Measuring the Health Status of Medicare Beneficiaries: 1995

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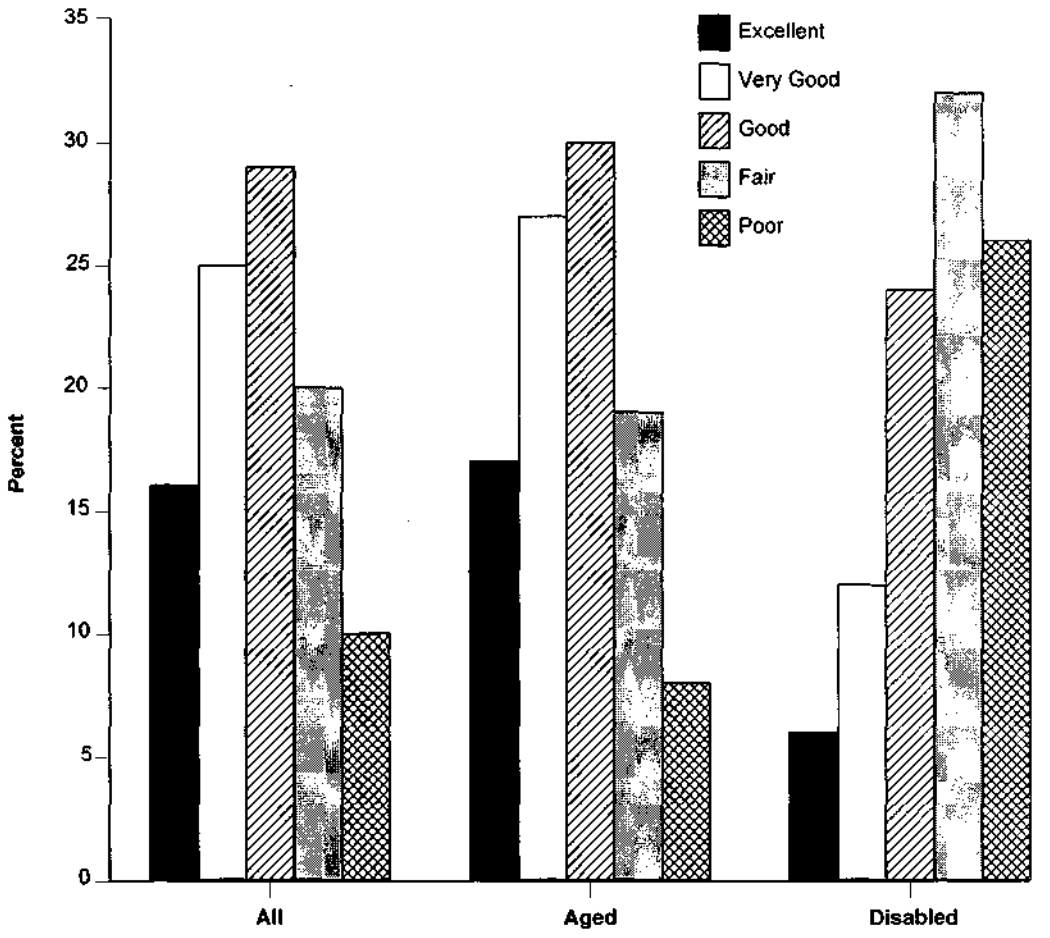
The Medicare Current Beneficiary Survey (MCBS) is a powerful tool for analyzing the Medicare population. Based upon a stratified random sample, we can derive information about the health care use, expenditure, and financing of Medicare's 36 million enrollees. We can also learn about those enrollees' health status, living arrangements, and access to and satisfaction with care.

In the charts that follow we present findings on the health status and functional limitations of beneficiaries who were enrolled in Medicare on January 1, 1995. Survey respondents were asked "In general, compared to other people your age, would you say that your health is... excellent, very good, fair, or poor?" Responses to this question, although it asks for a judgement rather than an objective fact, have been found to be predictive of objective health status, health behaviors, and even mortality (Adler, 1994). Additionally, the MCBS collects two well-documented measures of physical functioning (Weiner and Hanley, 1989). The first, activities of daily living (ADLs), includes such basic activities as bathing or showering, dressing, eating, getting in or out of bed or chairs, walking, or using the toilet. The second scale, instrumental activities of daily living (IADLs), concerns using the telephone, light housework, heavy housework, preparing meals, shopping, and managing money.

