

Table 4.1
Amount of Cost-Sharing Liability for Medicare Beneficiaries, by Type of Coverage, and
Type of Cost-Sharing Liability: Calendar Years 1977-2008

Year	Total Hospital Insurance and/or Supplementary Medical Insurance Liability	Hospital Insurance (HI) Liability				Supplementary Medical Insurance (SMI) Liability			
		Total	Inpatient Hospital Copayments		Skilled Nursing Facility	Total	Deductible ^{1,2}	Coinsurance ²	Balanced Billing ³
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 ⁴	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 ⁵	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
2007	50,246	14,394	8,471	1,051	4,872	35,852	3,990	31,812	50
2008	51,409	14,801	8,534	1,121	5,146	36,608	4,067	32,495	46

See footnotes at end of table.

Table 4.1--Continued

**Amount of Cost-Sharing Liability for Medicare Beneficiaries, by Type of Coverage, and
Type of Cost-Sharing Liability: Calendar Years 1977-2008**

Year	Total Hospital Insurance and/or Supplementary Medical Insurance Liability	Hospital Insurance (HI) Liability				Supplementary Medical Insurance (SMI) Liability			
		Total	Inpatient Hospital Copayments		Skilled Nursing Facility Coinsurance	Total	Deductible ^{1,2}	Coinsurance ²	Balanced Billing ³
Dollars per Enrollee ⁶									
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 ⁴	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 ⁵	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
2007	1,416	410	241	30	139	1,109	123	984	2
2008	1,456	423	244	32	147	1,147	127	1018	1

See footnotes at end of table.

Table 4.1--Continued

**Amount of Cost-Sharing Liability for Medicare Beneficiaries, by Type of Coverage, and
Type of Cost-Sharing Liability: Calendar Years 1977-2008**

Year	Total Hospital Insurance and/or Supplementary Medical Insurance Liability	Hospital Insurance (HI) Liability				Supplementary Medical Insurance (SMI) Liability			
		Total	Inpatient Hospital Copayments		Skilled Nursing Facility	Total	Deductible ^{1,2}	Coinsurance ²	Balanced Billing ³
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 ⁴	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 ⁵	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
2007	100	28.6	16.9	2.1	9.7	71.4	7.9	63.3	0.1
2008	100	28.8	16.6	2.2	10.0	71.2	7.9	63.2	0.1

¹The 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. At present the deductible is \$135

²In 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.

³Balance 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 2007 a physician could not charge more than 115 percent of the amount listed in the Medicare Physician Fee Schedule for non-participating physicians.

⁴Under 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

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

⁶Beginning 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.

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.

Table 4.2
Medicare Persons Served and Cost-Sharing Liability, by Demographic Characteristics:
Calendar Year 2008

Demographic Characteristic	Persons Served ^d			Cost-Sharing Liability ²			
	Number in Thousands	Per 1,000 'Enrollees ³	Percent	Amount in Millions	Percent	Average per Person With Liability ⁴	Per Enrollee ³
Total	32,058	908	100.0	\$51,409	100.0	\$1,638	\$1,456
Sex							
Male	13,613	857	42.5	22,113	43.0	1,665	1,392
Female	18,445	949	57.5	29,296	57.0	1,619	1,508
Age							
Under 65 Years	5,573	876	17.4	9,669	18.8	1,771	1,521
65-74 Years	12,744	839	39.8	17,131	33.3	1,371	1,128
75-84 Years	9,419	982	29.4	16,246	31.6	1,759	1,694
85 Years or Over	4,322	1,032	13.5	8,364	16.3	1,999	1,997
Race⁵							
White	27,162	919	84.7	42,421	82.5	1,596	1,435
Other	4,859	852	15.2	8,922	17.4	1,874	1,565
Type of Entitlement							
Aged ⁶	26,499	915	82.7	41,764	81.2	1,611	1,442
Disabled ⁷	5,559	874	17.3	9,645	18.8	1,770	1,517
CBSA Type⁸							
Urban	24,243	911	75.6	39,343	76.5	1,659	1,478
Rural	7,643	949	23.8	11,854	23.1	1,580	1,471

¹Represents 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.

²Includes beneficiary balance billing cost-sharing liability.

³Medicare 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

⁴Excludes persons who did not have cost-sharing liability.

⁵Excludes 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.

⁶Includes aged persons with end stage renal disease (ESRD).

⁷Includes disabled persons with ESRD and persons entitled to Medicare because of ESRD only.

