Arizona	2,665,261	1,804,956	New Hampshire	873,249	437,280
Arkansas	1,852,177	1,354,148	New Jersey	7,123,654	3,574,157
California	23,870,521	12,359,206	New Mexico	1,467,418	1,096,180
Colorado	2,142,030	1,073,483	New York	31,367,465	15,725,319
Connecticut	3,213,848	1,607,797	North Carolina	6,150,682	3,850,735
Delaware	591,974	297,142	North Dakota	406,419	286,891
District of Columbia	979,941	681,228	N. Mariana Islands	7,841	3,921
Florida	8,557,796	4,855,047	Ohio	8,433,412	4,983,805
Georgia	5,037,085	3,012,109	Oklahoma	2,021,033	1,466,209
Guam	10,401	5,401	Oregon	2,658,358	1,604,260
Hawaii	634,782	342,279	Pennsylvania	10,908,343	5,891,469
Idaho	693,206	491,509	Puerto Rico	308,575	154,287
Illinois	7,764,611	3,894,153	Rhode Island	1,187,881	639,856
Indiana	4,008,813	2,489,775	South Carolina	3,019,387	2,133,589
Iowa	1,666,924	1,046,322	South Dakota	464,455	326,962
Kansas	1,686,411	1,009,841	Tennessee	5,501,312	3,515,030
Kentucky	3,304,054	2,328,024	Texas	11,583,680	7,035,156
Louisiana	4,201,983	2,964,110	Utah	833,720	596,531
Maine	1,315,523	870,747	Vermont	601,467	376,401
Maryland	3,256,577	1,627,147	Virginia	3,036,846	1,609,652
Massachusetts	6,619,525	3,330,309	Virgin Islands	10,285	5,194
Michigan	7,218,697	4,060,641	Washington	4,305,724	2,191,887
Minnesota	3,835,871	1,972,553	West Virginia	1,548,399	1,166,920
Mississippi	2,438,980	1,875,438	Wisconsin	3,976,143	2,363,426
			Wyoming	243,409	158,683

NOTES: Source Form CMS-64 -- Net Expenditures Reported. Excludes: Administration, Medicaid SCHIP expansions and CMS adjustments.

SOURCE: CMS/CMSO

September 2002

**Mean Medicaid Outlays by Basis of Eligibility
1999**

	Total	Aged	Disabled	Child	Adult
United States	\$3,819	\$11,274	\$9,834	\$1,272	\$2,103
Alabama	3,154	9,772	4,655	745	1,784
Alaska	4,736	11,822	14,713	2,625	3,449
Arizona	2,938	11,972	8,636	1,190	2,229
Arkansas	2,927	7,268	6,459	1,312	1,034
California	2,259	5,845	7,939	984	1,557
Colorado	4,568	11,960	11,368	1,715	2,129
Connecticut	6,442	22,247	19,390	1,707	1,959
Delaware	4,316	14,761	13,960	1,572	2,267
District of Columbia	5,684	19,605	16,220	1,898	2,749
Florida	2,734	9,016	7,652	1,028	1,649
Georgia	2,549	7,792	6,135	1,010	2,160
Hawaii	NA	NA	NA	NA	NA
Idaho	4,334	12,364	12,748	1,177	2,985
Illinois	4,297	12,326	13,053	1,389	2,226
Indiana	4,394	14,715	12,959	1,394	2,068
Iowa	4,413	13,326	10,484	1,370	1,861
Kansas	4,067	13,079	12,009	1,159	1,595
Kentucky	3,614	9,902	6,854	1,503	2,119
Louisiana	3,518	8,228	8,042	958	2,314
Maine	6,674	13,574	13,938	3,017	3,015
Maryland	4,940	13,844	14,064	1,816	3,132
Massachusetts	4,829	16,711	11,235	1,427	1,829
Michigan	3,618	11,054	5,772	824	1,634
Minnesota	5,408	18,069	16,781	1,708	1,961
Mississippi	3,119	7,966	5,707	1,114	2,470
Missouri	3,508	11,335	9,545	1,177	1,251
Montana	3,776	13,447	8,674	1,296	2,101
Nebraska	4,065	13,239	12,036	1,413	1,935
Nevada	3,418	7,698	9,296	1,470	2,310
New Hampshire	5,657	13,904	18,399	2,249	2,344
New Jersey	5,225	15,156	12,723	1,415	4,510
New Mexico	3,118	9,347	9,633	1,442	1,998
New York	8,279	21,126	19,140	2,096	3,738
North Carolina	3,736	8,950	9,233	1,102	2,312
North Dakota	5,593	15,584	16,814	1,535	2,049
Ohio	4,956	17,148	11,746	1,189	2,051
Oklahoma	3,078	8,073	8,848	1,161	1,205
Oregon	3,043	9,566	9,383	1,619	1,680
Pennsylvania	3,946	11,253	7,872	1,534	1,876
Rhode Island	5,472	18,133	14,386	1,410	1,924
South Carolina	3,815	7,269	7,854	1,282	1,291
South Dakota	4,305	12,695	11,464	1,302	2,234
Tennessee	2,118	6,595	4,317	969	1,542
Texas	3,227	8,193	9,434	1,234	2,350
Utah	3,657	9,762	11,250	1,132	1,547
Vermont	3,248	7,409	10,149	1,482	1,465
Virginia	3,592	8,300	8,678	1,116	2,127
Washington	2,985	9,434	6,169	938	2,417
West Virginia	3,920	12,098	6,834	1,169	1,650
Wisconsin	4,267	14,973	8,128	1,212	1,465
Wyoming	4,313	14,128	13,023	1,234	2,442

NOTE: Other and unknown basis of eligibility not shown separately.

SOURCES: CMS/CMSO/ORDI

September 2002

**Medicare Enrollment by State
2001**

Enrollees			
All Areas ¹	40,025,717	Missouri	867,063
		Montana	138,424
United States ²	39,136,341	Nebraska	254,526
		Nevada	253,842
Alabama	695,767	New Hampshire	172,851
Alaska	43,660		
Arizona	697,464	New Jersey	1,204,175
Arkansas	441,533	New Mexico	238,601
California	3,944,522	New York	2,712,018
		North Carolina	1,157,943
Colorado	475,572	North Dakota	102,980
Connecticut	515,261		
Delaware	114,393	Ohio	1,703,045
District of Columbia	74,088	Oklahoma	510,792
Florida	2,859,344	Oregon	497,804
		Pennsylvania	2,093,452
Georgia	935,662	Rhode Island	171,551
Hawaii	168,470		
Idaho	169,198	South Carolina	581,923
Illinois	1,634,200	South Dakota	120,025
Indiana	857,522	Tennessee	844,266
		Texas	2,303,157
Iowa	477,262	Utah	210,918
Kansas	390,649		
Kentucky	629,997	Vermont	89,966
Louisiana	605,137	Virginia	911,227
Maine	219,478	Washington	746,889
		West Virginia	339,495
Maryland	654,486	Wisconsin	787,215
Massachusetts	958,381	Wyoming	66,396
Michigan	1,410,476		
Minnesota	659,422	Puerto Rico	549,233
Mississippi	423,853		

¹ Includes U.S. and enrollees residing in outlying territories, foreign countries and those with unknown state of residence.

² Includes enrollees residing in 50 states and the District of Columbia.

NOTE: Data based on Denominator Tables as of July.

SOURCE: CMS/ORDI

September 2002

**Medicare Enrollment as a Percent of Resident Population by State
2001**

	Resident Population in thousands	Medicare Enrollees in thousands	Enrollees as Percent of Population		Resident Population in thousands	Medicare Enrollees in thousands	Enrollees as Percent of Population
All Areas	NA	40,026 ¹		Missouri	5,604	867	15.5
				Montana	903	138	15.3
United States	282,125	39,136 ²	NA 13.9	Nebraska	1,713	255	14.9
Alabama	4,451	696	15.6	Nevada	2,019	254	12.6
Alaska	628	44	7.0	New Hampshire	1,240	173	14.0
Arizona	5,165	697	13.5	New Jersey	8,429	1,204	14.3
Arkansas	2,678	442	16.5	New Mexico	1,821	239	13.1
California	34,000	3,945	11.6	New York	18,989	2,712	14.3
				North Carolina	8,077	1,158	14.3
Colorado	4,323	476	11.0	North Dakota	641	103	16.1
Connecticut	3,410	515	15.1				
Delaware	786	114	14.5	Ohio	11,360	1,703	15.0
District of Columbia	571	74	13.0	Oklahoma	3,453	511	14.8
Florida	16,054	2,859	17.8	Oregon	3,429	498	14.5
				Pennsylvania	12,283	2,093	17.0
Georgia	8,230	936	11.4	Rhode Island	1,050	172	16.4
Hawaii	1,212	168	13.9				
Idaho	1,299	169	13.0	South Carolina	4,023	582	14.5
Illinois	12,436	1,634	13.1	South Dakota	756	120	15.9
Indiana	6,090	858	14.1	Tennessee	5,702	844	14.8
				Texas	20,947	2,303	11.0
Iowa	2,928	477	16.3	Utah	2,242	211	9.4
Kansas	2,692	391	14.5				
Kentucky	4,047	630	15.6	Vermont	610	90	14.8
Louisiana	4,470	605	13.5	Virginia	7,104	911	12.8
Maine	1,277	219	17.1	Washington	5,908	747	12.6
				West Virginia	1,807	339	18.8
Maryland	5,311	654	12.3	Wisconsin	5,372	787	14.7
Massachusetts	6,357	958	15.1	Wyoming	494	66	13.4
Michigan	9,952	1,410	14.2				
Minnesota	4,931	659	13.4	Puerto Rico	NA	549	A
Mississippi	2,849	424	14.9				

¹ Includes the United States, its Territories and Possessions, residents of foreign countries and residence unknown. N

² Includes enrollees residing in the 50 States and the District of Columbia.