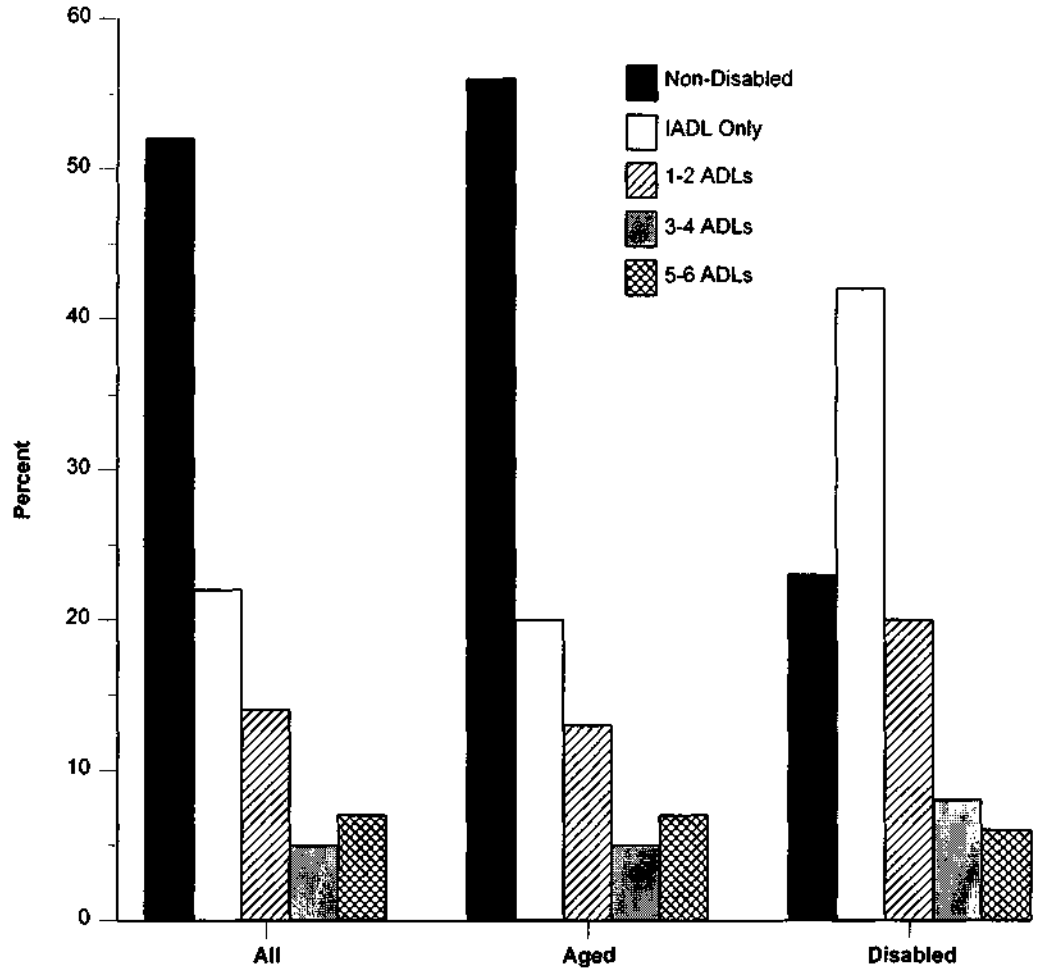
Distribution of Medicare Enrollees, by Self-Reported General Health: 1995



SOURCE: Health Care Financing Administration, Office of Strategic Planning: Medicare Current Beneficiary Survey, Round 13.

- Overall, the self reported health status of the Medicare population produces a normal distribution; however, there are significant differences between the distributions of aged and disabled enrollees.
- Medicare enrollees 65 years of age or over are more likely to rate their health as excellent, very good, or good (74 percent), while disabled enrollees are more likely to rate their health as fair or poor (58 percent).

