

**Table 4.1**  
**Amount of Cost-Sharing Liability for Medicare Beneficiaries, by Type of Coverage and**  
**Type of Cost-Sharing Liability: Calendar Years 1977-2005**

Year	Total Hospital Insurance and/or Supplementary Medical Insurance Liability	Hospital Insurance (HI) Liability				Supplementary Medical Insurance (SMI) Liability				Balance Billing <sup>3</sup>
		Total	Inpatient Hospital Copayments		Skilled Nursing Facility Coinsurance	Total	Deductible <sup>1,2</sup>	Coinsurance <sup>2</sup>		
Amount in Millions										
1977	\$4,489	\$1,091	\$844	\$171	\$76	\$3,398	\$1,049	\$1,545	\$804	
1978	5,046	1,311	1,019	210	82	3,735	1,102	1,723	910	
1979	5,898	1,512	1,168	257	87	4,386	1,157	2,072	1,157	
1980	7,074	1,807	1,395	312	100	5,267	1,207	2,519	1,541	
1981	8,433	2,080	1,615	355	110	6,353	1,358	3,042	1,953	
1982	10,388	2,804	2,131	524	149	7,584	1,574	3,730	2,280	
1983	11,448	3,250	2,504	561	185	8,198	1,453	4,260	2,485	
1984	11,802	3,403	2,775	415	212	8,399	1,532	4,607	2,260	
1985	13,145	3,461	2,867	381	213	9,684	1,651	5,363	2,670	
1986	14,643	4,206	3,584	409	213	10,436	1,711	6,022	2,703	
1987	15,655	4,586	3,818	568	200	11,069	1,796	7,073	2,201	
1988	16,315	5,006	4,004	671	332	11,309	1,864	7,649	1,795	
1989 <sup>4</sup>	16,891	3,903	3,607	60	236	12,988	1,943	8,942	2,104	
1990	19,955	5,980	4,519	569	892	13,975	2,021	9,728	2,226	
1991	23,855	6,770	4,934	868	968	17,085	2,444	12,762	1,879	
1992	24,767	7,108	5,115	864	1,129	17,659	2,666	14,120	873	
1993	25,880	7,665	5,394	817	1,454	18,215	2,801	14,902	512	
1994	27,706	8,076	5,574	773	1,730	19,630	2,670	16,721	239	
1995	29,763	8,411	5,766	685	1,960	21,352	2,754	18,411	187	
1996	31,177	8,957	5,978	631	2,348	22,220	2,790	19,312	118	
1997	32,786	9,264	6,147	648	2,469	23,522	3,163	20,260	99	
1998	33,056	8,944	6,071	613	2,259	24,112	2,723	21,308	81	
1999	33,703	8,957	6,181	637	2,139	24,746	2,712	21,959	75	
2000	35,587	9,278	6,327	712	2,239	26,308	2,773	23,464	71	
2001 <sup>5</sup>	38,037	9,965	6,711	762	2,492	28,072	2,877	25,124	71	
2002	40,251	10,945	7,094	836	3,015	29,306	2,997	26,246	63	
2003	42,906	11,755	7,474	856	3,425	31,151	3,085	28,003	63	
2004	46,524	12,673	7,887	935	3,852	33,851	3,143	30,645	62	
2005	48,858	13,509	8,299	965	4,246	35,349	3,500	31,789	60	

See footnotes at end of table.

**Table 4.1—Continued**  
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Year	Total Hospital Insurance and/or Supplementary Medical Insurance Liability	Hospital Insurance (HI) Liability				Supplementary Medical Insurance (SMI) Liability				Balance Billing <sup>3</sup>
		Total	Inpatient Hospital Copayments		Skilled Nursing Facility Coinsurance	Total	Deductible <sup>1,2</sup>	Coinsurance <sup>2</sup>		
Dollars per Enrollee <sup>6</sup>										
1977	\$174	\$42	\$32	\$7	\$3	\$132	\$42	\$58	\$32	
1978	192	49	38	8	3	143	42	66	35	
1979	219	55	43	9	3	164	43	78	43	
1980	256	64	50	11	4	192	44	92	56	
1981	301	73	56	12	4	228	49	109	70	
1982	364	96	73	18	5	268	56	32	80	
1983	381	110	85	19	6	283	50	147	86	
1984	388	113	93	14	7	286	52	157	77	
1985	423	113	94	12	7	323	55	179	89	
1986	461	135	115	13	7	341	56	197	88	
1987	483	144	120	18	6	355	58	227	71	
1988	495	154	124	21	10	358	59	242	57	
1989 <sup>4</sup>	503	118	109	2	7	405	61	279	66	
1990	583	177	134	17	26	428	62	298	68	
1991	684	197	143	25	28	514	74	384	57	
1992	696	202	145	25	32	520	79	416	26	
1993	712	213	150	23	40	526	81	430	15	
1994	813	240	165	23	51	608	83	518	7	
1995	874	250	171	20	58	663	86	572	6	
1996	925	269	180	19	71	699	88	608	4	
1997	993	284	188	20	76	758	102	653	3	
1998	1,022	280	190	19	71	796	90	703	3	
1999	1,047	282	195	20	67	823	90	730	2	
2000	1,087	287	196	22	69	863	91	770	2	
2001 <sup>5</sup>	1,123	298	201	23	75	891	91	797	2	
2002	1,151	317	205	24	87	900	92	806	2	
2003	1,198	332	211	24	97	935	93	840	2	
2004	1,280	352	219	26	107	1,004	93	909	2	
2005	1,332	372	229	27	117	1,042	103	937	2	

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		Total	Inpatient Hospital Copayments		Skilled Nursing Facility	Total	Deductible <sup>1,2</sup>	Coinsurance <sup>2</sup>	
Percent Distribution									
1977	100	24.3	18.8	3.8	1.7	75.7	23.4	34.4	17.9
1978	100	26.0	20.2	4.2	1.6	74.0	21.8	34.1	18.0
1979	100	25.6	19.8	4.4	1.5	74.4	19.6	35.1	19.6
1980	100	25.5	19.7	4.4	1.4	74.5	17.1	35.6	21.8
1981	100	24.7	19.2	4.2	1.3	75.3	16.1	36.1	23.2
1982	100	27.0	20.5	5.0	1.4	73.0	15.2	35.9	21.9
1983	100	28.4	21.9	4.9	1.6	71.6	12.7	37.2	21.7
1984	100	28.8	23.5	3.5	1.8	71.2	13.0	39.0	19.1
1985	100	26.3	21.8	2.9	1.6	73.7	12.6	40.8	20.3
1986	100	28.7	24.5	2.8	1.5	71.3	11.7	41.1	18.5
1987	100	29.3	24.4	3.6	1.3	70.7	11.5	45.2	14.1
1988	100	30.7	24.5	4.1	2.0	69.3	11.4	46.9	11.0
1989 <sup>4</sup>	100	23.1	21.4	0.4	1.4	76.9	11.5	52.9	12.5
1990	100	30.0	22.6	2.9	4.5	70.0	10.1	48.7	11.2
1991	100	28.4	20.7	3.6	4.1	71.6	10.2	53.5	7.9
1992	100	28.7	20.7	3.5	4.6	71.3	10.8	57.0	3.5
1993	100	29.6	20.8	3.2	5.6	70.4	10.8	57.6	2.0
1994	100	29.1	20.1	2.8	6.2	70.9	9.6	60.4	0.9
1995	100	28.3	19.4	2.3	6.6	71.7	9.3	61.9	0.6
1996	100	28.7	19.2	2.0	7.5	71.3	8.9	61.9	0.4
1997	100	28.3	18.7	2.0	7.5	71.7	9.6	61.8	0.3
1998	100	27.1	18.4	1.9	6.8	72.9	8.2	64.5	0.2
1999	100	26.6	18.3	1.9	6.3	73.4	8.0	65.2	0.2
2000	100	26.1	17.8	2.0	6.3	73.9	7.8	65.9	0.2
2001 <sup>5</sup>	100	26.2	17.6	2.0	6.6	73.8	7.6	66.1	0.2
2002	100	27.2	17.6	2.1	7.5	72.8	7.4	65.2	0.2
2003	100	27.4	17.4	2.0	8.0	72.6	7.2	65.3	0.1
2004	100	27.2	17.0	2.0	8.3	72.8	6.8	65.9	0.1
2005	100	27.6	17.0	2.0	8.7	72.4	7.2	65.1	0.1

