

DataBrief: Dual Eligibles – Health Services Utilization

Did you know...

In 2008, dual eligibles were 23% more likely than Medicare-only beneficiaries to visit one or more health care providers?

About the data:

This analysis uses the 2008 Medicare claims data to determine the proportions of dual eligibles and Medicare-only beneficiaries that visited various health care providers at least once in the calendar year. Dual eligibles were defined as Medicare beneficiaries who were eligible for a state buy-in program at any time during 2008.

This analysis is based on a representative sample of the Medicare population. The sample includes claims for 2.3 million Medicare beneficiaries.

The analysis is limited to individuals enrolled in the fee-for-service, or traditional, Medicare program at any point in 2008. The analysis does not include beneficiaries enrolled in Medicare Advantage.

Analytics powered by Avalere Health LLC

¹ Avalere analysis of the 2008 Medicare Claims Data.

² Coughlin, Teresa et al. "Where Does the Burden Lie? Medicaid and Medicare Spending for Dual Eligible Beneficiaries." Kaiser Family Foundation. April 2009.

³ Avalere analysis of the 2008 Medicare Claims Data.

⁴ Total n= 45,312,880. Dual eligibles: n = 7,754,980; Medicare-only Beneficiaries: n=37,557,900 (see "About the Data" for further explanation).

⁵ Excludes discharges from the emergency room.

- "Dual eligibles" are low-income individuals who qualify for both Medicare and Medicaid.
 In 2008, 17% of all Medicare beneficiaries were dually eligible for Medicaid and Medicare.¹
- Dual eligibles are more likely to have a mental illness, require help with 3 or more Activities of Daily Living (ADLs), and live in an institution than Medicare-only beneficiaries.²
 - 24% of dual eligibles need help with 3 or more ADLs as compared to 6% of Medicare-only beneficiaries.
 - 33% of duals have a mental illness versus 15% of Medicare-only beneficiaries.
 - 17% of duals live in an institution versus 2% of their Medicare-only counterparts.
- A large number of dual eligibles have substantial health needs:³
 - Although dual eligibles comprise only 17% of the Medicare population, they represent 28% of Medicare beneficiaries with 5 or more chronic conditions.
 - When compared to Medicare beneficiaries with the same number of chronic conditions, dual eligibles spent \$54,199 Medicare dollars while Medicare-only beneficiaries spent \$38,675 Medicare dollars per capita in 2008.





A Clear Policy Connection

Dual eligibles are among the sickest and costliest patients in the United States health care system. Dual eligibles are more costly than Medicare-only beneficiaries and are more likely to use health services across a number of provider settings.

The higher service utilization could be due, in part, to the lack of care coordination for dual eligibles that results from being covered by two separately-managed insurance programs – Medicare and Medicaid. Improvement in the delivery of care for dual eligibles could strengthen both the Medicaid and Medicare programs by lowering costs and improving outcomes.

The Affordable Care Act (ACA) includes several initiatives to address this fragmented care including the creation of Accountable Care Organizations (ACOs) and a Medical Home demonstration for Medicaid patients with chronic conditions. ACOs and Medical Homes reimburse providers for care coordination activities to incentivize integrated and collaborative care delivery. In addition, the ACA establishes the Federal Coordinated Health Care Office which is charged with improving care coordination for the dual eligibles and integrating benefits between Medicare and Medicaid.