



DATA BRIEF

Medicare Advantage Provides High-Quality Care and Cost Protections to Cancer Patients and Survivors

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Analysis by ATI Advisory for:

BETTER MEDICARE
ALLIANCE

Background

Of the 20.2 million cancer survivors and patients enrolled in Medicare in 2019, 37 percent chose to enroll in Medicare Advantage, a program where the Centers for Medicare & Medicaid Services (CMS) pay private health plans a capitated rate to cover all Medicare benefits.¹ In addition to traditional Medicare benefits, Medicare Advantage plans may choose to provide supplemental benefits, including dental, vision, wellness, and social supports to beneficiaries.

Because Medicare Advantage bears full risk for the outcomes of enrolled beneficiaries, plans are incentivized to provide high-quality and cost-effective health care. Innovative care

is especially critical for cancer patients and survivors because Medicare Parts A and B spend an average of 38 percent more on these beneficiaries annually compared to beneficiaries who have never had a cancer diagnosis.¹

The Better Medicare Alliance engaged ATI Advisory to analyze the experience of cancer patients and survivors enrolled in Medicare Advantage. The analysis found that Medicare Advantage plays an important role in providing preventative and cancer screenings to low-income and diverse cancer patients and survivors. The Medicare Advantage program also protects members against high out-of-pocket and premium costs.





Overview and Implications

This brief compares Medicare Advantage and FFS Medicare on demographics of enrolled cancer patients and survivors, performance on cancer screenings and preventative care, as well as cost protections. These analyses build an understanding of how programs serve medically complex Medicare beneficiaries.

The flexibility of the Medicare Advantage program allows plans to, for example, deliver coordinated care and arrange for clinicians to perform cancer screenings and provide preventative care in the home with in-home health risk assessments. Furthermore, the program can offer supplemental benefits, ranging from in-home support services and home-based palliative care to meals and non-medical transportation for beneficiaries.

As background, Medicare Advantage typically serves a more socioeconomically disadvantaged population than FFS Medicare; cancer patients and survivors in Medicare Advantage are more likely to be low-income, food insecure,

and Black or Latino (**Figure 2**). Despite these social determinants of health and demographic differences, Medicare Advantage beneficiaries with and without a cancer diagnosis are as likely or more likely to receive cancer screenings (**Figure 3**) and key preventative care services (**Figure 4**) compared to FFS Medicare beneficiaries. Beneficiaries who received a cancer diagnosis in their lifetime report similar quality of care metrics across the two programs (**Figure 5**).

Medicare Advantage provides quality of care comparable to FFS Medicare while limiting the cost burden of health care experienced by beneficiaries. Cancer patients and survivors in Medicare Advantage spend, on average, \$3,996 annually on out-of-pocket costs and premiums. This is over \$2,000 less than the annual amount FFS Medicare beneficiaries spend (**Figure 6**). Because financial strain has been shown to worsen outcomes for cancer patients, cost protections are especially critical for this population.²