<sup>1</sup>The Omnibus Budget Reconciliation Act (OBRA) of 1981 raised the annual SMI deductible amount from \$60 to \$75 effective January 1, 1982. OBRA 1990 raised the deductible to \$100 effective January 1, 1991

<sup>2</sup>In previous editions of the Statistical Supplement, the cost-sharing liability amounts for SMI were understated. Estimates of cost-sharing liability beginning in 1999 are significantly higher than those reported for prior years because of improvements in the methodology used to calculate Part B cost sharing. The amounts shown for SMI deductible and coinsurance for calendar years 1991-1998 are actuarial estimates and represent revisions. Data for years prior to 1991 are not available.

<sup>3</sup>Balance billing on unassigned claims is the difference between the charge submitted by the physician and the charge allowed by Medicare; the beneficiary is liable for this difference, in addition to the 20 percent coinsurance set by law. The Medicare Physician Payment Reform Act established a limit that a physician can charge Medicare beneficiaries on unassigned claims; in 2004 a physician could not charge more than 115 percent of the amount listed in the Medicare Physician Fee Schedule for non-participating physicians.

<sup>4</sup>Under the Medicare Catastrophic Coverage Act (MCCA) of 1988, Medicare coverage for inpatient hospital care for calendar year 1989 was extended to an unlimited number of days, and beneficiaries paid only one hospital deductible and no inpatient hospital coinsurance. Skilled nursing facility (SNF) care under MCCA paid for 150 SNF covered days of care for calendar year 1989 at 100 percent of covered charges, except for \$25.50 a day coinsurance for days 1-8 of the SNF stay. The MCCA cost-sharing changes for Part B coverage were not scheduled to be implemented until January 1, 1990. However, the MCCA was repealed effective January 1, 1990

<sup>5</sup>Data for 2001 were estimated using other sources that involve estimation algorithms and should be used with caution with data for other years.

<sup>6</sup>Beginning 1994, managed care enrollees are excluded when calculating the average cost-sharing liability per enrollee.

NOTES: Medicare cost-sharing liability represent cost sharing for fee-for-service care only. Numbers may not add to total because of rounding.

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		Total	Inpatient Hospital Copayments		Nursing Facility	Total	Deductible <sup>1,2</sup>	Coinsurance <sup>2</sup>	Balance Billing <sup>3</sup>
Amount in Millions									
1977	\$4,489	\$1,091	\$844	\$171	\$76	\$3,398	\$1,049	\$1,545	\$804
1978	5,046	1,311	1,019	210	82	3,735	1,102	1,723	910
1979	5,898	1,512	1,168	257	87	4,386	1,157	2,072	1,157
1980	7,074	1,807	1,395	312	100	5,267	1,207	2,519	1,541
1981	8,433	2,080	1,615	355	110	6,353	1,358	3,042	1,953
1982	10,388	2,804	2,131	524	149	7,584	1,574	3,730	2,280
1983	11,448	3,250	2,504	561	185	8,198	1,453	4,260	2,485
1984	11,802	3,403	2,775	415	212	8,399	1,532	4,607	2,260
1985	13,145	3,461	2,867	381	213	9,684	1,651	5,363	2,670
1986	14,643	4,206	3,584	409	213	10,436	1,711	6,022	2,703
1987	15,655	4,586	3,818	568	200	11,069	1,796	7,073	2,201
1988	16,315	5,006	4,004	671	332	11,309	1,864	7,649	1,795
1989 <sup>4</sup>	16,891	3,903	3,607	60	236	12,988	1,943	8,942	2,104
1990	19,955	5,980	4,519	569	892	13,975	2,021	9,728	2,226
1991	23,855	6,770	4,934	868	968	17,085	2,444	12,762	1,879
1992	24,767	7,108	5,115	864	1,129	17,659	2,666	14,120	873
1993	25,880	7,665	5,394	817	1,454	18,215	2,801	14,902	512
1994	27,706	8,076	5,574	773	1,730	19,630	2,670	16,721	239
1995	29,763	8,411	5,766	685	1,960	21,352	2,754	18,411	187
1996	31,177	8,957	5,978	631	2,348	22,220	2,790	19,312	118
1997	32,786	9,264	6,147	648	2,469	23,522	3,163	20,260	99
1998	33,056	8,944	6,071	613	2,259	24,112	2,723	21,308	81
1999	33,703	8,957	6,181	637	2,139	24,746	2,712	21,959	75
2000	35,587	9,278	6,327	712	2,239	26,308	2,773	23,464	71
2001 <sup>5</sup>	38,037	9,965	6,711	762	2,492	28,072	2,877	25,124	71
2002	40,251	10,945	7,094	836	3,015	29,306	2,997	26,246	63
2003	42,906	11,755	7,474	856	3,425	31,151	3,085	28,003	63
2004	46,524	12,673	7,887	935	3,852	33,851	3,143	30,645	62
2005	48,858	13,509	8,299	965	4,246	35,349	3,500	31,789	60
2006	49,238	13,916	8,368	1,001	4,547	35,322	3,855	31,411	55

See footnotes at end of table.