⁸Excludes 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 2008

Area of Residence ¹	Enrollees		Managed Care as Percent of Total	Persons Served		Cost-Sharing Liability			
	Total	Managed Care		Thousands	Percent	Amount in Millions	Percent	Average per Person with Liability ²	Per Enrollee ³
All Areas ⁴	45,411,883	10,091,796	22.2	32,058	100.0	\$51,409	100.0	\$1,638	1,456
United States	44,384,954	9,713,049	21.9	31,886	99.5	51,197	99.6	1,640	1,477
Northeast	8,710,125	2,093,043	24.0	5,980	18.7	10,041	19.5	1,713	1,517
Midwest	10,182,276	1,894,379	18.6	7,802	24.3	12,527	24.4	1,642	1,511
South	16,471,451	2,870,704	17.4	12,688	39.6	20,535	39.9	1,646	1,510
West	9,021,102	2,854,923	31.6	5,417	16.9	8,094	15.7	1,542	1,313
New England	2,315,028	360,673	15.6	1,751	5.5	2,836	5.5	1,649	1,451
Connecticut	548,703	79,185	14.4	430	1.3	740	1.4	1,749	1,576
Maine	253,188	14,385	5.7	216	0.7	310	0.6	1,459	1,298
Massachusetts	1,018,689	189,075	18.6	738	2.3	1,230	2.4	1,695	1,483
New Hampshire	211,657	11,097	5.2	175	0.5	275	0.5	1,604	1,371
Rhode Island	177,874	63,563	35.7	98	0.3	146	0.3	1,560	1,277
Vermont	104,917	3,368	3.2	94	0.3	134	0.3	1,449	1,320
Middle Atlantic	6,395,097	1,732,370	27.1	4,229	13.2	7,205	14.0	1,739	1,545
New Jersey	1,282,636	134,064	10.5	1,044	3.3	1,890	3.7	1,832	1,646
New York	2,891,085	781,967	27.0	1,863	5.8	3,220	6.3	1,757	1,527
Pennsylvania	2,221,376	816,339	36.7	1,322	4.1	2,095	4.1	1,639	1,491
East North Central	7,032,922	1,310,700	18.6	5,336	16.6	8,814	17.1	1,688	1,540
Illinois	1,774,555	164,201	9.3	1,471	4.6	2,495	4.9	1,728	1,549
Indiana	964,240	123,173	12.8	786	2.5	1,285	2.5	1,668	1,528
Michigan	1,579,631	345,732	21.9	1,165	3.6	1,966	3.8	1,726	1,593
Ohio	1,840,714	464,689	25.2	1,297	4.0	2,156	4.2	1,702	1,567
Wisconsin	873,782	212,905	24.4	617	1.9	912	1.8	1,516	1,380
West North Central	3,149,354	583,679	18.5	2,466	7.7	3,713	7.2	1,541	1,447
Iowa	506,152	59,960	11.8	426	1.3	617	1.2	1,477	1,383
Kansas	417,996	38,691	9.3	355	1.1	560	1.1	1,597	1,476
Minnesota	749,065	256,232	34.2	515	1.6	695	1.4	1,405	1,410
Missouri	966,061	177,171	18.3	737	2.3	1,180	2.3	1,635	1,496
Nebraska	271,368	30,571	11.3	228	0.7	364	0.7	1,625	1,512
North Dakota	106,666	8,173	7.7	94	0.3	143	0.3	1,536	1,452
South Dakota	132,046	12,881	9.8	110	0.3	154	0.3	1,430	1,292
South Atlantic	8,905,146	1,622,291	18.2	6,807	21.2	11,077	21.5	1,653	1,521
Delaware	141,080	5,727	4.1	127	0.4	207	0.4	1,649	1,529
District of Columbia	75,125	7,518	10.0	57	0.2	102	0.2	1,824	1,509
Florida	3,211,813	868,269	27.0	2,196	6.8	4,029	7.8	1,869	1,719
Georgia	1,152,522	148,817	12.9	937	2.9	1,424	2.8	1,543	1,419
Maryland	744,564	53,682	7.2	625	1.9	1,083	2.1	1,759	1,568
North Carolina	1,404,787	226,313	16.1	1,117	3.5	1,664	3.2	1,509	1,412
South Carolina	723,726	96,777	13.4	592	1.8	884	1.7	1,515	1,410
Virginia	1,078,534	131,901	12.2	877	2.7	1,273	2.5	1,472	1,345
West Virginia	372,995	83,287	22.3	280	0.9	412	0.8	1,505	1,422