NOTES: Resident population is a provisional estimate. The 2001 resident population data for Outlying Areas, Puerto Rico, and the Virgin Islands are not available. Medicare Denominator enrollment data as of July 1.

SOURCES: CMS/ORDI and Bureau of the Census

September 2002

**Medicare and Prepaid Enrollment Distribution by State
2002**

	Medicare Enrollees in thousands ¹	M + C	TEFRA Cost	HCFPP	Other Demos	Total Prepaid Enrollments	Prepaid as a Percent of Medicare
Total	40,026	4,938,485	291,110	104,446	181,803	5,525,427	14
Alabama	686	44,723	0	0	0	44,723	7
Alaska	42	0	0	0	0	0	0
Arizona	676	214,083	0	0	1,468	215,551	32
Arkansas	434	0	0	0	0	0	0
California	3,922	1,335,888	26,217	1,028	52,446	1,415,579	36
Colorado	470	110,680	19,088	0	7,150	136,918	29
Connecticut	518	31,020	0	0	0	31,020	6
Delaware	115	456	0	0	0	456	0
Dist. of Columbia	75	0	0	0	0	0	0
Florida	2,827	571,394	4,632	2,418	2,372	580,816	21
Georgia	928	34,619	0	0	2,399	37,018	4
Hawaii	168	20,025	39,170	0	0	59,195	35
Idaho	167	7,055	6,125	0	0	13,180	8
Illinois	1,626	72,766	13,332	11,351	1,969	99,418	6
Indiana	848	1,659	16,848	0	0	18,507	2
Iowa	475	0	7,609	0	0	7,609	2
Kansas	386	0	0	0	0	0	0
Kentucky	618	0	0	0	0	0	0
Louisiana	600	68,273	0	0	0	68,273	11
Maine	216	0	0	0	0	0	0
Maryland	646	26,724	4,828	0	2,823	34,375	5
Massachusetts	961	207,561	0	0	4,686	212,247	22
Michigan	1,402	27,952	0	0	3,916	31,868	2
Minnesota	655	41,986	38,766	0	4,703	85,455	13
Mississippi	419	1,044	0	0	0	1,044	0
Missouri	859	157,197	0	1,854	0	159,051	19
Montana	137	0	0	0	0	0	0
Nebraska	254	9,227	0	0	0	9,227	4
Nevada	246	40,837	0	0	40,681	81,518	33
New Hampshire	169	1,120	0	0	0	1,120	1

**Medicare and Prepaid Enrollment Distribution by State
2002
(continued)**

	Medicare Enrollees in thousands ¹	M + C	Cost		Other Demos	Total Prepaid Enrollees	Prepaid as a Percent of Medicare
New Jersey	1,212	105,112	0	0	0	105,112	9
New Mexico	234	35,843	0	0	0	35,843	15
New York	2,695	417,171	35,581	7,568	10,642	470,962	17
North Carolina	1,131	49,712	0	0	0	49,712	4
North Dakota	102	0	651	0	0	651	1
Ohio	1,706	239,711	3,852	0	9,585	253,148	15
Oklahoma	507	41,173	0	0	0	41,173	8
Oregon	496	139,525	40,190	0	4,322	184,037	37
Pennsylvania	2,091	475,705	0	0	24,622	500,327	24
Puerto Rico	534	0	0	0	0	0	0
Rhode Island	170	57,888	0	0	0	57,888	34
South Carolina	570	0	0	0	0	0	0
South Dakota	118	1,911	0	0	0	1,911	2
Tennessee	830	48,976	0	0	0	48,976	6
Texas		155,286	25,537	6,877	0	187,700	8
Utah	209	0	0	17,985	0	17,985	9
Vermont	89	0	0	0	0	0	0
V.I./Guam/A.S./Foreign	316	0	0	0	0	0	0
Virginia	896	0	0	2,994	0	2,994	0
Washington	736	138,114	0	0	0	138,114	19
West Virginia	338	0	0	0	2,014	2,014	1
Wisconsin	776	6,069	8,684	0	6,005	20,758	3
Wyoming	66	0	0	0	0	0	0
United Mine Workers ²				52,371		52,371	

¹ Denominator Enrollment as of July 2001. ² United Mine Workers is a separate entity within Health Care Prepaid Plans (HCPP).

NOTES: Totals do not necessarily equal the sum of rounded components. Data as of July 2002. Enrollment by type of plan within State reflects the location of the plan, not necessarily the State of the residence of the beneficiary.

SOURCES: CMS/CBC/ORDI

September 2002

**Medicaid Eligibles by State
Fiscal Year 1999**

	Resident Population in thousands	Medicaid Eligibles in thousands	Eligibles as Percent of Population		Resident Population in thousands	Medicaid Eligibles in thousands	Eligibles as Percent of Population
All Reporting Medicaid Jurisdictions	NA			Missouri	5,468	877	16.0
				Montana	883	96	10.9
				Nebraska	1,666	223	13.4
United States	272,691	NA ^{40,844}	NA 15.0	Nevada	1,809	153	8.5
Alabama	4,370	650	14.9	New Hampshire	1,201	105	8.7
Alaska	620	99	16.0				
Arizona ¹	4,778	644	13.5	New Jersey	8,143	841	10.3
Arkansas	2,551	483	18.9	New Mexico	1,740	370	21.3
California	33,145	6,217	18.8	New York	18,197	3,327	18.3
				North Carolina	7,651	1,182	15.4
Colorado	4,056	352	8.7	North Dakota	634	62	9.8
Connecticut	3,282	410	12.5				
Delaware	754	113	15.0	Ohio	11,257	1,390	12.3
District of Columbia	519	145	27.9	Oklahoma	3,358	525	15.6
Florida	15,111	2,116	14.0	Oregon	3,316	534	16.1
				Pennsylvania	11,994	1,773	14.8
Georgia	7,788	1,237	15.9	Rhode Island	991	155	15.6
Hawaii	1,185		0.0				
Idaho	1,252	94	7.5	South Carolina	3,886	725	18.7
Illinois	12,128	NA 1,699	14.0	South Dakota	733	92	12.6
Indiana	5,943	668	11.2	Tennessee	5,484	1,533	28.0
				Texas	20,044	2,676	13.4
Iowa	2,869	313	10.9	Utah	2,130	198	9.3
Kansas	2,654	260	9.8				
Kentucky	3,961	668	16.9	Vermont	594	139	23.4
Louisiana	4,372	775	17.7	Virginia	6,873	691	10.1
Maine	1,253	201	16.0	Washington	5,756	895	15.5
				West Virginia	1,807	377	20.9
Maryland	5,172	628	12.1	Wisconsin	5,250	563	10.7
Massachusetts	6,175	1,043	16.9	Wyoming	480	52	10.8
Michigan	9,864	1,335	13.5				
Minnesota	4,776	587	12.3	Puerto Rico	NA		
Mississippi	2,769	545	19.7	Virgin Islands	NA		

¹ Arizona operates a medical assistance program under a Section 1115 Demonstration project.

NOTES: Resident population is a provisional estimate as of July 1, 1999. The 1999 resident population data for Puerto Rico and Virgin Island are not available. Medicaid eligibles represent those ever enrolled in Medicaid at any time during the year.