**Table 4.1—Continued**  
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Year	Total Hospital Insurance and/or Supplementary Medical Insurance Liability	Hospital Insurance (HI) Liability				Supplementary Medical Insurance (SMI) Liability			
		Total	Inpatient Hospital Copayments		Nursing Facility	Total	Deductible <sup>1,2</sup>	Coinsurance <sup>2</sup>	Balance Billing <sup>3</sup>
Dollars per Enrollee <sup>6</sup>									
1977	\$174	\$42	\$32	\$7	\$3	\$132	\$42	\$58	\$32
1978	192	49	38	8	3	143	42	66	35
1979	219	55	43	9	3	164	43	78	43
1980	256	64	50	11	4	192	44	92	56
1981	301	73	56	12	4	228	49	109	70
1982	364	96	73	18	5	268	56	32	80
1983	381	110	85	19	6	283	50	147	86
1984	388	113	93	14	7	286	52	157	77
1985	423	113	94	12	7	323	55	179	89
1986	461	135	115	13	7	341	56	197	88
1987	483	144	120	18	6	355	58	227	71
1988	495	154	124	21	10	358	59	242	57
1989 <sup>4</sup>	503	118	109	2	7	405	61	279	66
1990	583	177	134	17	26	428	62	298	68
1991	684	197	143	25	28	514	74	384	57
1992	696	202	145	25	32	520	79	416	26
1993	712	213	150	23	40	526	81	430	15
1994	813	240	165	23	51	608	83	518	7
1995	874	250	171	20	58	663	86	572	6
1996	925	269	180	19	71	699	88	608	4
1997	993	284	188	20	76	758	102	653	3
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1999	1,047	282	195	20	67	823	90	730	2
2000	1,087	287	196	22	69	863	91	770	2
2001 <sup>5</sup>	1,123	298	201	23	75	891	91	797	2
2002	1,151	317	205	24	87	900	92	806	2
2003	1,198	332	211	24	97	935	93	840	2
2004	1,280	352	219	26	107	1,004	93	909	2
2005	1,332	372	229	27	117	1,042	103	937	2
2006	1,374	392	236	28	128	1,073	117	955	2

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		Total	Inpatient Hospital Copayments		Nursing Facility	Total	Deductible <sup>1,2</sup>	Coinsurance <sup>2</sup>	Balance Billing <sup>3</sup>
Percent Distribution									
1977	100	24.3	18.8	3.8	1.7	75.7	23.4	34.4	17.9
1978	100	26.0	20.2	4.2	1.6	74.0	21.8	34.1	18.0
1979	100	25.6	19.8	4.4	1.5	74.4	19.6	35.1	19.6
1980	100	25.5	19.7	4.4	1.4	74.5	17.1	35.6	21.8
1981	100	24.7	19.2	4.2	1.3	75.3	16.1	36.1	23.2
1982	100	27.0	20.5	5.0	1.4	73.0	15.2	35.9	21.9
1983	100	28.4	21.9	4.9	1.6	71.6	12.7	37.2	21.7
1984	100	28.8	23.5	3.5	1.8	71.2	13.0	39.0	19.1
1985	100	26.3	21.8	2.9	1.6	73.7	12.6	40.8	20.3
1986	100	28.7	24.5	2.8	1.5	71.3	11.7	41.1	18.5
1987	100	29.3	24.4	3.6	1.3	70.7	11.5	45.2	14.1
1988	100	30.7	24.5	4.1	2.0	69.3	11.4	46.9	11.0
1989 <sup>4</sup>	100	23.1	21.4	0.4	1.4	76.9	11.5	52.9	12.5
1990	100	30.0	22.6	2.9	4.5	70.0	10.1	48.7	11.2
1991	100	28.4	20.7	3.6	4.1	71.6	10.2	53.5	7.9
1992	100	28.7	20.7	3.5	4.6	71.3	10.8	57.0	3.5
1993	100	29.6	20.8	3.2	5.6	70.4	10.8	57.6	2.0
1994	100	29.1	20.1	2.8	6.2	70.9	9.6	60.4	0.9
1995	100	28.3	19.4	2.3	6.6	71.7	9.3	61.9	0.6
1996	100	28.7	19.2	2.0	7.5	71.3	8.9	61.9	0.4
1997	100	28.3	18.7	2.0	7.5	71.7	9.6	61.8	0.3
1998	100	27.1	18.4	1.9	6.8	72.9	8.2	64.5	0.2
1999	100	26.6	18.3	1.9	6.3	73.4	8.0	65.2	0.2
2000	100	26.1	17.8	2.0	6.3	73.9	7.8	65.9	0.2
2001 <sup>5</sup>	100	26.2	17.6	2.0	6.6	73.8	7.6	66.1	0.2
2002	100	27.2	17.6	2.1	7.5	72.8	7.4	65.2	0.2
2003	100	27.4	17.4	2.0	8.0	72.6	7.2	65.3	0.1
2004	100	27.2	17.0	2.0	8.3	72.8	6.8	65.9	0.1
2005	100	27.6	17.0	2.0	8.7	72.4	7.2	65.1	0.1
2006	100	28.3	17.0	2.0	9.2	71.7	7.8	63.8	0.1

<sup>1</sup>The Omnibus Budget Reconciliation Act (OBRA) of 1981 raised the annual SMI deductible amount from \$60 to \$75 effective January 1, 1982. OBRA 1990 raised the deductible to \$100 effective January 1, 1991.

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**Table 4.2**  
**Medicare Persons Served and Cost-Sharing Liability, by Demographic Characteristics:**  
**Calendar Year 2005**

Demographic Characteristic	Persons Served <sup>1</sup>			Cost-Sharing Liability <sup>2</sup>			
	Number in Thousands	Per 1,000 Enrollees <sup>3</sup>	Percent	Amount in Millions	Percent	Average per Person With Liability <sup>4</sup>	Per Enrollee <sup>3</sup>
Total	33,506	913	100.0	\$48,858	100.0	\$1,485	\$1,332
<b>Sex</b>							
Male	14,084	867	42.0	21,084	43.2	1,531	1,297
Female	19,422	951	58.0	27,774	56.8	1,452	1,359
<b>Age</b>							
Under 65 Years	5,451	867	16.3	8,666	17.7	1,619	1,379
65-74 Years	13,368	858	39.9	16,508	33.8	1,258	1,059
75-84 Years	10,466	979	31.2	16,461	33.7	1,598	1,540
85 Years or Over	4,222	1,024	12.6	7,224	14.8	1,753	1,752
<b>Race<sup>5</sup></b>							
White	28,526	925	85.1	40,451	82.8	1,445	1,312
Other	4,933	854	14.7	8,336	17.1	1,715	1,443
<b>Type of Entitlement</b>							
Aged <sup>6</sup>	28,071	923	83.8	40,213	82.3	1,459	1,323
Disabled <sup>7</sup>	5,436	865	16.2	8,645	17.7	1,620	1,375
<b>CBSA Type<sup>8</sup></b>							
Urban	25,042	890	74.7	37,231	76.2	1,515	1,323
Rural	8,074	944	24.1	11,225	23.0	1,415	1,312

<sup>1</sup>Represents beneficiaries who received covered services under fee-for-service (FFS) and for whom program payments were made. Includes a small number of Medicare beneficiaries with no cost-sharing liability.

<sup>2</sup>Includes beneficiary balance billing cost-sharing liability.

<sup>3</sup>Medicare enrollees in managed care plans are not included in the denominator used to calculate utilization rates and average payments. The numerators for the ratios of persons served per 1,000 include beneficiaries alive and enrolled in FFS at any point in the year. Essentially every FFS enrollee over 85 alive at some point during the year has used a covered reimbursed service, rates over 1,000 may be seen

<sup>4</sup>Excludes persons who did not have cost-sharing liability.

<sup>5</sup>Excludes unknown race. Because of the availability of expanded codes for race, the methodology for calculating data for other race has been revised from earlier years.