Distribution of Medicare Enrollees, by Physical Functional Status: 1995

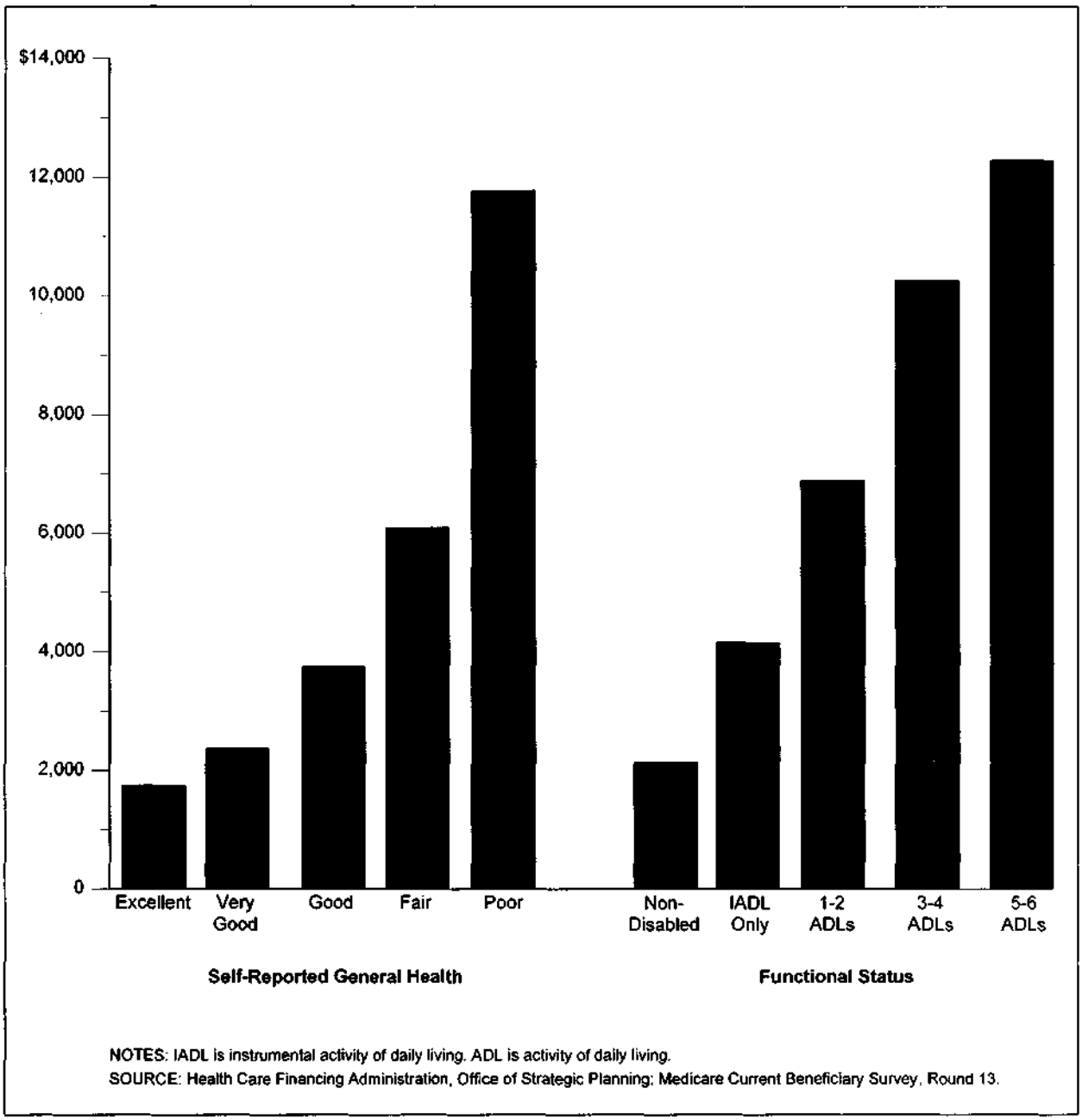


NOTES: IADL is instrumental activity of daily living. ADL is activity of daily living.