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 2008

Area of Residence ¹	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 ²	Per Enrollee ³
East South Central	3,020,818	498,303	16.5	2,377	7.4	\$3,718	7.2	\$1,590	1,474
Alabama	809,193	153,187	18.9	622	1.9	938	1.8	1,536	1,430
Kentucky	728,218	99,508	13.7	591	1.8	925	1.8	1,591	1,471
Mississippi	479,231	40,824	8.5	412	1.3	695	1.4	1,713	1,585
Tennessee	1,004,176	204,784	20.4	752	2.3	1,160	2.3	1,568	1,451
West South Central	4,545,487	750,110	16.5	3,504	10.9	5,740	11.2	1,669	1,512
Arkansas	508,767	62,296	12.2	407	1.3	592	1.2	1,475	1,326
Louisiana	656,392	134,216	20.4	483	1.5	844	1.6	1,784	1,616
Oklahoma	578,488	77,775	13.4	465	1.5	694	1.3	1,524	1,386
Texas	2,801,840	475,823	17.0	2,149	6.7	3,610	7.0	1,712	1,552
Mountain	2,788,081	818,579	29.4	1,780	5.6	2,516	4.9	1,464	1,277
Arizona	869,591	312,863	36.0	498	1.6	710	1.4	1,488	1,275
Colorado	579,322	186,048	32.1	373	1.2	521	1.0	1,455	1,325
Idaho	214,247	52,773	24.6	148	0.5	200	0.4	1,387	1,239
Montana	160,441	24,049	15.0	127	0.4	174	0.3	1,403	1,276
Nevada	330,003	99,589	30.2	197	0.6	317	0.6	1,661	1,376
New Mexico	294,269	67,149	22.8	196	0.6	266	0.5	1,385	1,171
Utah	264,086	71,995	27.3	173	0.5	240	0.5	1,427	1,249
Wyoming	76,122	4,113	5.4	67	0.2	89	0.2	1,377	1,236
Pacific	6,233,021	2,036,344	32.7	3,637	11.3	5,578	10.9	1,579	1,329
Alaska	59,781	596	1.0	48	0.2	65	0.1	1,367	1,098
California	4,491,586	1,529,521	34.1	2,545	7.9	4,140	8.1	1,674	1,398
Hawaii	194,183	72,151	37.2	112	0.3	122	0.2	1,129	1,000
Oregon	584,222	235,271	40.3	312	1.0	386	0.8	1,294	1,106
Washington	903,249	198,805	22.0	620	1.9	866	1.7	1,432	1,229
Outlying Areas ⁵	1,026,929	378,747	36.9	172	0.5	212	0.4	1,325	327

¹Based on the area of residence of the beneficiary.

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

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

⁴Includes 50 States, District of Columbia, and outlying areas.