<sup>6</sup>Includes aged persons with end stage renal disease (ESRD).

<sup>7</sup>Includes disabled persons with ESRD and persons entitled to Medicare because of ESRD only.

<sup>8</sup>Excludes outlying areas.

NOTES: A small amount of deductible payments can not be accounted for because of missing bills and truncating of cents. CBSA is core-based statistical areas. Numbers may not add to totals because of rounding.

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

**Table 4.2**  
**Medicare Persons Served and Cost-Sharing Liability, by Demographic Characteristics:**  
**Calendar Year 2006**

Demographic Characteristic	Persons Served <sup>1</sup>			Cost-Sharing Liability <sup>2</sup>			
	Number in Thousands	Per 1,000 Enrollees <sup>3</sup>	Percent	Amount in Millions	Percent	Average per Person With Liability <sup>4</sup>	Per Enrollee <sup>3</sup>
Total	33,063	922	100.0	\$49,238	100.0	\$1,519	\$1,374
<b>Sex</b>							
Male	13,945	874	42.2	21,265	43.2	1,561	1,333
Female	19,118	961	57.8	27,973	56.8	1,488	1,406
<b>Age</b>							
Under 65 Years	5,477	880	16.6	8,840	18.0	1,646	1,420
65-74 Years	13,114	864	39.7	16,484	33.5	1,282	1,086
75-84 Years	10,196	990	30.8	16,359	33.2	1,632	1,589
85 Years or Over	4,277	1,032	12.9	7,555	15.3	1,815	1,822
<b>Race<sup>5</sup></b>							
White	28,115	933	85.0	40,700	82.7	1,477	1,351
Other	4,905	867	14.8	8,469	17.2	1,757	1,498
<b>Type of Entitlement</b>							
Aged <sup>6</sup>	27,602	932	83.5	40,419	82.1	1,494	1,364
Disabled <sup>7</sup>	5,461	877	16.5	8,819	17.9	1,647	1,417
<b>CBSA Type<sup>8</sup></b>							
Urban	24,812	973	75.0	37,554	76.3	1,544	1,365
Rural	7,979	957	24.1	11,425	23.2	1,458	1,370

<sup>1</sup>Represents beneficiaries who received covered services under fee-for-service (FFS) and for whom program payments were made. Includes a small number of Medicare beneficiaries with no cost-sharing liability.

<sup>2</sup>Includes beneficiary balance billing cost-sharing liability.

<sup>3</sup>Medicare enrollees in managed care plans are not included in the denominator used to calculate utilization rates and average payments. The numerators for the ratios of persons served per 1,000 include beneficiaries alive and enrolled in FFS at any point in the year. Essentially every FFS enrollee over 85 alive at some point during the year has used a covered reimbursed service, rates over 1,000 may be seen.

<sup>4</sup>Excludes persons who did not have cost-sharing liability.

<sup>5</sup>Excludes unknown race. Because of the availability of expanded codes for race, the methodology for calculating data for other race has been revised from earlier years.

<sup>6</sup>Includes aged persons with end stage renal disease (ESRD).

<sup>7</sup>Includes disabled persons with ESRD and persons entitled to Medicare because of ESRD only.

<sup>8</sup>Excludes outlying areas.

NOTES: A small amount of deductible payments can not be accounted for because of missing bills and truncating of cents. CBSA is core-based statistical areas. Numbers may not add to totals because of rounding.

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

**Table 4.3**  
**Medicare Enrollees, Persons Served, and Beneficiary Cost-Sharing Liability, by Area of Residence: Calendar Year 2005**

Area of Residence <sup>1</sup>	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Number in Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability <sup>2</sup>	Per Enrollee <sup>3</sup>
All Areas <sup>4</sup>	42,499,593	5,815,087	13.7	33,506	100.0	\$48,858	100.0	\$1,485	1,332
United States	41,535,879	5,681,669	13.7	33,116	98.8	48,456	99.2	1,490	1,351
Northeast	8,326,904	1,421,932	17.1	6,240	18.6	9,664	19.8	1,574	1,400
Midwest	9,650,218	733,787	7.6	8,415	25.1	12,136	24.8	1,470	1,361
South	15,235,290	1,303,476	8.6	13,021	38.9	19,247	39.4	1,501	1,382
West	8,323,467	2,222,474	26.7	5,439	16.2	7,409	15.2	1,401	1,214
New England	2,191,766	250,275	11.4	1,751	5.2	2,601	5.3	1,509	1,340
Connecticut	525,380	29,703	5.7	458	1.4	710	1.5	1,574	1,432
Maine	235,359	485	0.2	212	0.6	276	0.6	1,324	1,175
Massachusetts	970,528	159,958	16.5	726	2.2	1,125	2.3	1,574	1,388
New Hampshire	191,793	2,106	1.1	167	0.5	237	0.5	1,440	1,249
Rhode Island	172,352	57,824	33.5	99	0.3	141	0.3	1,460	1,231
Vermont	96,354	199	0.2	89	0.3	112	0.2	1,280	1,165
Middle Atlantic	6,135,138	1,171,657	19.1	4,489	13.4	7,063	14.5	1,599	1,423
New Jersey	1,227,306	100,937	8.2	1,027	3.1	1,677	3.4	1,651	1,489
New York	2,775,996	540,644	19.5	2,005	6.0	3,240	6.6	1,640	1,449
Pennsylvania	2,131,836	530,076	24.9	1,457	4.3	2,146	4.4	1,504	1,340
East North Central	6,658,627	442,968	6.7	5,825	17.4	8,621	17.6	1,507	1,387
Illinois	1,690,970	91,833	5.4	1,473	4.4	2,233	4.6	1,543	1,396
Indiana	905,272	23,873	2.6	826	2.5	1,216	2.5	1,500	1,380
Michigan	1,482,713	24,846	1.7	1,368	4.1	2,091	4.3	1,553	1,434
Ohio	1,753,737	229,883	13.1	1,444	4.3	2,162	4.4	1,524	1,419
Wisconsin	825,935	72,533	8.8	714	2.1	919	1.9	1,318	1,220

See footnotes at end of table.