SOURCE: Health Care Financing Administration, Office of Strategic Planning: Medicare Current Beneficiary Survey, Round 13.

- The distribution of Medicare enrollees by physical functional status is very different for enrollees 65 years of age or over than for disabled enrollees.
- The majority of aged enrollees have no functional limitations and only 25 percent have one or more ADL limitations.
- Less than one-quarter of disabled enrollees have no functional limitations, with 42 percent having only IADL limitations and 34 percent having ADL limitations.

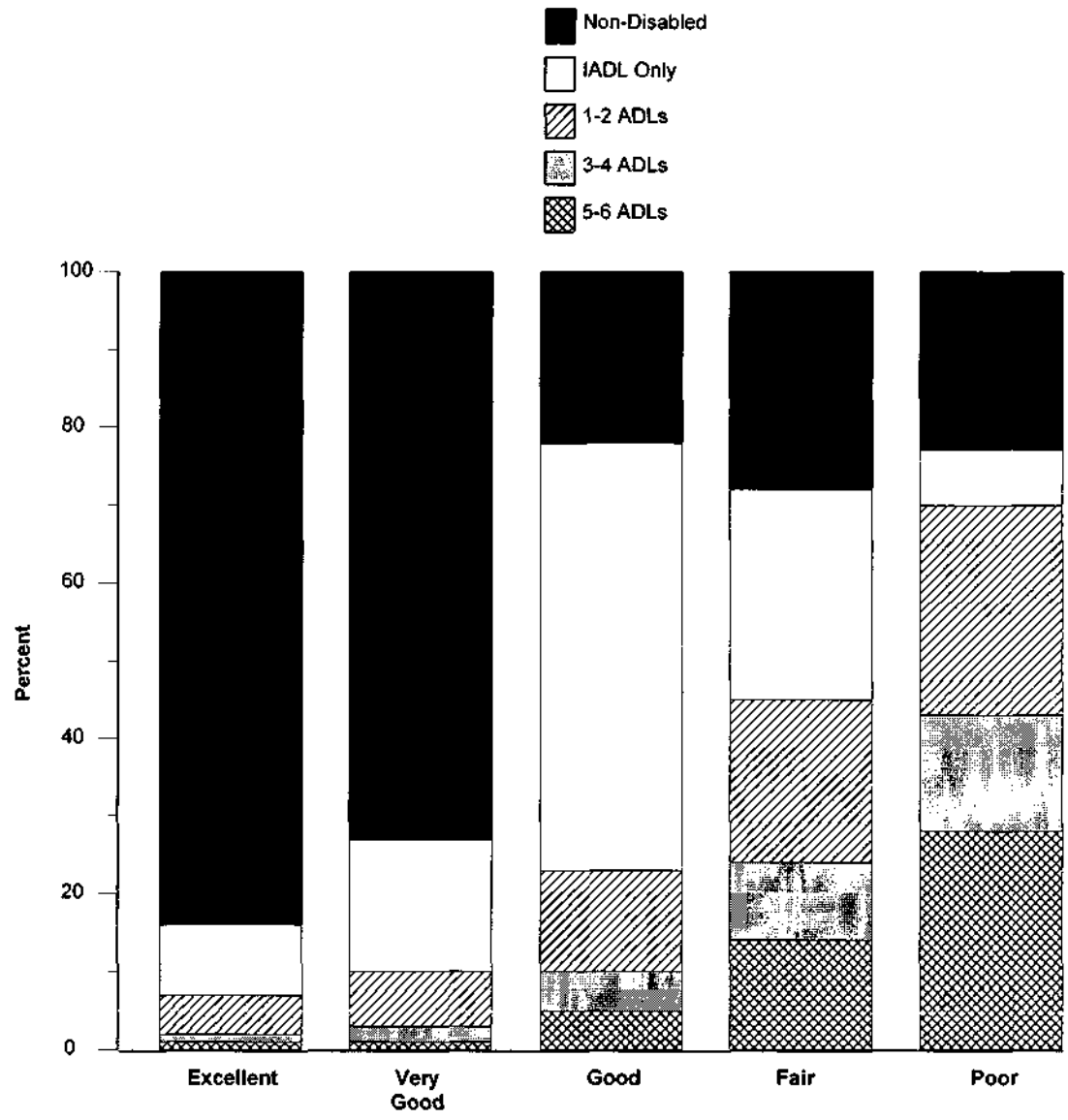
Per Capita Expenditures, by Self-Reported General Health and Functional Status: 1995