⁵Includes 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 2008**

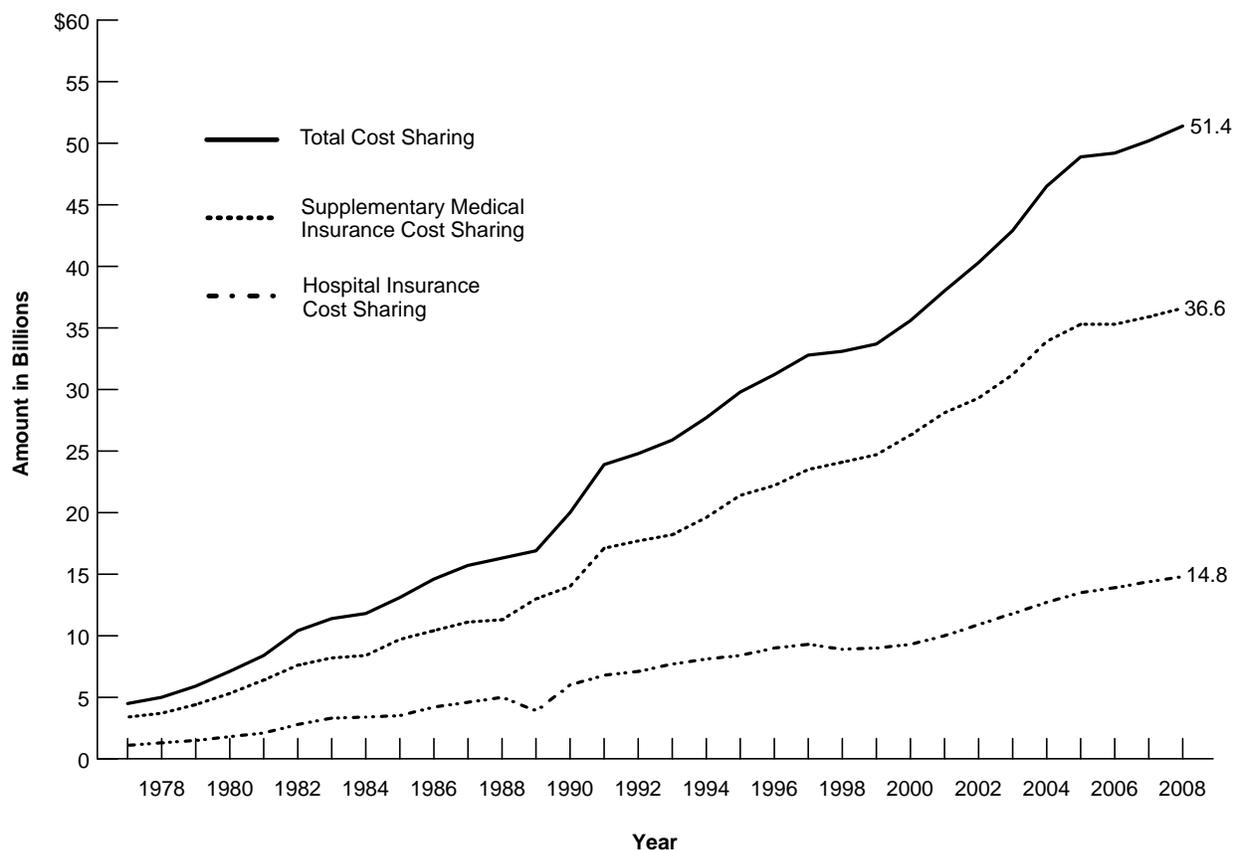
Amount of Cost-Sharing Liability Incurred	Total HI and/or SMI Liability	Hospital Insurance (HI)			Supplementary Medical Insurance (SMI)			Balance Billing
		Total	Deductible	Coinsurance	Total	Deductible	Coinsurance	
Number of Persons Served ¹								
Total	32,059,140	7,090,860	6,981,860	1,157,080	31,228,140	30,559,120	30,559,600	1,560,720
\$1 - \$499	13,452,580	1,320	40	1,280	12,772,180	12,295,120	12,113,620	448,280
\$500 - \$999	5,885,400	7,460	4,320	3,140	5,880,660	5,832,480	5,880,660	353,280
\$1,000 - \$1,999	5,541,800	1,744,860	1,735,800	18,760	5,421,740	5,347,260	5,412,520	327,380
\$2,000 - \$4,999	5,118,020	3,625,140	3,596,340	285,840	5,098,520	5,051,620	5,097,860	324,600
\$5,000 - \$9,999	1,345,880	1,075,640	1,044,240	413,940	1,342,340	1,328,920	1,342,300	75,700
\$10,000 - \$14,999	478,420	422,560	404,900	279,920	476,280	469,100	476,220	20,940
\$15,000 or More	237,040	213,880	196,220	154,200	236,420	234,620	236,420	10,540
Liability in Thousands								
Total	\$51,408,821	\$14,800,826	\$8,534,499	\$6,266,327	\$36,607,994	\$4,067,316	\$32,494,557	\$46,121
\$1 - \$499	3,361,574	301	11	290	3,361,273	1,610,522	1,743,739	7,012
\$500 - \$999	4,193,740	5,537	4,197	1,340	4,188,202	784,790	3,394,656	8,756
\$1,000 - \$1,999	8,039,319	1,786,550	1,776,104	10,447	6,252,769	718,777	5,523,849	10,143
\$2,000 - \$4,999	15,536,042	4,661,165	4,299,517	361,649	10,874,877	679,747	10,181,835	13,295
\$5,000 - \$9,999	9,258,354	3,094,246	1,591,348	1,502,899	6,164,107	178,812	5,980,365	4,932
\$10,000 - \$14,999	5,857,110	2,861,193	561,322	2,299,871	2,995,917	63,084	2,931,729	1,105
\$15,000 or More	5,162,682	2,391,834	302,001	2,089,832	2,770,849	31,583	2,738,386	880
Average Liability per Person Served ¹								
Total	\$1,604	\$2,087	\$1,222	\$5,416	\$1,172	\$133	\$1,063	\$30
\$1 - \$499	250	228	273	226	263	131	144	16
\$500 - \$999	713	742	972	427	712	135	577	25
\$1,000 - \$1,999	1,451	1,024	1,023	557	1,153	134	1,021	31
\$2,000 - \$4,999	3,036	1,286	1,196	1,265	2,133	135	1,997	41
\$5,000 - \$9,999	6,879	2,877	1,524	3,631	4,592	135	4,455	65
\$10,000 - \$14,999	12,243	6,771	1,386	8,216	6,290	134	6,156	53
\$15,000 or More	21,780	11,183	1,539	13,553	11,720	135	11,583	83