SOURCES: CMS/CMSO and Bureau of the Census

September 2002

**Medicare State Buy-Ins for Part A and Part B
June 2002**

State	Part A QMBs	Part B Buy-Ins	Part B QMBs ¹	Part B SLMBs ¹	Part B QI-1s ¹	State	Part A QMBs	Part B Buy-Ins	Part B QMBs ¹	Part B SLMBs ¹	Part B QI-1s ¹
Total	368,572	5,788,248	2,600,271	479,026	89,747	Missouri	672	93,316	65,395	12,532	1,170
Alabama	2,294	144,212	39,378	16,751	6,026	Montana	385	13,324	9,022	2,038	314
Alaska	690	9,377	7,126	94	---	Nebraska	---	21,986	11,556	1,818	---
Arizona	756	73,547	38,825	6,246	3,172	Nevada	1,271	21,896	13,522	3,377	725
Arkansas	2,719	81,985	23,443	7,791	377	New Hampshire	27	9,198	1,432	4,599	---
California	126,949	887,176	336,948	24,901	4,410	New Jersey	7,724	151,288	93,754	16,973	6,710
Colorado	407	57,853	9,907	---	---	New Mexico	370	40,870	9,875	3,256	681
Connecticut	2,529	59,914	42,915	11,150	---	New York	339	407,477	170,192	4,659	2,913
Delaware	358	13,101	3,434	1,764	418	North Carolina	10,805	232,653	60,452	5,097	7,333
District of Columbia	821	15,074	422	2,451	---	North Dakota	---	6,323	1,871	748	176
Florida	43,819	369,639	175,642	33,568	10,242	Ohio	5,346	182,546	58,834	18,101	7,210
Georgia	3,661	186,015	49,702	21,162	6,873	Oklahoma	3,647	68,772	55,008	10,060	2,668
Hawaii	4,273	21,814	18,543	587	87	Oregon	57	65,893	36,032	10,063	---
Idaho	514	19,636	11,172	1,773	531	Pennsylvania	16,145	218,081	130,121	33,541	---
Illinois	2,446	163,057	113,261	18,184	6,157	Rhode Island	460	22,844	881	---	---
Indiana	1,479	95,203	59,183	15,083	2,165	South Carolina	1,411	118,382	81,657	10,572	---
Iowa	1,002	54,370	34,683	8,086	1,438	South Dakota	730	13,475	4,313	1,761	362
Kansas	641	43,004	17,233	3,096	519	Tennessee	5,735	187,246	80,366	10,234	---
Kentucky	2,795	121,758	33,348	13,483	2,972	Texas	45,430	378,649	110,754	39,877	---
Louisiana	3,944	120,096	71,536	13,097	4,142	Utah	92	17,410	11,444	2,113	---
Maine	17	39,459	17,091	4,770	---	Vermont	119	14,615	3,802	2,641	---
Maryland	7,979	70,034	55,704	4,454	1,277	Virginia	3,223	116,171	41,645	8,689	2,221
Massachusetts	18,380	163,314	137,051	16,874	2,188	Washington	4,612	99,153	66,350	5,953	1,561
Michigan	13,373	152,481	49,626	18,450	205	West Virginia	3,008	47,507	39,464	6,004	1,304
Minnesota	5,642	68,648	13,350	3,248	---	Wisconsin	3,865	74,989	19,567	8,613	945
Mississippi	5,445	125,420	60,916	7,773	---	Wyoming	161	7,070	2,523	867	251
						Outlying Areas	---	927	---	---	---

¹ Included in Part B Buy-In column.

NOTES: "----" equals ten or fewer observations. Qualified Medicare Beneficiaries (QMBs) and Specified Low-income Medicare Beneficiaries (SLMBs), and Qualified Individuals (QI-1s) are persons with limited resources whose incomes are at or below the national poverty level (QMBs), up to 120% of the national poverty levels (SLMBs), and up to 135% of the national poverty level (QI-1s). In addition to Medicare premiums, the Medicaid program may cover the cost of deductibles, coinsurance, and certain non-Medicare covered services which Medicare beneficiaries normally pay out of their own pockets.

**Medicare Persons Served by State
Calendar Year 2000**

	Aged		Disabled			Aged		Disabled	
	Persons Served in thousands	Served per 1,000 Enrollees	Persons Served in thousands	Served per 1,000 Enrollees		Persons Served in thousands	Served per 1,000 Enrollees	Persons Served in thousands	Served per 1,000 Enrollees
All Areas	25,486	916	4,096	835	Missouri	566	928	98	852
United States	25,465	938	4,094	861	Montana	109	924	15	789
Alabama	473	933	103	866	Nebraska	204	936	23	885
Alaska	29	829	6	857	Nevada	119	850	19	760
Arizona	335	901	47	758	New Hampshire	130	903	17	773
Arkansas	317	935	65	855	New Jersey	833	911	106	841
California	1,726	881	296	783	New Mexico	138	868	24	774
Colorado	246	965	42	778	New York	1,705	912	273	822
Connecticut	333	928	47	870	North Carolina	844	943	169	899
Delaware	88	926	12	800	North Dakota	86	945	9	900
District of Columbia	47	797	8	800	Ohio	1,137	941	168	836
Florida	1,734	953	219	876	Oklahoma	360	933	58	866
Georgia	653	818	141	865	Oregon	262	1,000	39	813
Hawaii	94	940	11	846	Pennsylvania	1,222	939	158	806
Idaho	127	977	17	850	Rhode Island	84	894	15	750
Illinois	1,160	922	148	831	South Carolina	432	929	94	904
Indiana	657	940	96	842	South Dakota	95	913	12	857
Iowa	397	973	45	900	Tennessee	592	932	126	869
Kansas	302	959	36	900	Texas	1,493	922	222	874
Kentucky	430	943	109	852	Utah	167	938	20	833
Louisiana	371	928	80	860	Vermont	70	933	12	857
Maine	166	922	29	829	Virginia	671	918	114	877
Maryland	452	895	60	845	Washington	425	902	68	829
Massachusetts	540	896	97	802	West Virginia	244	988	56	862
Michigan	1,062	941	162	844	Wisconsin	609	947	74	860
Minnesota	485	976	60	833	Wyoming	52	929	6	750
Mississippi	300	929	78	876	Puerto Rico	284	---	84	---
					Other Outlying Areas	8	---	1	---
					Unknown & Foreign	21	---	3	---

¹ Less than 500.

NOTES: Persons served represents persons receiving a reimbursed service under fee-for-service at any time during the year. The denominator used to calculate the rate served per 1,000 enrollees is the July 1, 2000 HI and/or SMI fee-for-service population. The rates may exceed 1,000 for a variety of reasons, including areas with rapidly changing fee-for-service/managed care distributions.

SOURCE: CMS/ORDI

September 2002

**National Community Hospital Care by State
2000 Annual Survey**

	Admissions in thousands	Average Stay in Days	Outpatient Visits in thousands		Admissions in thousands	Average Stay in Days	Outpatient Visits in thousands
United States	33,089	5.8	521,405	Missouri	773	5.5	14,807
Alabama	680	5.3	7,964	Montana	99	10.5	2,649
Alaska	47	6.3	1,271	Nebraska	209	2.0	3,405
Arizona	539	4.6	5,300	Nevada	199	4.9	2,192
Arkansas	368	5.7	4,407	New Hampshire	111	5.5	2,763
California	3,315	5.3	44,944	New Jersey	1,074	5.9	16,307
Colorado	397	5.0	6,713	New Mexico	174	4.2	3,101
Connecticut	349	6.1	6,734	New York	2,416	7.9	46,372
Delaware	83	6.1	1,462	North Carolina	971	6.0	12,379
District of Columbia	129	7.0	1,331	North Dakota	89	9.4	1,695
Florida	2,119	5.4	21,794	Ohio	1,404	5.4	26,857
Georgia	863	6.4	11,242	Oklahoma	429	5.3	4,702
Hawaii	100	8.5	2,466	Oregon	330	4.4	7,273
Idaho	123	5.4	2,157	Pennsylvania	1,796	5.9	31,849
Illinois	1,531	5.4	25,100	Rhode Island	119	5.3	2,081
Indiana	700	5.6	14,134	South Carolina	495	5.9	7,779
Iowa	360	6.9	9,157	South Dakota	99	10.5	1,718
Kansas	310	6.7	5,255	Tennessee	737	5.7	10,275
Kentucky	582	5.7	8,697	Texas	2,367	5.1	29,393
Louisiana	654	5.5	10,026	Utah	194	4.6	4,469
Maine	147	5.9	3,247	Vermont	52	7.8	1,243
Maryland	587	5.1	6,017	Virginia	727	5.7	9,543
Massachusetts	740	5.8	16,710	Washington	505	4.8	9,589
Michigan	1,106	5.6	24,861	West Virginia	288	6.2	5,196
Minnesota	571	7.2	7,336	Wisconsin	558	6.0	10,854
Mississippi	425	6.9	3,708	Wyoming	48	8.2	879

SOURCE: American Hospital Association's 2002 Hospital Statistics.