NOTES: IADL is instrumental activity of daily living. ADL is activity of daily living.
SOURCE: Health Care Financing Administration, Office of Strategic Planning; Medicare Current Beneficiary Survey, Round 13.

- Both self-reported general health and physical limitations are good predictors of Medicare expenditures per enrollee.

Distribution of Medicare Enrollees 65 Years of Age or Over, by Physical Functional Status Within General Health Categories: 1995

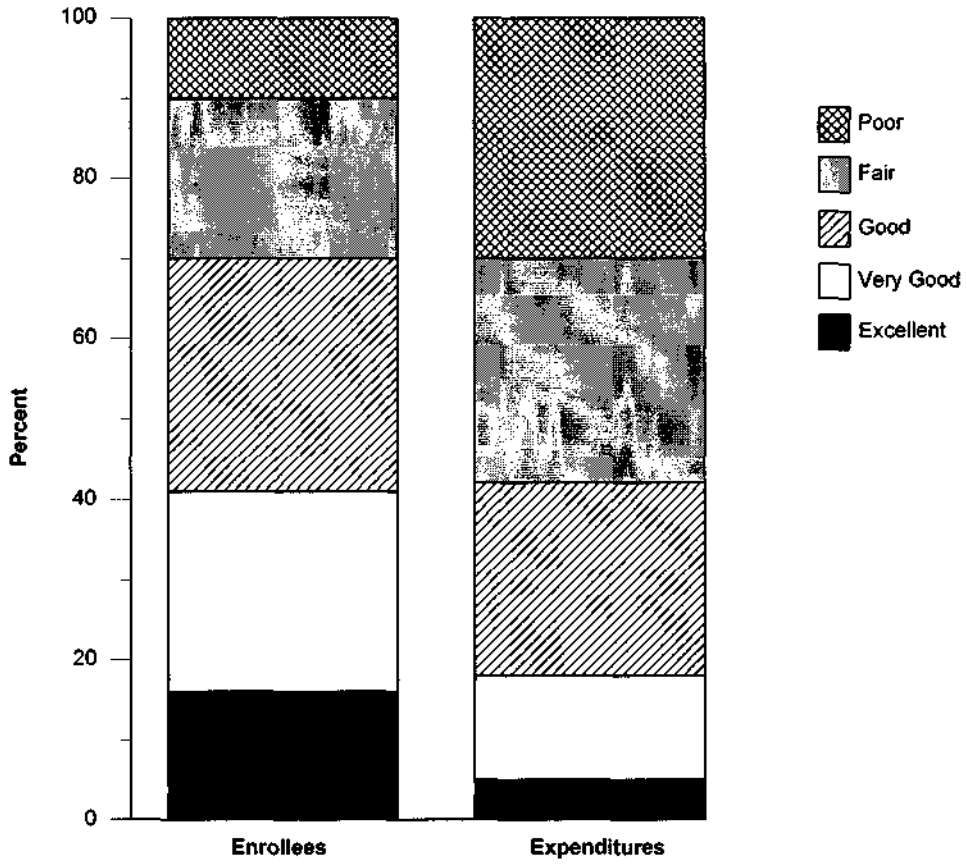


NOTES: IADL is instrumental activity of daily living. ADL is activity of daily living.

SOURCE: Health Care Financing Administration, Office of Strategic Planning: Medicare Current Beneficiary Survey, Round 13.