**Table 4.3—Continued**

**Medicare Enrollees, Persons Served, and Beneficiary Cost-Sharing Liability, by Area of Residence: Calendar Year 2005**

Area of Residence <sup>1</sup>	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Number in Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability <sup>2</sup>	Per Enrollee <sup>3</sup>
West North Central	2,991,591	290,819	9.7	2,591	7.7	\$3,514	7.2	\$1,385	1,301
Iowa	489,637	26,300	5.4	451	1.3	564	1.2	1,277	1,217
Kansas	401,878	15,368	3.8	362	1.1	524	1.1	1,469	1,356
Minnesota	697,522	119,796	17.2	584	1.7	714	1.5	1,264	1,236
Missouri	912,404	114,662	12.6	746	2.2	1,090	2.2	1,487	1,366
Nebraska	261,439	12,445	4.8	238	0.7	351	0.7	1,503	1,410
North Dakota	103,774	1,473	1.4	97	0.3	130	0.3	1,357	1,271
South Dakota	124,937	775	0.6	113	0.3	141	0.3	1,275	1,136
South Atlantic	8,256,733	788,422	9.5	6,996	20.9	10,436	21.4	1,513	1,397
Delaware	127,798	1,058	0.8	119	0.4	174	0.4	1,483	1,373
District of Columbia	73,256	5,355	7.3	56	0.2	85	0.2	1,536	1,252
Florida	3,045,775	591,083	19.4	2,317	6.9	3,870	7.9	1,699	1,577
Georgia	1,038,955	27,936	2.7	943	2.8	1,313	2.7	1,412	1,299
Maryland	694,546	30,556	4.4	600	1.8	914	1.9	1,544	1,377
North Carolina	1,277,358	78,460	6.1	1,144	3.4	1,642	3.4	1,453	1,370
South Carolina	650,941	9,855	1.5	602	1.8	838	1.7	1,407	1,307
Virginia	992,718	21,782	2.2	897	2.7	1,172	2.4	1,326	1,207
West Virginia	355,386	22,337	6.3	319	1.0	428	0.9	1,367	1,285
East South Central	2,809,656	179,076	6.4	2,470	7.4	3,500	7.2	1,438	1,331
Alabama	755,209	68,330	9.0	645	1.9	895	1.8	1,404	1,303
Kentucky	678,427	19,620	2.9	617	1.8	859	1.8	1,414	1,304
Mississippi	454,305	2,917	0.6	421	1.3	614	1.3	1,478	1,360
Tennessee	921,715	88,209	9.6	786	2.3	1,132	2.3	1,463	1,358
West South Central	4,168,901	335,978	8.1	3,555	10.6	5,312	10.9	1,520	1,386
Arkansas	472,341	2,684	0.6	426	1.3	576	1.2	1,367	1,226
Louisiana	610,147	68,102	11.2	510	1.5	796	1.6	1,588	1,469
Oklahoma	541,496	45,408	8.4	461	1.4	618	1.3	1,370	1,246
Texas	2,544,917	219,784	8.6	2,158	6.4	3,321	6.8	1,566	1,428

See footnotes at end of table.

**Table 4.3—Continued**  
**Medicare Enrollees, Persons Served, and Beneficiary Cost-Sharing Liability, by Area of Residence: Calendar Year 2005**

Area of Residence <sup>1</sup>	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Number in Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability <sup>2</sup>	Per Enrollee <sup>3</sup>
Mountain	2,528,012	520,311	20.6	1,827	5.5	\$2,317	4.7	\$1,307	1,154
Arizona	793,632	213,486	26.9	513	1.5	656	1.3	1,319	1,131
Colorado	522,334	140,777	27.0	363	1.1	476	1.0	1,359	1,248
Idaho	192,314	20,980	10.9	161	0.5	195	0.4	1,252	1,138
Montana	148,004	1,892	1.3	137	0.4	169	0.3	1,260	1,157
Nevada	296,805	85,286	28.7	183	0.5	257	0.5	1,451	1,215
New Mexico	266,869	43,719	16.4	194	0.6	232	0.5	1,226	1,040
Utah	237,093	13,051	5.5	209	0.6	246	0.5	1,204	1,098
Wyoming	70,961	1,120	1.6	66	0.2	86	0.2	1,344	1,231
Pacific	5,795,455	1,702,163	29.4	3,612	10.8	5,092	10.4	1,448	1,244
Alaska	51,886	230	0.4	44	0.1	61	0.1	1,418	1,181
California	4,200,640	1,338,993	31.9	2,478	7.4	3,722	7.6	1,538	1,301
Hawaii	181,711	59,908	33.0	115	0.3	118	0.2	1,065	969
Oregon	539,849	175,316	32.5	358	1.1	399	0.8	1,167	1,095
Washington	821,369	127,716	15.5	618	1.8	793	1.6	1,315	1,143
Outlying Areas <sup>5</sup>	963,714	133,418	13.8	391	1.2	402	0.8	1,053	484

<sup>1</sup>Based on the area of residence of the beneficiary.

<sup>2</sup>Does not reflect beneficiaries who received covered services and program payments, but for whom no cost-sharing liability was reported during the year.

<sup>3</sup>Medicare enrollees in managed care plans are not included in the denominator used to calculate the average cost-sharing liability per enrollee.

<sup>4</sup>Includes 50 States, District of Columbia, and outlying areas.

<sup>5</sup>Includes Puerto Rico, Guam, Virgin Islands, residence unknown, and all other outlying areas not shown separately.

NOTES: A small amount of deductible payments can not be accounted for because of missing bills and truncating of cents. Numbers may not add to totals because of rounding.

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

**Table 4.3**  
**Medicare Enrollees, Persons Served, and Beneficiary Cost-Sharing Liability, by Area of Residence: Calendar Year 2006**

Area of Residence <sup>1</sup>	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Number in Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability <sup>2</sup>	Per Enrollee <sup>3</sup>
All Areas <sup>4</sup>	43,338,571	7,491,353	17.3	33,063	100.0	\$49,238	100.0	\$1,519	1,374
United States	42,355,590	7,179,052	16.9	32,792	99.2	48,980	99.5	1,523	1,392
Northeast	8,425,216	1,664,728	19.8	6,127	18.5	9,659	19.6	1,604	1,429
Midwest	9,803,268	1,094,361	11.2	8,315	25.1	12,290	25.0	1,507	1,411
South	15,605,404	1,908,512	12.2	12,960	39.2	19,573	39.8	1,535	1,429
West	8,521,702	2,511,451	29.5	5,389	16.3	7,457	15.1	1,427	1,241
New England	2,222,961	268,309	12.1	1,761	5.3	2,688	5.5	1,551	1,375
Connecticut	530,034	38,830	7.3	457	1.4	725	1.5	1,610	1,476
Maine	240,568	2,472	1.0	213	0.6	285	0.6	1,355	1,197
Massachusetts	981,691	164,018	16.7	730	2.2	1,160	2.4	1,615	1,419
New Hampshire	197,821	2,878	1.5	171	0.5	255	0.5	1,515	1,308
Rhode Island	173,776	59,663	34.3	99	0.3	140	0.3	1,469	1,227
Vermont	99,071	448	0.5	91	0.3	122	0.2	1,364	1,237
Middle Atlantic	6,202,255	1,396,419	22.5	4,367	13.2	6,971	14.2	1,625	1,451
New Jersey	1,241,698	111,777	9.0	1,030	3.1	1,731	3.5	1,701	1,532
New York	2,804,725	616,264	22.0	1,961	5.9	3,177	6.5	1,644	1,452
Pennsylvania	2,155,832	668,378	31.0	1,376	4.2	2,064	4.2	1,539	1,388
East North Central	6,763,777	671,184	9.9	5,771	17.5	8,808	17.9	1,554	1,446
Illinois	1,712,828	116,833	6.8	1,474	4.5	2,325	4.7	1,606	1,457
Indiana	922,553	59,990	6.5	820	2.5	1,238	2.5	1,537	1,435
Michigan	1,510,532	85,348	5.7	1,358	4.1	2,138	4.3	1,601	1,500
Ohio	1,778,058	277,242	15.6	1,439	4.4	2,208	4.5	1,562	1,471
Wisconsin	839,806	131,771	15.7	680	2.1	899	1.8	1,353	1,270

See footnotes at end of table.