September 2002

**Medicare Skilled Nursing Facility Non-Swing Bed Utilization by State
Calendar Year 2000**

	Total Patients	Total Discharges	Total Covered Days	Average Days Per Discharge	Total Reimbursement	Average Reimbursement Per Day	Average Reimbursement Per Discharge
Total ¹	1,401,085	1,438,690	44,103,335	31	\$10,420,208,068	\$236	\$7,243
Alabama	22,489	20,803	818,200	39	157,993,833	193	7,595
Alaska	578	584	18,695	32	4,906,583	262	8,402
Arizona	16,566	18,102	356,039	20	95,602,121	269	5,281
Arkansas	14,387	16,065	401,010	25	74,375,496	185	4,630
California	103,470	118,066	2,892,952	25	899,111,939	311	7,615
Colorado	13,906	15,422	363,112	24	97,867,430	270	6,346
Connecticut	27,899	25,709	1,115,220	43	258,889,785	232	10,070
Delaware	3,749	3,360	128,722	38	29,715,510	231	8,844
District of Columbia	2,263	2,180	63,272	29	16,040,078	254	7,358
Florida	106,248	120,917	3,241,397	27	826,119,572	255	6,832
Georgia	26,015	24,385	906,424	37	187,521,483	207	7,690
Hawaii	1,809	1,631	54,905	34	14,305,301	261	8,771
Idaho	7,326	8,066	222,821	28	48,250,905	217	5,982
Illinois	73,296	83,762	2,097,181	25	501,102,601	239	5,982
Indiana	44,916	46,362	1,476,501	32	331,727,189	225	7,155
Iowa	18,556	19,841	403,822	20	85,914,740	213	4,330
Kansas	14,506	16,524	365,057	22	83,269,768	228	5,039
Kentucky	24,354	24,632	774,949	32	157,418,781	203	6,391
Louisiana	18,115	20,330	496,214	24	115,532,274	233	5,683
Maine	9,954	10,226	284,804	28	63,358,909	222	6,196
Maryland	30,756	34,260	866,892	25	205,364,170	237	5,994
Massachusetts	49,765	50,484	1,575,378	31	400,091,499	254	7,925
Michigan	43,262	38,102	1,695,636	45	360,160,332	212	9,453
Minnesota	29,872	23,590	927,913	39	189,847,517	205	8,048
Mississippi	12,107	12,556	422,956	34	79,000,000	187	6,292
Missouri	34,401	37,698	908,257	24	208,317,619	229	5,526
Montana	6,472	7,319	156,871	21	32,751,902	209	4,475
Nebraska	10,931	11,358	285,642	25	62,145,931	218	5,472
Nevada	4,886	5,156	132,882	26	35,939,412	270	6,970

Medicare Skilled Nursing Facility Non-Swing Bed Utilization by State
Calendar Year 2000
(continued)

	Total Patients	Total Discharges	Total Covered Days	Average Days Per Discharge	Total Reimbursement	Average Reimbursement Per Day	Average Reimbursement Per Discharge
New Hampshire	6,362	6,453	214,734	33	\$51,604,153	\$240	\$7,997
New Jersey	51,081	51,665	1,549,570	30	409,249,049	264	7,921
New Mexico	4,550	4,846	126,208	26	28,801,360	228	5,943
New York	85,792	64,543	3,596,936	56	907,414,354	252	14,059
North Carolina	38,993	33,389	1,432,457	43	266,996,834	186	7,997
North Dakota	4,182	3,237	104,882	32	18,200,712	174	5,623
Ohio	79,706	81,719	2,369,731	29	556,452,842	235	6,809
Oklahoma	15,593	17,921	411,099	23	92,797,938	226	5,178
Oregon	10,669	11,512	227,703	20	62,762,050	276	5,452
Pennsylvania	83,370	81,715	2,572,173	32	592,712,384	230	7,253
Puerto Rico	1,989	2,116	43,002	20	5,961,143	139	2,817
Rhode Island	6,995	6,680	233,947	35	54,212,422	232	8,116
South Carolina	18,671	19,031	626,074	33	123,970,284	198	6,514
South Dakota	4,516	3,939	146,092	37	25,472,468	174	6,467
Tennessee	35,111	40,724	1,171,898	29	245,023,774	209	6,017
Texas	76,211	85,386	2,331,347	27	554,799,295	238	6,498
Utah	9,131	10,400	252,746	24	65,580,649	259	6,306
Vermont	3,069	2,710	111,550	41	21,997,304	197	8,117
Virgin Islands	32	28	801	29	137,381	172	4,906
Virginia	28,351	25,705	975,196	38	211,543,375	217	8,230
Washington	24,617	25,520	652,935	26	179,771,681	275	7,044
West Virginia	12,388	13,006	370,261	29	78,207,140	211	6,013
Wisconsin	33,300	26,702	1,052,619	39	227,319,377	216	8,513
Wyoming	2,261	2,195	73,955	34	15,988,286	216	7,284

¹ Includes residence unknown.

NOTES: Provider based data are derived from bills for services performed in 2000 and recorded in CMS central records as of June 2001. These interim payment amounts may differ from final cost report adjusted payment amounts. Patient counts are unique to the State and therefore do not add to the total. Data excludes no pay bills and has been screened to protect the privacy of beneficiaries.

SOURCE: CMS/OIS

September 2002

**Medicare Home Health Agency Utilization by State
Calendar Year 2000**

	Total Claims	Total Reimbursement	Total Patients	Total Visits	Average Reimbursement Per Patient	Average Visits Per Patient
Total ¹	8,120,066	\$7,352,198,941	2,496,793	90,729,921	\$2,945	36
Alabama	175,654	168,682,979	48,009	2,519,616	3,514	52
Alaska	4,581	4,948,266	1,755	35,897	2,820	20
Arizona	53,816	44,864,809	22,075	507,131	2,032	23
Arkansas	92,823	70,412,571	27,990	1,098,368	2,516	39
California	538,722	552,242,410	181,547	5,096,605	3,042	28
Colorado	69,647	62,059,893	22,527	744,572	2,755	33
Connecticut	127,206	127,277,041	41,538	1,769,941	3,064	43
Delaware	22,716	22,288,088	8,414	247,367	2,649	29
District of Columbia	12,162	13,591,258	5,057	140,459	2,688	28
Florida	536,828	609,415,956	193,463	7,345,442	3,150	38
Georgia	216,886	212,576,280	61,554	2,719,865	3,453	44
Hawaii	9,971	9,117,824	4,020	83,138	2,268	21
Idaho	26,038	22,589,192	9,595	255,634	2,354	27
Illinois	329,420	291,198,848	109,730	3,189,806	2,654	29
Indiana	135,104	115,107,053	46,148	1,475,809	2,494	32
Iowa	58,103	38,925,416	23,633	586,831	1,647	25
Kansas	47,590	35,766,702	17,477	492,433	2,047	28
Kentucky	163,497	143,902,641	47,321	2,009,854	3,041	42
Louisiana	389,789	268,786,518	51,301	4,148,364	5,239	81
Maine	60,658	49,907,026	19,120	692,525	2,610	36
Maryland	103,200	98,225,320	42,112	1,049,848	2,332	25
Massachusetts	265,721	264,499,921	80,528	3,348,058	3,285	42
Michigan	337,730	325,107,189	111,860	3,524,190	2,906	32
Minnesota	55,416	43,407,064	24,061	548,107	1,804	23
Mississippi	164,520	159,692,978	39,937	2,499,452	3,999	63
Missouri	170,200	140,321,366	58,601	1,689,233	2,395	29
Montana	21,500	16,969,367	7,860	217,240	2,159	28
Nebraska	34,410	26,630,690	13,610	334,320	1,957	25
Nevada	28,618	27,950,029	9,755	317,130	2,865	33

**Medicare Home Health Agency Utilization by State
Calendar Year 2000
(continued)**

	Total Claims	Total Reimbursement	Total Patients	Total Visits	Average Reimbursement Per Patient	Average Visits Per Patient
New Hampshire	43,333	\$34,890,521	13,430	475,281	\$2,598	35
New Jersey	244,915	217,694,682	83,371	2,384,025	2,611	29
New Mexico	42,889	30,935,700	12,449	391,330	2,485	31
New York	503,938	539,610,710	176,545	6,198,399	3,057	35
North Carolina	258,437	224,486,196	85,252	2,663,491	2,633	31
North Dakota	15,894	10,915,859	6,560	152,570	1,664	23
Ohio	268,590	234,211,142	96,941	2,782,210	2,416	29
Oklahoma	211,553	153,518,343	38,534	2,391,555	3,984	62
Oregon	53,427	46,709,437	21,723	402,898	2,150	19
Pennsylvania	438,221	371,320,884	149,287	4,320,835	2,487	29
Puerto Rico	100,286	49,722,196	29,406	876,409	1,691	30
Rhode Island	42,314	34,877,864	12,086	413,718	2,886	34
South Carolina	127,604	117,930,079	41,230	1,385,071	2,860	34
South Dakota	14,186	10,347,344	5,790	135,504	1,787	23
Tennessee	262,271	263,112,165	66,650	3,676,402	3,948	55
Texas	721,196	601,429,555	149,097	7,917,686	4,034	53
Utah	51,323	53,600,635	14,566	705,285	3,680	48
Vermont	38,589	23,863,071	9,963	399,044	2,395	40
Virgin Islands	496	366,613	145	6,856	2,528	47
Virginia	188,494	165,546,655	63,219	2,092,157	2,619	33
Washington	81,944	74,206,539	32,962	676,838	2,251	21
West Virginia	55,468	44,114,832	18,452	551,698	2,391	30
Wisconsin	91,880	73,812,588	34,868	921,013	2,117	26
Wyoming	9,466	8,018,819	3,416	117,116	2,347	34

¹ Includes residence unknown.