- Eighty-four percent of aged Medicare enrollees who rate their health as excellent have no ADL or IADL limitations, and an additional 9 percent have only an IADL limitation.
- Over 70 percent of aged Medicare enrollees who rate their health as poor have at least one ADL limitation.
- The percent of aged enrollees with ADL limitations increases as the reported health status declines. A similar relationship does not exist between IADL limitations and general health status.

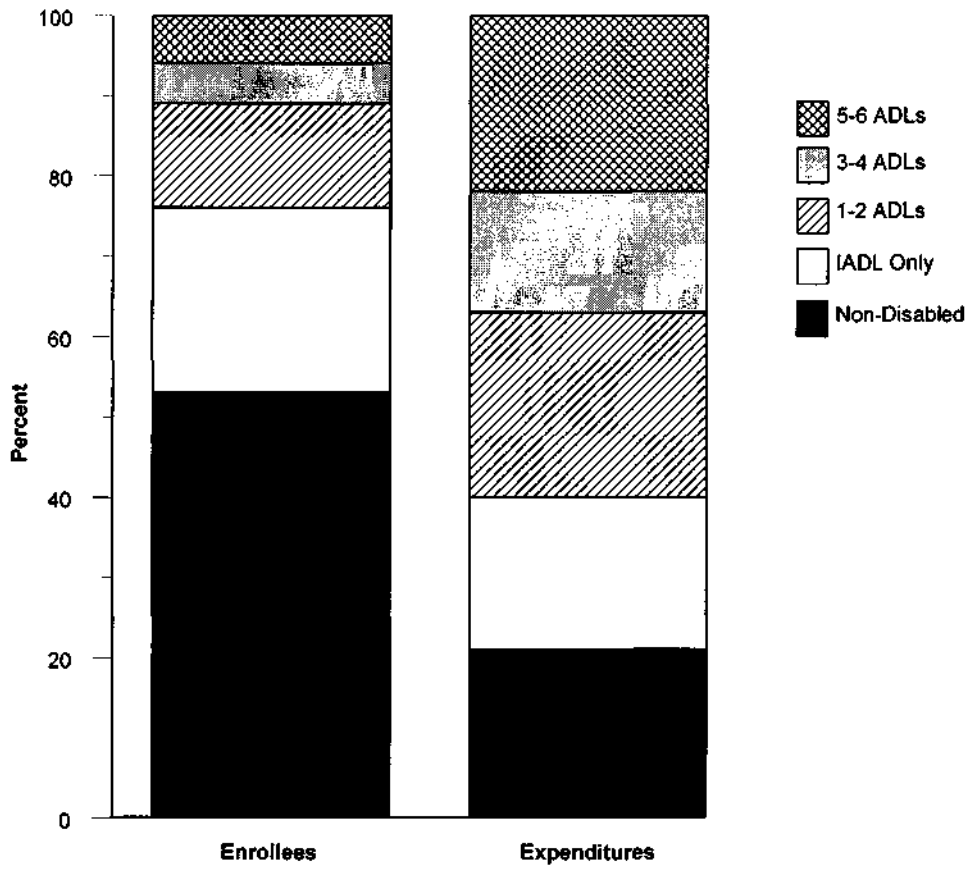
Distribution of Medicare Enrollees and Expenditures, by General Health Status: 1995



SOURCE: Health Care Financing Administration, Office of Strategic Planning: Medicare Current Beneficiary Survey, Round 13.

- The 10 percent of Medicare enrollees who report they are in poor health consume 27 percent of Medicare expenditures, while the 40 percent of enrollees who rate their health as excellent or very good consume only 20 percent of Medicare expenditures.

Distribution of Medicare Enrollees and Expenditures, by Functional Status: 1995



SOURCE: Health Care Financing Administration, Office of Strategic Planning: Medicare Current Beneficiary Survey, Round 13.

- The 12 percent of enrollees who report limitations in 3 or more ADLs use 32 percent of Medicare expenditures, while the 52 percent of enrollees with no functional limitations consume only 25 percent of all Medicare expenditures.

REFERENCE

Adler, G.: A Profile of the Medicare Current Beneficiary Survey. *Health Care Financing Review* 15(4):153-163, Summer 1994.

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