**Table 4.3– Continued**  
**Medicare Enrollees, Persons Served, and Beneficiary Cost-Sharing Liability, by Area of Residence: Calendar Year 2006**

Area of Residence <sup>1</sup>	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Number in Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability <sup>2</sup>	Per Enrollee <sup>3</sup>
West North Central	3,039,491	423,177	13.9	2,543	7.7	\$3,482	7.1	\$1,400	1,331
Iowa	494,523	47,010	9.5	440	1.3	570	1.2	1,327	1,274
Kansas	406,456	25,174	6.2	359	1.1	511	1.0	1,445	1,340
Minnesota	713,242	184,462	25.9	549	1.7	678	1.4	1,280	1,282
Missouri	929,501	136,614	14.7	749	2.3	1,109	2.3	1,507	1,399
Nebraska	264,307	21,130	8.0	235	0.7	338	0.7	1,459	1,390
North Dakota	104,418	5,428	5.2	96	0.3	124	0.3	1,305	1,253
South Dakota	127,044	3,359	2.6	114	0.3	152	0.3	1,352	1,229
South Atlantic	8,439,182	1,115,250	13.2	6,960	21.1	10,616	21.6	1,548	1,449
Delaware	131,832	2,163	1.6	122	0.4	174	0.4	1,444	1,342
District of Columbia	73,575	5,592	7.6	57	0.2	95	0.2	1,679	1,397
Florida	3,079,554	705,181	22.9	2,270	6.9	3,929	8.0	1,761	1,655
Georgia	1,075,265	74,977	7.0	949	2.9	1,351	2.7	1,443	1,351
Maryland	708,049	36,771	5.2	607	1.8	977	2.0	1,630	1,455
North Carolina	1,317,754	143,817	10.9	1,135	3.4	1,593	3.2	1,422	1,357
South Carolina	673,965	42,459	6.3	602	1.8	859	1.7	1,446	1,360
Virginia	1,017,880	72,606	7.1	899	2.7	1,200	2.4	1,354	1,269
West Virginia	361,308	31,684	8.8	319	1.0	439	0.9	1,404	1,332
East South Central	2,878,078	301,594	10.5	2,448	7.4	3,544	7.2	1,471	1,376
Alabama	772,280	96,661	12.5	642	1.9	901	1.8	1,425	1,334
Kentucky	694,894	48,514	7.0	617	1.9	892	1.8	1,473	1,380
Mississippi	461,641	17,467	3.8	418	1.3	623	1.3	1,514	1,403
Tennessee	949,263	138,952	14.6	771	2.3	1,128	2.3	1,486	1,392
West South Central	4,288,144	491,668	11.5	3,552	10.7	5,413	11.0	1,552	1,426
Arkansas	484,836	26,156	5.4	425	1.3	579	1.2	1,380	1,262
Louisiana	624,151	89,522	14.3	500	1.5	806	1.6	1,645	1,508
Oklahoma	553,545	58,122	10.5	463	1.4	633	1.3	1,401	1,278
Texas	2,625,612	317,868	12.1	2,164	6.5	3,396	6.9	1,597	1,472

See footnotes at end of table.

**Table 4.3– Continued**  
**Medicare Enrollees, Persons Served, and Beneficiary Cost-Sharing Liability, by Area of Residence: Calendar Year 2006**

Area of Residence <sup>1</sup>	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Number in Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability <sup>2</sup>	Per Enrollee <sup>3</sup>
Mountain	2,607,186	683,189	26.2	1,783	5.4	\$2,315	4.7	\$1,344	1,203
Arizona	815,115	283,965	34.8	484	1.5	626	1.3	1,351	1,179
Colorado	539,883	160,455	29.7	365	1.1	487	1.0	1,388	1,284
Idaho	199,505	33,870	17.0	159	0.5	196	0.4	1,263	1,183
Montana	151,738	12,042	7.9	135	0.4	168	0.3	1,278	1,203
Nevada	306,777	90,590	29.5	185	0.6	270	0.5	1,503	1,249
New Mexico	275,806	56,629	20.5	194	0.6	241	0.5	1,277	1,100
Utah	245,960	42,630	17.3	196	0.6	240	0.5	1,258	1,180
Wyoming	72,402	3,008	4.2	65	0.2	88	0.2	1,382	1,268
Pacific	5,914,516	1,828,262	30.9	3,606	10.9	5,142	10.4	1,467	1,258
Alaska	54,305	317	0.6	45	0.1	56	0.1	1,282	1,037
California	4,275,113	1,408,183	32.9	2,484	7.5	3,766	7.6	1,557	1,314
Hawaii	185,449	66,671	36.0	113	0.3	116	0.2	1,061	977
Oregon	552,856	205,859	37.2	340	1.0	383	0.8	1,183	1,104
Washington	846,793	147,232	17.4	624	1.9	821	1.7	1,347	1,174
Outlying Areas <sup>5</sup>	982,981	312,301	31.8	272	0.8	258	0.5	998	385

<sup>1</sup>Based on the area of residence of the beneficiary.

<sup>2</sup>Does not reflect beneficiaries who received covered services and program payments, but for whom no cost-sharing liability was reported during the year.

<sup>3</sup>Medicare enrollees in managed care plans are not included in the denominator used to calculate the average cost-sharing liability per enrollee.

<sup>4</sup>Includes 50 States, District of Columbia, and outlying areas.

<sup>5</sup>Includes Puerto Rico, Guam, Virgin Islands, residence unknown, and all other outlying areas not shown separately.

NOTES: A small amount of deductible payments can not be accounted for because of missing bills and truncating of cents. Numbers may not add to totals because of rounding.

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

Table 4.4

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

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

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

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

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

**Table 4.4**

**Number of Persons Served and Cost-Sharing Liability for Medicare Beneficiaries, by Type of Liability and Type of Coverage:  
Calendar Year 2006**