NOTES: Provider based data are derived from bills for services performed in 2000 and recorded in CMS central records as of June 2001. These interim payment amounts may differ from final cost report adjusted payment amounts. Patient counts are unique to the State and therefore do not add to the total.

SOURCES: CMS/OIS/HGIS

September 2002

**Medicare Hospice Utilization by State
Calendar Year 2000**

	Total Patients	Total Reimbursement	Total Covered Days	Total Covered Hours	Total Covered Procedures	Average Reimbursement Per Patient	Average Days Per Patient
Total	536,282	\$2,926,546,746	25,814,389	1,980,115	509,486	\$5,457	48
Alabama	11,314	78,167,388	830,192	32,910	21,693	6,909	73
Alaska	49	187,138	1,559	0	0	3,819	32
Arizona	16,084	94,014,116	751,853	26,761	27,970	5,845	47
Arkansas	5,234	29,738,692	319,060	10,645	612	5,682	61
California	50,062	278,771,114	2,187,487	125,572	20,108	5,569	44
Colorado	8,921	41,286,517	343,826	1,617	2,312	4,628	39
Connecticut	5,451	31,986,681	194,902	4,170	7,203	5,868	36
Delaware	1,443	7,882,233	70,754	76	64	5,462	49
District of Columbia	602	3,728,018	27,813	18	470	6,193	46
Florida	57,093	354,990,562	2,796,418	1,094,738	136,384	6,218	49
Georgia	14,025	78,816,111	736,443	18,122	2,725	5,620	53
Hawaii	1,401	7,561,724	55,327	42	32	5,397	39
Idaho	1,839	9,435,798	95,600	5,821	76	5,131	52
Illinois	23,808	119,223,303	1,047,937	44,807	39,891	5,008	44
Indiana	9,906	50,875,966	479,840	6,836	1,978	5,136	48
Iowa	6,547	30,739,285	303,169	2,111	3,633	4,695	46
Kansas	4,160	19,766,836	202,813	1,433	1,967	4,752	49
Kentucky	8,161	46,289,150	447,657	9,863	41,093	5,672	55
Louisiana	7,176	36,706,541	350,332	15,897	2,843	5,115	49
Maine	1,038	4,464,790	45,361	352	60	4,301	44
Maryland	7,699	34,089,051	296,631	88	5,851	4,428	39
Massachusetts	10,028	48,087,403	381,950	2,972	877	4,795	38
Michigan	22,778	115,220,967	1,011,579	9,827	7,401	5,058	44
Minnesota	8,063	44,346,271	393,124	13,514	11,140	5,500	49
Mississippi	5,717	45,544,483	468,631	29,459	20,581	7,967	82
Missouri	13,114	58,957,854	616,206	2,823	837	4,496	47
Montana	1,376	7,556,033	76,629	438	382	5,491	56
Nebraska	3,096	14,164,251	145,653	228	233	4,575	47
Nevada	3,644	19,707,954	140,026	553	5,317	5,408	38

**Medicare Hospice Utilization by State
Calendar Year 2000
(continued)**

	Total Patients	Total Reimbursement	Total Covered Days	Total Covered Hours	Total Covered Procedures	Average Reimbursement Per Patient	Average Days Per Patient
New Hampshire	1,606	\$8,486,084	74,571	510	177	\$5,284	46
New Jersey	12,963	66,478,685	554,069	620	2,940	5,128	43
New Mexico	3,794	23,746,422	232,394	817	969	6,259	61
New York	22,674	132,211,349	975,070	25,006	8,800	5,831	43
North Carolina	13,336	78,346,127	719,047	7,364	24,619	5,875	54
North Dakota	1,182	4,840,790	48,946	8,235	259	4,095	41
Ohio	27,630	133,481,539	1,163,499	52,779	14,094	4,831	42
Oklahoma	10,646	71,535,319	773,478	25,413	1,470	6,719	73
Oregon	9,118	43,328,788	394,565	7,349	498	4,752	43
Pennsylvania	27,301	133,612,699	1,151,725	38,047	11,598	4,894	42
Puerto Rico	4,481	21,567,311	303,330	1,099	14,852	4,813	68
Rhode Island	1,775	8,029,693	61,463	32	1,144	4,524	35
South Carolina	6,278	33,276,089	327,954	1,593	20,944	5,300	52
South Dakota	910	4,141,767	44,381	37	176	4,551	49
Tennessee	7,892	39,231,871	377,626	9,865	4,552	4,971	48
Texas	39,545	229,108,099	2,121,357	306,108	28,526	5,794	54
Utah	2,871	15,938,530	145,532	885	528	5,552	51
Vermont	753	3,240,389	31,073	936	9	4,303	41
Virginia	9,444	51,004,615	464,466	951	4,116	5,401	49
Washington	9,855	50,698,593	427,565	7,006	1,774	5,144	43
West Virginia	3,086	15,941,911	160,517	16,878	664	5,166	52
Wisconsin	8,857	43,640,675	419,338	6,840	3,039	4,927	47
Wyoming	456	2,353,171	23,651	52	5	5,160	52

NOTES: Provider based data are derived from bills for services performed in 2000 and recorded in CMS central records as of June 2001. These interim payment amounts may differ from final cost report adjusted payment amounts. Patient counts are unique to the State and therefore do not add to the total. Data have been screened for privacy.

SOURCES: CMS/OIS/HCIS

September 2002

Medicare Inpatient Hospitals by State 2001

	Short- Stay Hospitals	Beds per 1,000 Enrollees	Long- Stay Hospitals ¹	Beds per 1,000 Enrollees		Short- Stay Hospitals	Beds per 1,000 Enrollees	Long- Stay Hospitals ¹	Beds per 1,000 Enrollees
All Areas	4,429	21.3	1,573	3.1	Missouri	101	26.2	36	2.7
United States	4,371	21.5	1,567	3.2	Montana	37	18.0	24	3.1
					Nebraska	31	18.2	64	9.3
Alabama	106	27.4	18	2.1	Nevada	24	16.2	18	3.2
Alaska	18	30.0	6	5.5	New Hampshire	26	16.4	4	3.3
Arizona	66	15.8	17	1.7	New Jersey	81	23.3	26	3.2
Arkansas	68	20.0	36	4.8	New Mexico	37	18.5	14	2.6
California	382	20.1	70	1.5	New York	210	25.8	51	5.5
Colorado	53	19.8	28	4.1	North Carolina	111	20.0	23	2.9
Connecticut	32	16.9	14	3.9	North Dakota	22	24.9	29	8.2
Delaware	5	16.2	6	3.7	Ohio	155	25.4	48	2.7
Dist. of Columbia	8	50.3	6	15.9	Oklahoma	103	25.3	40	3.2
Florida	175	17.1	55	1.3	Oregon	52	15.1	10	0.9
Georgia	131	24.1	48	3.7	Pennsylvania	189	17.0	64	4.0
Hawaii	18	13.4	9	2.7	Rhode Island	11	17.4	4	5.9
Idaho	23	13.7	24	3.0	South Carolina	59	19.5	15	2.1
Illinois	174	28.0	43	2.1	South Dakota	40	23.7	25	4.8
Indiana	102	21.5	47	2.8	Tennessee	115	27.0	33	2.6
Iowa	84	23.0	36	2.4	Texas	347	21.5	136	3.6
Kansas	95	25.3	54	4.4	Utah	42	21.3	6	3.9
Kentucky	85	24.5	30	3.5	Vermont	14	19.9	2	2.8
Louisiana	113	30.4	74	7.1	Virginia	90	21.6	28	3.2
Maine	31	16.4	10	2.6	Washington	78	16.3	20	2.4
Maryland	48	20.3	19	5.2	West Virginia	44	25.1	21	2.9
Massachusetts	75	14.3	43	6.8	Wisconsin	102	22.2	37	3.1
Michigan	132	19.5	40	2.5	Wyoming	24	21.9	4	1.3
Minnesota	115	22.1	33	3.8					
Mississippi	96	29.3	10	1.2	Puerto Rico	53	17.1	6	2.1
					Other Outlying Areas	5	0.8	0	0.0

¹ Excludes Religious Non-Medical, Critical Access, and Alcohol/Drug.

NOTES: Facility data as of December 2001. Beds per 1,000 enrollees based on HI enrollment data as of July 1, 2001.