¹Represents beneficiaries who received covered services under fee-for-service and includes a small number for whom no program payments were reported.

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 1977-2008

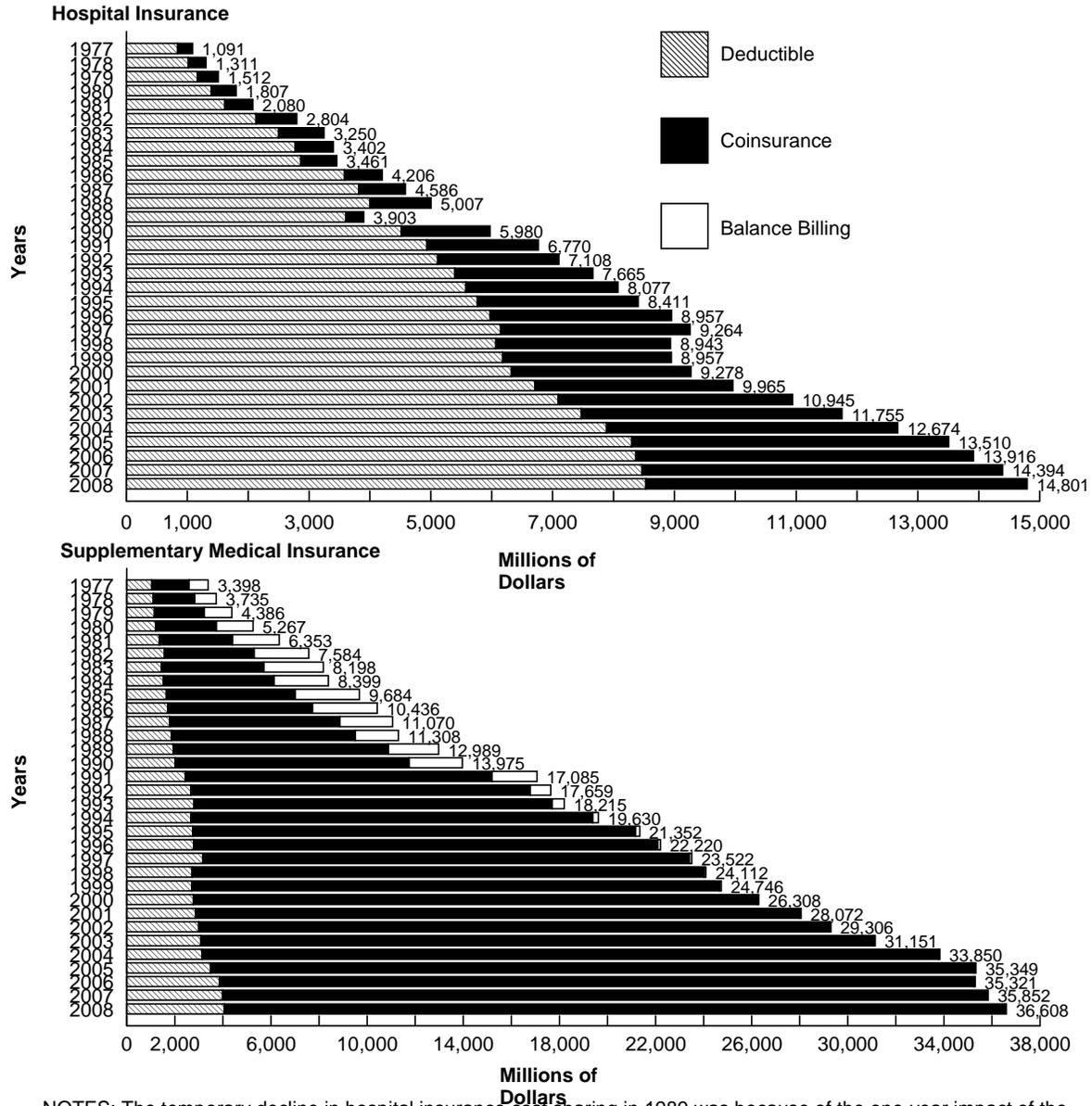


NOTES: The temporary decline in hospital insurance cost sharing in 1989 was because of the one-year impact of the Medicare Catastrophic Coverage Act of 1988 which was repealed, effective January 1, 1990. Estimates of cost-sharing liability beginning in 1999 are significantly higher than those reported 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 1977-2008