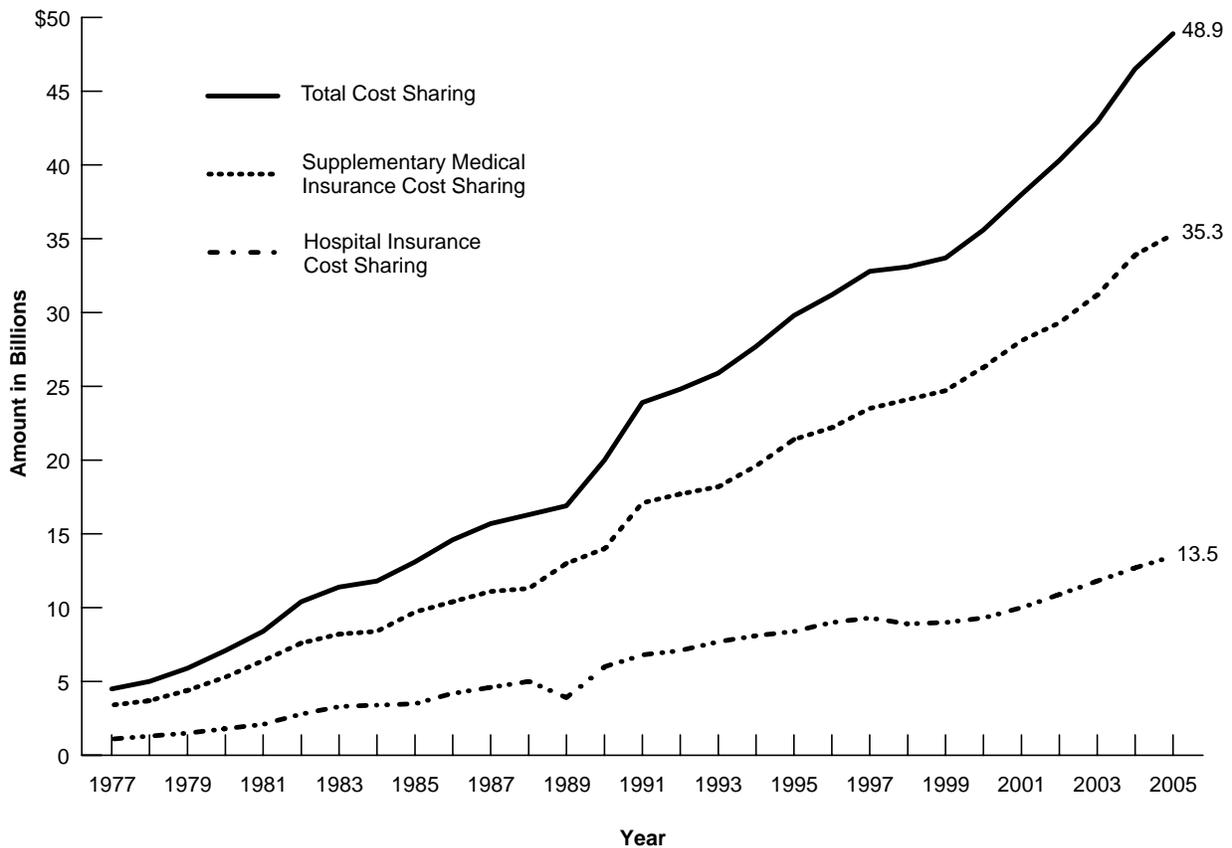
Amount of Cost-Sharing Liability Incurred	Total HI and/or SMI Liability	Hospital Insurance (HI)			Supplementary Medical Insurance (SMI)			Balance Billing
		Total	Deductible	Coinsurance	Total	Deductible	Coinsurance	
Number of Persons Served								
Total	33,064,160	7,447,280	7,348,900	1,112,280	32,275,240	31,577,380	31,517,540	1,887,180
\$1 - \$499	14,535,100	1,060	20	1,040	13,885,680	13,392,400	13,138,960	574,440
\$500 - \$999	5,909,180	122,280	119,540	2,760	5,794,940	5,738,960	5,794,560	413,040
\$1,000 - \$1,999	5,742,260	2,084,160	2,075,620	24,060	5,727,640	5,648,580	5,717,780	405,700
\$2,000 - \$4,999	5,002,700	3,667,320	3,639,940	304,660	4,997,020	4,948,040	4,996,360	377,140
\$5,000 - \$9,999	1,238,860	1,009,680	979,560	403,300	1,235,900	1,222,900	1,235,860	86,060
\$10,000 - \$14,999	451,340	398,300	384,540	264,480	449,880	444,000	449,840	22,140
\$15,000 or More	184,720	164,480	149,680	111,980	184,180	182,500	184,180	8,660
Liability in Thousands								
Total	\$49,237,872	\$13,916,225	\$8,368,023	\$5,548,203	\$35,321,647	\$3,855,337	\$31,410,940	\$55,370
\$1 - \$499	3,501,152	242	9	233	3,500,909	1,609,907	1,882,112	8,890
\$500 - \$999	4,234,773	114,607	113,464	1,143	4,120,166	708,909	3,401,198	10,059
\$1,000 - \$1,999	8,373,813	1,998,687	1,987,329	11,359	6,375,126	697,072	5,665,533	12,521
\$2,000 - \$4,999	15,121,312	4,542,192	4,151,488	390,703	10,579,120	611,061	9,951,613	16,446
\$5,000 - \$9,999	8,509,672	2,886,964	1,398,784	1,488,180	5,622,708	151,054	5,466,407	5,247
\$10,000 - \$14,999	5,465,079	2,624,113	500,426	2,123,687	2,840,966	54,793	2,784,669	1,504
\$15,000 or More	4,032,071	1,749,419	216,521	1,532,898	2,282,652	22,542	2,259,407	703
Average Liability per Person Served								
Total	\$1,489	\$1,869	\$1,139	\$4,988	\$1,094	\$122	\$997	\$29
\$1 - \$499	241	228	446	224	252	120	143	15
\$500 - \$999	717	937	949	414	711	124	587	24
\$1,000 - \$1,999	1,458	959	957	472	1,113	123	991	31
\$2,000 - \$4,999	3,023	1,239	1,141	1,282	2,117	123	1,992	44
\$5,000 - \$9,999	6,869	2,859	1,428	3,690	4,549	124	4,423	61
\$10,000 - \$14,999	12,109	6,588	1,301	8,030	6,315	123	6,190	68
\$15,000 or More	21,828	10,636	1,447	13,689	12,394	124	12,267	81