SOURCE: CMS/ORDI

September 2002

**Medicare Skilled Nursing Facilities and Certified Beds by State
2001**

	Facilities	Beds		Facilities	Beds
All Areas	14,755	1,104,978			
United States	14,746	1,104,595	Missouri	454	19,745
Alabama	223	17,872	Montana	101	6,855
Alaska	15	502	Nebraska	170	11,304
Arizona	139	7,917	Nevada	44	4,789
Arkansas	191	10,827	New Hampshire	67	5,142
California	1,244	79,135	New Jersey	363	37,682
Colorado	200	13,711	New Mexico	70	2,652
Connecticut	245	28,067	New York	665	120,287
Delaware	37	3,099	North Carolina	408	32,097
District of Columbia	20	1,986	North Dakota	87	6,702
Florida	718	55,235	Ohio	900	61,361
Georgia	327	27,045	Oklahoma	234	14,012
Hawaii	41	3,443	Oregon	121	6,406
Idaho	81	6,012	Pennsylvania	749	61,643
Illinois	657	24,694	Rhode Island	97	7,681
Indiana	496	31,139	South Carolina	178	12,921
Iowa	310	19,429	South Dakota	88	6,138
Kansas	256	14,219	Tennessee	276	13,076
Kentucky	304	19,880	Texas	991	61,984
Louisiana	250	20,646	Utah	81	5,494
Maine	125	7,922	Vermont	43	3,132
Maryland	238	16,980	Virginia	236	14,097
Massachusetts	488	42,012	Washington	257	14,633
Michigan	389	30,064	West Virginia	114	6,622
Minnesota	406	37,283	Wisconsin	371	34,732
Mississippi	148	11,576	Wyoming	33	2,713
			U.S. Territories and Possessions	9	383

NOTE: Data as of December.

SOURCE: CMS/ORDI

September 2002

**Nursing Facilities Certified for Medicaid Only and Other Medicaid Long-Term Care Facilities by State
2001**

	Nursing Facilities Title 19 Only	Institutions for Mentally Retarded		Nursing Facilities Title 19 Only	Institutions for Mentally Retarded
United States	6,752		Missouri	89	18
			Montana	2	2
Alabama	5	7	Nebraska	62	4
Alaska	0	0	Nevada	2	20
Arizona	1	13	New Hampshire	16	1
Arkansas	60	40			
California	94	1,067	New Jersey	1	9
			New Mexico	10	43
Colorado	23	3	New York	3	748
Connecticut	9	121	North Carolina	4	331
Delaware	5	2	North Dakota	0	66
District of Columbia	1	131			
Florida	7	106	Ohio	100	464
			Oklahoma	152	56
Georgia	34	13	Oregon	24	1
Hawaii	4	22	Pennsylvania	22	235
Idaho	3	66	Rhode Island	0	20
Illinois	201	315			
Indiana	64	573	South Carolina	0	141
			South Dakota	24	2
Iowa	155	128	Tennessee	73	83
Kansas	125	41	Texas	185	906
Kentucky	0	11	Utah	11	14
Louisiana	80	473			
Maine	0	28	Vermont	1	2
			Virginia	52	19
Maryland	13	5	Washington	12	16
Massachusetts	19	7	West Virginia	27	62
Michigan	48	2	Wisconsin	48	40
Minnesota	21	260	Wyoming	6	2
Mississippi	55	13			

NOTE: Data as of December.

SOURCE: CMS/ORDI

September 2002

**Community Hospitals by State
2000 Annual Survey**

	Beds per 1,000 Resident Population			Beds per 1,000 Resident Population			
	Hospitals	Beds		Hospitals	Beds		
United States	4,915	823,560	2.9	Missouri	119	20,140	3.6
Alabama	108	16,370	3.7	Montana	52	4,255	4.7
Alaska	18	1,417	2.3	Nebraska	85	8,161	4.8
Arizona	61	10,864	2.1	Nevada	22	3,810	1.9
Arkansas	83	9,784	3.7	New Hampshire	28	2,865	2.3
California	389	72,707	2.1	New Jersey	80	25,307	3.0
Colorado	69	9,391	2.2	New Mexico	35	3,481	1.9
Connecticut	35	7,719	2.3	New York	215	66,434	3.5
Delaware	5	1,839	2.3	North Carolina	113	23,081	2.9
District of Columbia	11	3,339	5.8	North Dakota	42	3,865	6.0
Florida	202	51,170	3.2	Ohio	163	33,849	3.0
Georgia	151	23,875	2.9	Oklahoma	108	11,112	3.2
Hawaii	21	3,057	2.5	Oregon	59	6,631	1.9
Idaho	42	3,485	2.7	Pennsylvania	207	42,303	3.4
Illinois	196	37,310	3.0	Rhode Island	11	2,400	2.3
Indiana	109	19,160	3.2	South Carolina	63	11,520	2.9
Iowa	115	11,811	4.0	South Dakota	48	4,339	5.7
Kansas	129	10,821	4.0	Tennessee	121	20,561	3.6
Kentucky	105	14,827	3.7	Texas	403	55,877	2.7
Louisiana	123	17,544	3.9	Utah	42	4,330	1.9
Maine	37	3,700	2.9	Vermont	14	1,674	0.3
Maryland	49	11,192	2.1	Virginia	88	16,869	2.4
Massachusetts	80	16,586	2.6	Washington	84	11,136	1.9
Michigan	146	26,074	2.6	West Virginia	57	7,966	4.4
Minnesota	135	16,705	3.4	Wisconsin	118	15,329	2.9
Mississippi	95	13,598	4.8	Wyoming	24	1,920	3.9

NOTE: Includes total hospital and nursing unit beds.

September 2002

SOURCE: American Hospital Associations' 2002 Hospital Statistics.

**Medicare Part B Participating Physicians and Other Practitioners by State
Selected Years**

	January 1998	January 1999	January 2000	January 2001	January 2002
Alabama	94.0	94.5	95.5	96.0	96.1
Alaska	79.6	81.4	82.9	83.7	86.1
Arizona	89.2	89.7	90.3	88.5	90.6
Arkansas	80.4	83.1	94.6	95.1	95.5
California	81.9	81.0	85.5	78.5	78.6
Colorado	83.1	84.6	87.4	88.4	89.5
Connecticut	87.8	88.7	89.3	89.9	90.5
Delaware	83.1	84.1	85.2	86.9	92.0
District of Columbia	79.5	81.0	84.1	85.2	90.8
Florida	76.2	77.6	90.1	92.1	92.9
Georgia	88.6	83.3	89.4	89.5	90.8
Hawaii	84.6	85.6	90.3	91.0	94.3
Idaho	72.2	75.6	77.6	79.4	80.8
Illinois	85.4	84.2	90.9	92.4	92.6
Indiana	77.9	79.0	83.2	85.1	85.5
Iowa	90.0	91.1	93.2	94.0	94.2
Kansas	93.3	94.7	94.2	94.4	94.6
Kentucky	89.7	92.3	93.8	93.3	93.7
Louisiana	67.6	73.5	91.7	92.1	92.3
Maine	92.4	93.8	94.3	93.6	93.7
Maryland	90.6	91.7	93.4	94.2	94.1
Massachusetts	93.7	94.0	94.9	91.7	92.1
Michigan	88.2	87.7	95.3	96.6	96.9
Minnesota	77.9	78.1	79.3	79.9	80.4
Mississippi	81.4	82.6	83.5	84.6	85.6
Missouri	89.3	89.2	87.9	90.0	95.6
Montana	82.7	84.7	86.6	88.6	89.9
Nebraska	89.7	92.4	92.7	93.2	93.8
Nevada	92.6	93.3	94.1	91.2	96.2
New Hampshire	91.9	92.2	93.1	90.8	91.1
New Jersey	66.0	80.1	82.8	84.5	87.4
New Mexico	87.8	89.3	89.9	91.1	92.6
New York	72.8	75.3	80.3	81.0	81.2
North Carolina	86.0	88.3	89.6	90.0	91.1
North Dakota	93.5	94.3	95.5	96.3	97.2
Ohio	93.2	93.2	93.9	94.2	95.5
Oklahoma	88.4	89.9	91.7	92.5	93.9
Oregon	89.3	89.8	90.7	91.2	92.8
Pennsylvania	73.6	83.5	85.5	94.3	95.8
Rhode Island	70.1	71.7	72.5	74.1	75.6
South Carolina	87.1	90.0	91.4	91.5	92.1
South Dakota	83.5	85.7	86.7	87.7	89.3
Tennessee	88.7	90.9	91.2	91.3	92.2
Texas	84.2	83.3	85.4	86.5	88.0
Utah	92.2	94.1	94.6	95.1	96.2
Vermont	91.1	91.8	92.9	94.8	94.9
Virginia	88.6	87.2	87.3	87.6	88.6
Washington	91.2	91.7	92.9	93.8	96.2
West Virginia	90.1	92.1	93.5	94.2	94.8
Wisconsin	89.0	89.4	90.9	92.7	94.5
Wyoming	84.9	86.4	87.1	87.3	87.7

NOTE: Other practitioners includes limited license practitioners and non-physician practitioners.