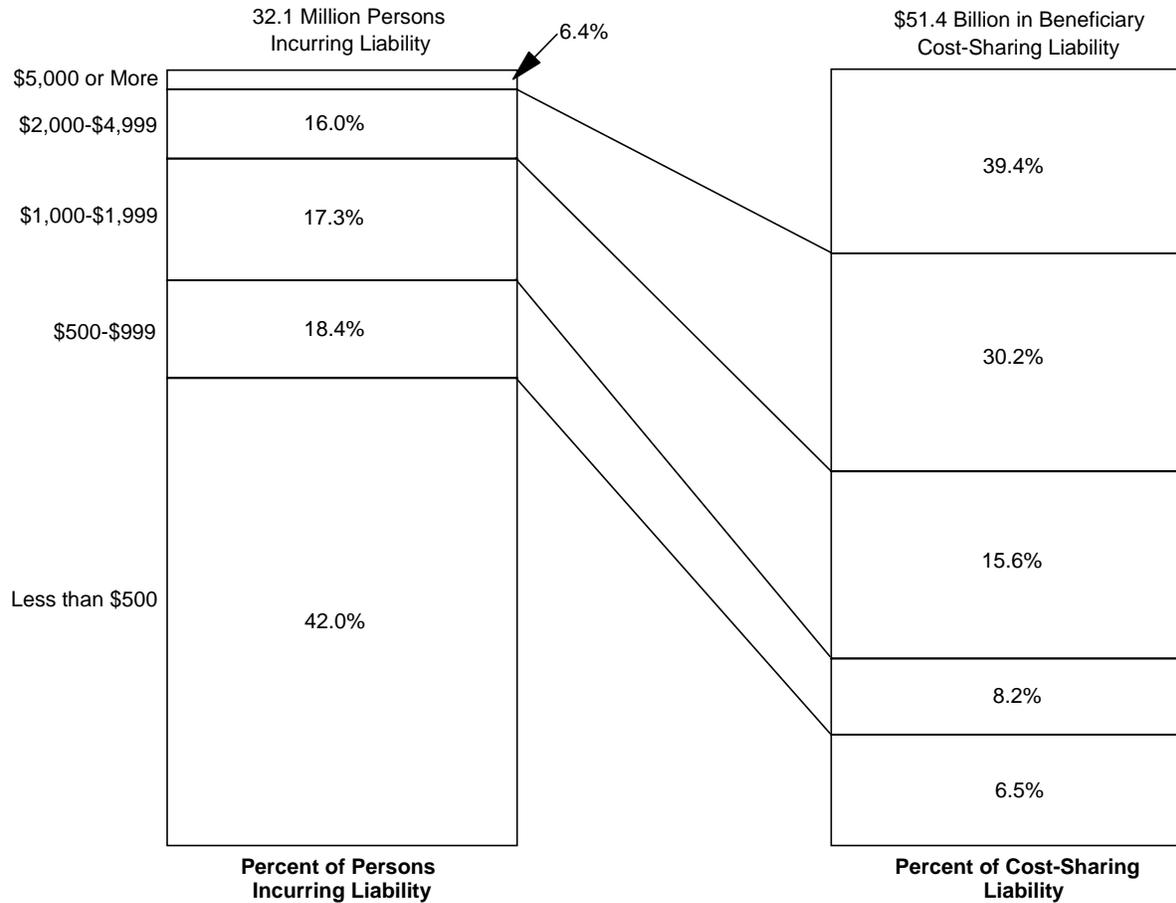


NOTES: The temporary decline in hospital insurance cost sharing in 1989 was because of the one-year impact of the Medicare Catastrophic Coverage Act of 1988 which was repealed, effective January 1, 1990. Estimates of cost-sharing liability beginning in 1999 are significantly higher than those reported 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 2008



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.