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

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

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

## Figure 4.1 Trends in Medicare Cost-Sharing Liability: Calendar Years 1977-2005

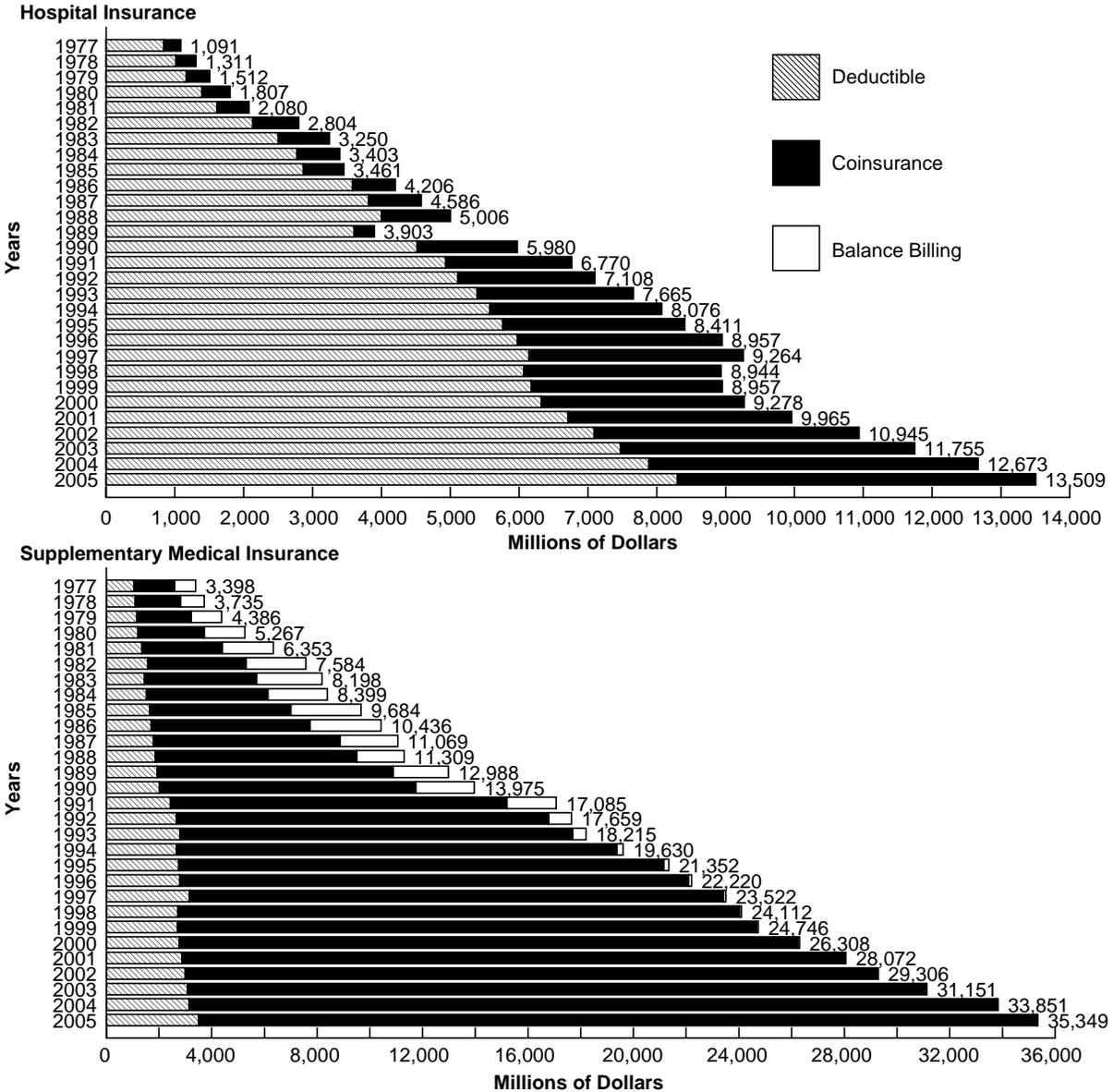


NOTES: The temporary decline in hospital insurance cost sharing in 1989 was because of the one-year impact of the Medicare Catastrophic Coverage Act of 1988 which was repealed, effective January 1, 1990. Estimates of cost-sharing liability beginning in 1999 are significantly higher than those reported for prior years because of improvements in the methodology used to calculate Part B cost sharing. The amounts shown for supplementary medical insurance for calendar years 1991-1998 are actuarial estimates and represent revisions. Data for earlier years have not been revised. Calendar year 2001 data are estimates using other sources that involve alternative estimation algorithms and should be used with caution with data for other years.

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

## Figure 4.2

### Total Cost-Sharing Liability for Medicare Beneficiaries, by Type of Coverage: Calendar Years 1977-2005

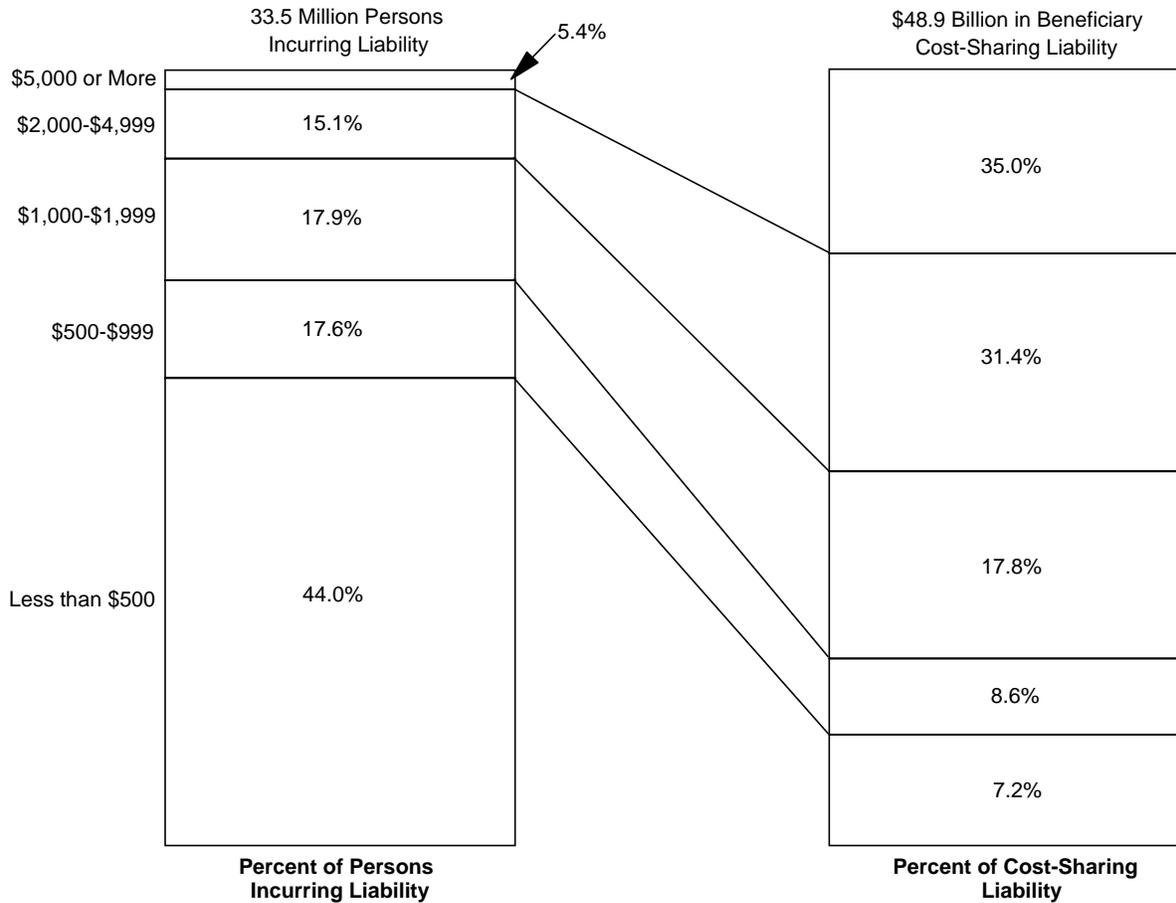


NOTES: The temporary decline in hospital insurance cost sharing in 1989 was because of the one-year impact of the Medicare Catastrophic Coverage Act of 1988 which was repealed, effective January 1, 1990. Estimates of cost-sharing liability beginning in 1999 are significantly higher than those reported for prior years because of improvements in the methodology used to calculate Part B cost sharing. The amounts shown for supplementary medical insurance for calendar years 1991-1998 are actuarial estimates and represent revisions. Data for earlier years have not been revised. Calendar year 2001 data are estimates using other sources that involve alternative estimation algorithms and should be used with caution with data for other years.

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

### Figure 4.3

## Distribution of Medicare Persons Served and Amount of Cost-Sharing Liability: Calendar Year 2005



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

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