SOURCE: CMS/OFM

September 2002

**Physician Assignment Rates as a Percent of Allowed Charges by State
Fiscal Year 2001**

CMS Region/State	Assignment Rate	CMS Region/State	Assignment Rate
National	99.2		
Alabama	99.8	Montana	98.7
Alaska	99.0	Nebraska	97.3
Arizona	95.4	Nevada	99.8
Arkansas	99.7	New Hampshire	99.4
California	99.3	New Jersey	98.3
Colorado	98.3	New Mexico	98.9
Connecticut	98.7	New York	98.7
Delaware	99.4	North Carolina	99.2
District of Columbia	98.8	North Dakota	99.4
Florida	99.5	Ohio	99.9
Georgia	99.4	Oklahoma	99.3
Hawaii	99.4	Oregon	98.5
Idaho	92.6	Pennsylvania	99.8
Illinois	99.0	Rhode Island	100.0
Indiana	99.4	South Carolina	99.5
Iowa	99.3	South Dakota	93.5
Kansas	99.6	Tennessee	99.6
Kentucky	99.5	Texas	99.3
Louisiana	99.6	Utah	99.6
Maine	99.8	Vermont	99.6
Maryland	99.3	Virginia	99.7
Massachusetts	99.9	Washington	99.6
Michigan	99.7	West Virginia	99.7
Minnesota	96.0	Wisconsin	99.5
Mississippi	99.5	Wyoming	94.3
Missouri	99.4		

SOURCE: CMS/OFM

September 2002

Medicare Physicians by State ¹ 2002

State	Number	Percent of Total	State	Number	Percent of Total
Total	888,061 ²	100.0	Mississippi	5,787	0.7
Alabama	10,021	1.1	Montana	3,080	0.3
Alaska	1,816	0.2	North Carolina	23,932	2.7
Arizona	13,860	1.6	North Dakota	2,732	0.3
Arkansas	8,331	0.9	Nebraska	5,431	0.6
California	93,909	10.6	New Hampshire	5,433	0.6
Colorado	13,969	1.6	New Jersey	30,251	3.4
Connecticut	12,749	1.4	New Mexico	4,757	0.5
Delaware	2,496	0.3	Nevada	4,650	0.5
District Columbia	4,402	0.5	New York	71,535	8.1
Florida	46,697	5.3	Ohio	35,040	3.9
Georgia	22,157	2.5	Oklahoma	8,258	0.9
Hawaii ³	4,192	0.5	Oregon	11,398	1.3
Iowa	10,230	1.2	Pennsylvania	46,953	5.3
Idaho	3,385	0.4	Puerto Rico ⁴	6,214	0.7
Illinois	33,797	3.8	Rhode Island	3,632	0.4
Indiana	17,237	1.9	South Carolina	11,106	1.3
Kansas	8,526	1.0	South Dakota	2,559	0.3
Kentucky	11,530	1.3	Tennessee	18,322	2.1
Louisiana	15,238	1.7	Texas	50,291	5.7
Massachusetts	35,160	4.0	Utah	6,041	0.7
Maryland	20,486	2.3	Virginia	18,211	2.1
Maine	5,904	0.7	Vermont	2,830	0.3
Michigan	30,658	3.5	Washington	21,306	2.4
Minnesota	17,433	2.0	Wisconsin	17,944	2.0
Missouri	18,907	2.1	West Virginia	5,534	0.6
			Wyoming	1,554	0.2

¹ Medicare physicians are MD, DO, DDM, DDS, DPM, OD, and CH. ² Total includes unknown. ³ Guam included in Hawaii.

⁴ Virgin Islands included in Puerto Rico.

NOTES: Percent total does not necessarily equal sum of rounded components. Data as of April 2002.

SOURCES: CMS/ORDI/CBC (Medicare Physician Registry)

September 2002

VIII. FINANCING

Selected reference material including contribution rates, taxable earning ceilings, cost-sharing provisions and Medicaid Federal matching percentages.

HIGHLIGHTS

- o *The Omnibus Budget Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amounts for 1994 and later. For these years, the contribution rate is applied to all earnings in covered employment.*
- o *The Medicare Part A inpatient hospital deductible increased from \$40 in 1966 to \$812 in 2002.*
- o *The Medicare Coinsurance has remained at 20 percent since the beginning of the program. The annual Part B Deductible increased from \$50 beginning July 1966 to \$100 beginning January 1991.*
- o *The Medicare Part B premiums increased from \$3 per month in 1966 to \$54.00 per month in 2002.*

Financing of Medicare Programs

Source of Income

HI Trust Fund

1. Payroll taxes *
2. Transfers from railroad retirement account
3. General revenue for
 - a. uninsured persons
 - b. military wage credits
4. Premiums from voluntary enrollees
5. Interest on investments

* Contribution rate

Employees and employers, each	1.45%
Self-employed	2.90%

Maximum taxable amount (CY 2002)	none ¹
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Voluntary HI Premium ²

Monthly Premium (2002):	\$319
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SMI Trust Fund

1. Premiums paid by or on behalf of enrollees
2. General revenue
3. Interest on investments

Part B Premium

Monthly Basic Premium (2002):	\$54.00
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¹ The Omnibus Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amounts for 1994 and later. For these years, the contribution rate is applied to all earnings in covered employment.

² Premium paid for voluntary participation of individuals aged 65 and over not otherwise entitled to hospital insurance and of certain disabled individuals who have exhausted other entitlement. A reduced premium of \$175 is available to individuals aged 65 and over who are not otherwise entitled to hospital insurance but who have, or whose spouse has or had, at least 30 quarters of coverage under Title II of the Social Security Act.

Financing of Medicaid Programs Fiscal Year 2002

Federal Contributions	Percent
1. Medical Vendor Payments ¹	50-83
2. Family Planning Services	90
3. Administrative Costs	50
4. Development of Management Information Systems ²	90
5. Operation of Management Information Systems	75
6. Skilled Nursing Facility, Inspectors	75
7. Intermediate Care Facility for the Mentally Retarded, Inspectors	
a. Salaries, Fringe Benefits, Travel & Training	75
b. All Other Costs	50
8. Skilled Professional Medical Personnel	75
9. State Medicaid Fraud and Abuse Units	75
10. PRO Performance Review	75
11. Systematic Alien Verification for Entitlements System	100
12. Preadmission Screening and Annual Resident Review	75
13. Indian Health Services	100
14. TANF Allocation Enhanced Administrative Match ³	75-90

¹ Range reflects floor to ceiling percentages available under statute in any fiscal year. The ceiling for Medicaid State Children's Health Insurance Program payments under sections 1905(u)(2) and 1905(u)(3) is 85 percent.

² After approval of an application for 90% rate by CMS.

³ Special transitional enhanced match for certain administrative expenditures attributable to the costs of Medicaid eligibility determinations with the advent of the Temporary Assistance to Needy Families (TANF) program (section 1931).

SOURCE: CMS/CMSO

September 2002

Medicare Cost Sharing and Premium Amounts for Hospital Insurance ¹

		Inpatient Hospital			SNF ³	
		Deductible (IHD)	Daily Coinsurance		Daily	
		Covers first 60 days	61st through 90th days (1/4 x IHD)	LTR ² after 90 days (1/2 x IHD)	Coinsurance after 20 days (1/8 x IHD)	Hospital Insurance Monthly Premium ⁴
Beginning in January unless noted						
July	1966	\$40	\$10	(⁵)	(⁵)	--
	1970	52	13	26	6.50	--
	1980	180	45	90	22.50	78 ^{6 7}
	1985	400	100	200	50.00	174 ⁸
	1990	592	148	296	74.00	175 ⁹
	1995	716	179	358	89.50	261 ¹⁰
	1996	736	184	368	92.00	289 ¹⁰
	1997	760	190	380	95.00	311 ¹⁰
	1998	764	191	382	95.50	309 ¹⁰
	1999	768	192	384	96.00	309 ¹⁰
	2000	776	194	388	97.00	301 ¹⁰
	2001	792	198	396	99.00	300 ¹⁰
	2002	812	203	406	101.50	319 ¹⁰

¹ Hospital Insurance covers all expenses in "benefit period" except deductible and coinsurances shown below.

² LTR is lifetime reserve.

³ SNF is skilled nursing facility.

⁴ Premium paid for voluntary participation of individuals aged 65 or older not otherwise entitled to hospital insurance and of certain disabled individuals who have exhausted other entitlement.

⁵ Benefit not provided.

⁶ Beginning in July for years 1973 through 1982. 1983 is for the period July 1, 1982 through December 31, 1983.

⁷ Set to 33/76 times the IHD, rounded to the nearest dollar, for years 1973 through 1988.

⁸ Beginning in January for 1984 and succeeding years.

⁹ Set at the estimated actuarial value of incurred benefits and administrative expenses for hospital insurance entitled aged beneficiaries, rounded to the nearest dollar, for 1989 and succeeding years.

¹⁰ For 1994 and later, a reduced premium is available to individuals aged 65 or older who are not otherwise entitled to hospital insurance but who have, or whose spouse has or had, at least 30 quarters of coverage under Title II of the Social Security Act. For 2002, the reduced premium is \$175.

SOURCE: CMS/OACT

September 2002

Medicare Cost Sharing and Premium Amounts for Supplementary Medical Insurance

	Annual Deductible	Coinsurance	Monthly Premiums		
			For Enrollee (aged and disabled) ¹	Government Amounts	
				Aged	Disabled
Beginning July unless otherwise noted					
1966	\$50	20%	\$3.00	\$3.00	--
1970	50 ^{2 3}	20% ³	4.00	4.00	--
1975	60 ⁴	20% ⁵	6.70	6.70	29.30
1980	60	20%	8.70	18.10	41.30
1985	75 ^{6 7 8}	20% ⁶	15.50 ⁹	46.50 ⁹	89.90 ⁹
1990	75	20%	28.60	85.80	59.60
1995	100 ¹⁰	20%	46.10	100.10	165.50
1996	100	20%	42.50	127.30	167.70
1997	100	20%	43.80	131.40	177.00
1998	100	20%	43.80	132.00	150.40
1999	100	20%	45.50	139.10	160.50
2000	100	20%	45.50	138.30	196.70
2001	100	20%	50.00	152.00	214.40
2002	100	20%	54.00	164.60	192.20

¹ Beginning July 1973 for the disabled.

² Beginning in January for 1967 and succeeding years.

³ Professional inpatient services of pathologists and radiologists not subject to deductible or coinsurance for the period April 1968 - December 1980.

⁴ Deductible was \$60 for the years 1973 - 1981.

⁵ Home health services are not subject to coinsurance, beginning July 1972.

⁶ Home health services are not subject to deductible, beginning 1981.

⁷ Professional inpatient services of pathologists and radiologists not subject to deductible and coinsurance only when physician accepts assignment for the period January 1981 - September 1982 and are subject to deductible and coinsurance for October 1982 and later.

⁸ Deductible was \$75 for the years 1982 - 1990.

⁹ Beginning in January for 1984 and succeeding years.

¹⁰ Deductible is \$100 for the years 1991 and later.

SOURCE: CMS/OACT

September 2002

**Medicare Annual Maximum Taxable Earnings and HI Contribution Rates
Calendar Years 1966 - 2002**

Calendar Year	Annual Maximum Taxable Earnings	Contribution Rate ¹	
		Employees and employers, each	Self-employed
1966	\$6,600	0.35	0.35
1967	6,600	0.50	0.50
1968	7,800	0.60	0.60
1969	7,800	0.60	0.60
1970	7,800	0.60	0.60
1971	7,800	0.60	0.60
1972	9,000	0.60	0.60
1973	10,800	1.00	1.00
1974	13,200	0.90	0.90
1975	14,100	0.90	0.90
1976	15,300	0.90	0.90
1977	16,500	0.90	0.90
1978	17,700	1.00	1.00
1979	22,900	1.05	1.05
1980	25,900	1.05	1.05
1981	29,700	1.30	1.30
1982	32,400	1.30	1.30
1983	35,700	1.30	1.30
1984	37,800	1.30	2.60
1985	39,600	1.35	2.70
1986	42,000	1.45	2.90
1987	43,800	1.45	2.90
1988	45,000	1.45	2.90
1989	48,000	1.45	2.90
1990	51,300	1.45	2.90
1991	125,000	1.45	2.90
1992	130,200	1.45	2.90
1993	135,000	1.45	2.90
1994 and later	none ²	1.45	2.90

¹ Percent of taxable earnings.

² The Omnibus Budget Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amount for 1994 and later. For those years, the contribution rate is applied to all earnings in covered employment.

SOURCE: CMS/OACT

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**Title XIX
Federal Medical Assistance Percentages
Fiscal Years 2000 - 2003**

	2000	2001	2002	2003		2000	2001	2002	2003
Alabama	69.57	69.99	70.45	70.60	Missouri	60.51	61.03	61.06	61.23
Alaska*	59.80	60.13	57.38	58.27	Montana	72.30	73.04	72.83	72.96
Arizona	65.92	65.77	64.98	67.25	Nebraska	60.88	60.38	59.55	59.52
Arkansas	72.85	73.02	72.64	74.28	Nevada	50.00	50.36	50.00	52.39
California	51.67	51.25	51.40	50.00	New Hampshire	50.00	50.00	50.00	50.00
Colorado	50.00	50.00	50.00	50.00	New Jersey	50.00	50.00	50.00	50.00
Connecticut	50.00	50.00	50.00	50.00	New Mexico	73.32	73.80	73.04	74.56
Delaware	50.00	50.00	50.00	50.00	New York	50.00	50.00	50.00	50.00
District of Columbia*	70.00	70.00	70.00	70.00	North Carolina	62.49	62.47	61.46	62.56
Florida	56.52	56.62	56.43	58.83	North Dakota	70.42	69.99	69.87	68.36
Georgia	59.88	59.67	59.00	59.60	Ohio	58.67	59.03	58.78	58.83
Hawaii	51.01	53.85	56.34	58.77	Oklahoma	71.09	71.24	70.43	70.56
Idaho	70.15	70.76	71.02	70.96	Oregon	59.96	60.00	59.20	60.16
Illinois	50.00	50.00	50.00	50.00	Pennsylvania	53.82	53.62	54.65	54.69
Indiana	61.74	62.04	62.04	61.97	Rhode Island	53.77	53.79	52.45	55.40
Iowa	63.06	62.67	62.86	63.50	South Carolina	69.95	70.44	69.34	69.81
Kansas	60.03	59.85	60.20	60.15	South Dakota	68.72	68.31	65.93	65.29
Kentucky	70.55	70.39	69.94	69.89	Tennessee	63.10	63.79	63.64	64.59
Louisiana	70.32	70.53	70.30	71.28	Texas	61.36	60.57	60.17	59.99
Maine	66.22	66.12	66.58	66.22	Utah	71.55	71.44	70.00	71.24
Maryland	50.00	50.00	50.00	50.00	Vermont	62.24	62.40	63.06	62.41
Massachusetts	50.00	50.00	50.00	50.00	Virginia	51.67	51.85	51.45	50.53
Michigan	55.11	56.18	56.36	55.42	Washington	51.83	50.70	50.37	50.00
Minnesota	51.48	51.11	50.00	50.00	West Virginia	74.78	75.34	75.27	75.04
Mississippi	76.80	76.82	76.09	76.62	Wisconsin	58.78	59.29	58.57	58.43
					Wyoming	64.04	64.60	61.97	61.32
					Territories ¹	50.00	50.00	50.00	50.00

¹ Includes American Samoa, Guam, N. Mariana Islands, Puerto Rico and Virgin Islands. Subject to Federal share limit.

* Per Section 4725 of the Balanced Budget Act of 1997 (P.L. 105-33). Alaska FY 2001 and FY 2002 per Section 706 of Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (P.L. 106-554).

SOURCE: CMS/CMSO

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**Geographical Jurisdictions of CMS Regional Office
Federal Medical Assistance Percentages
and Enhanced Federal Medical Assistance Percentages
Fiscal Year 2003**

Region	FMAP	EFMAP ¹	Region	FMAP	EFMAP ¹
I. Boston			II. New York		
Connecticut	50.00	65.00	New Jersey	50.00	65.00
Maine	66.22	76.35	New York	50.00	65.00
Massachusetts	50.00	65.00	Puerto Rico	50.00	65.00
New Hampshire	50.00	65.00	Virgin Islands	50.00	65.00
Rhode Island	55.40	68.78			
Vermont	62.41	73.69			
III. Philadelphia			IV. Atlanta		
Delaware	50.00	65.00	Alabama	70.60	79.42
District of Columbia	70.00	79.00	Florida	58.83	71.18
Maryland	50.00	65.00	Georgia	59.60	71.72
Pennsylvania	54.69	68.28	Kentucky	69.89	78.92
Virginia	50.53	65.37	Mississippi	76.62	83.63
West Virginia	75.04	82.53	North Carolina	62.56	73.79
			South Carolina	69.81	78.87
			Tennessee	64.59	75.21
V. Chicago			VI. Dallas		
Illinois	50.00	65.00	Arkansas	74.28	82.00
Indiana	61.97	73.38	Louisiana	71.28	79.90
Michigan	55.42	68.79	New Mexico	74.56	82.19
Minnesota	50.00	65.00	Oklahoma	70.56	79.39
Ohio	58.83	71.18	Texas	59.99	71.99
Wisconsin	58.43	70.90			
VII. Kansas City			VIII. Denver		
Iowa	63.50	74.45	Colorado	50.00	65.00
Kansas	60.15	72.11	Montana	72.96	81.07
Missouri	61.23	72.86	North Dakota	68.36	77.85
Nebraska	59.52	71.66	South Dakota	65.29	75.70
			Utah	71.24	79.87
			Wyoming	61.32	72.92
IX. San Francisco			X. Seattle		
Arizona	67.25	77.08	Alaska	58.27	70.79
California	50.00	65.00	Idaho	70.96	79.67
Hawaii	58.77	71.14	Oregon	60.16	72.11
Nevada	52.39	66.67	Washington	50.00	65.00
American Samoa	50.00	65.00			
Guam	50.00	65.00			
N. Mariana Islands	50.00	65.00			

¹ The "Enhanced Federal Medical Assistance Percentages" are for use in the State Children's Health Insurance Program (Title XXI), and Medicaid State Children's Health Insurance Program expansions under sections 1905(u)(2) and (u)(3).