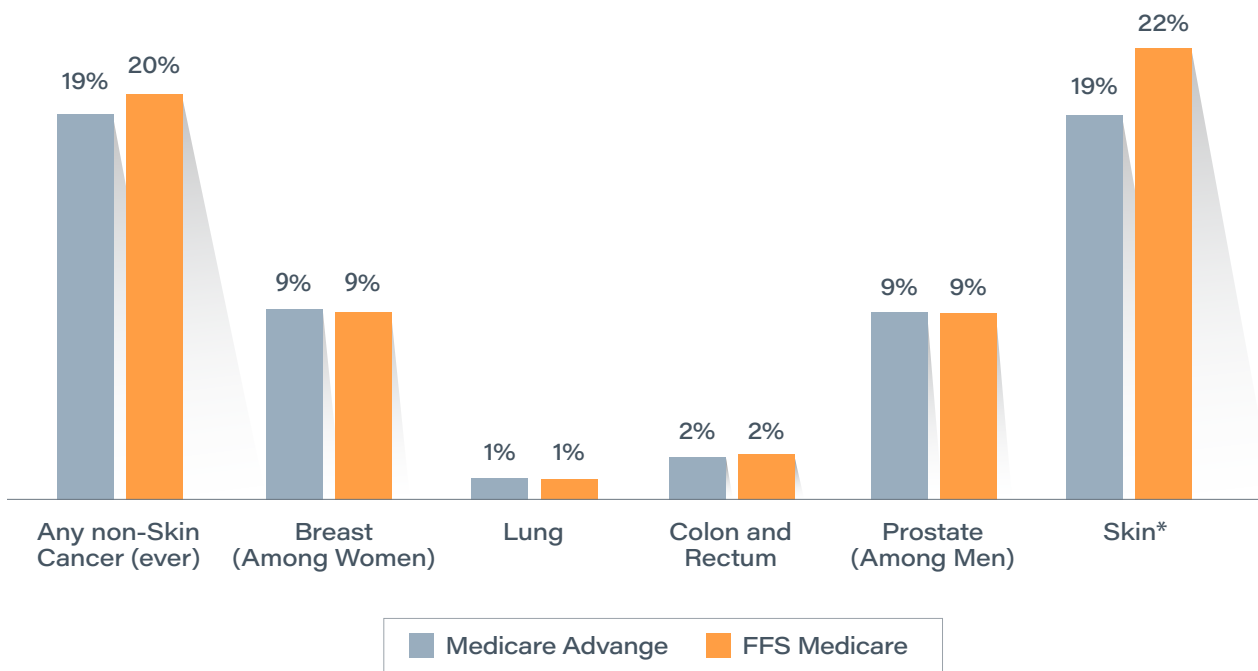
Findings

In the following analyses, the cancer patients and survivors cohort includes beneficiaries who reported any cancer diagnosis in their lifetime, excluding skin cancer. Because the prevalence of skin cancer is high and the five-year survival prognosis for skin cancer is 93 percent, the experiences of beneficiaries with skin cancer may differ from those who received other cancer diagnoses.*³

Medicare Beneficiaries Experience Cancers at Similar Rates Across Programs

Approximately one in five current Medicare beneficiaries report receiving a cancer diagnosis (not including skin cancer) in their lifetime. As Figure 1 demonstrates, rates of beneficiaries reporting the top five most common cancer diagnoses are similar across Medicare Advantage and FFS Medicare with one exception; FFS Medicare beneficiaries are three percentage points more likely to have skin cancer than Medicare Advantage beneficiaries.

Figure 1: Lifetime Prevalence of Top 5 Cancers Among Current Medicare Beneficiaries by Program^a



* Throughout this report, differences between the Medicare Advantage and FFS Medicare programs that are statistically significant at a p-value of 0.05 using the Balanced Repeated Replication method are marked with an asterisk (*). All differences between the two programs described in prose are statistically significant.

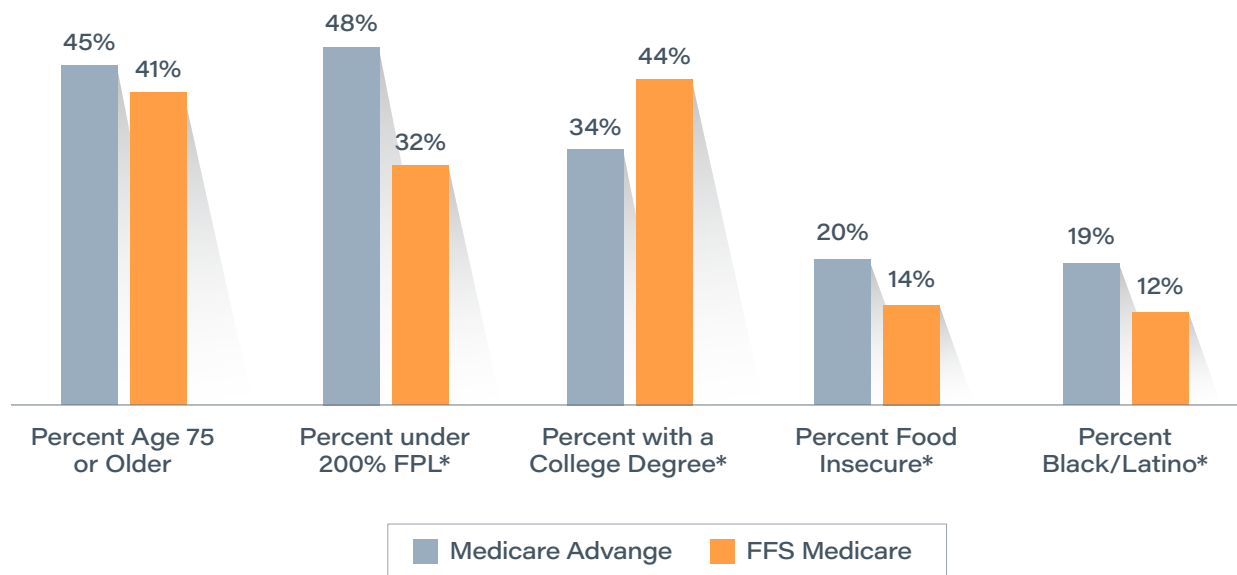
^a Throughout the figures in this report, data labels are rounded to the nearest percentage. Therefore, bar heights may appear different while data labels are the same.



Medicare Advantage Beneficiaries with Cancer Are Demographically Different and Experience Social Disadvantage at Higher Rates than FFS Medicare Beneficiaries

Among beneficiaries who received a cancer diagnosis, approximately half enrolled in Medicare Advantage have incomes under 200 percent of the Federal Poverty Level (FPL)^b compared to one third of FFS Medicare beneficiaries. Furthermore, cancer patients and survivors in Medicare Advantage are 10 percentage points less likely to have a college degree, six percentage points more likely to be food insecure, and seven percentage points more likely to be Black or Latino compared to FFS Medicare cancer patients and survivors. Age differences between the two programs among beneficiaries with a history of cancer are not significant (**Figure 2**).

Figure 2: Demographic Differences Among Cancer Patients and Survivors by Program

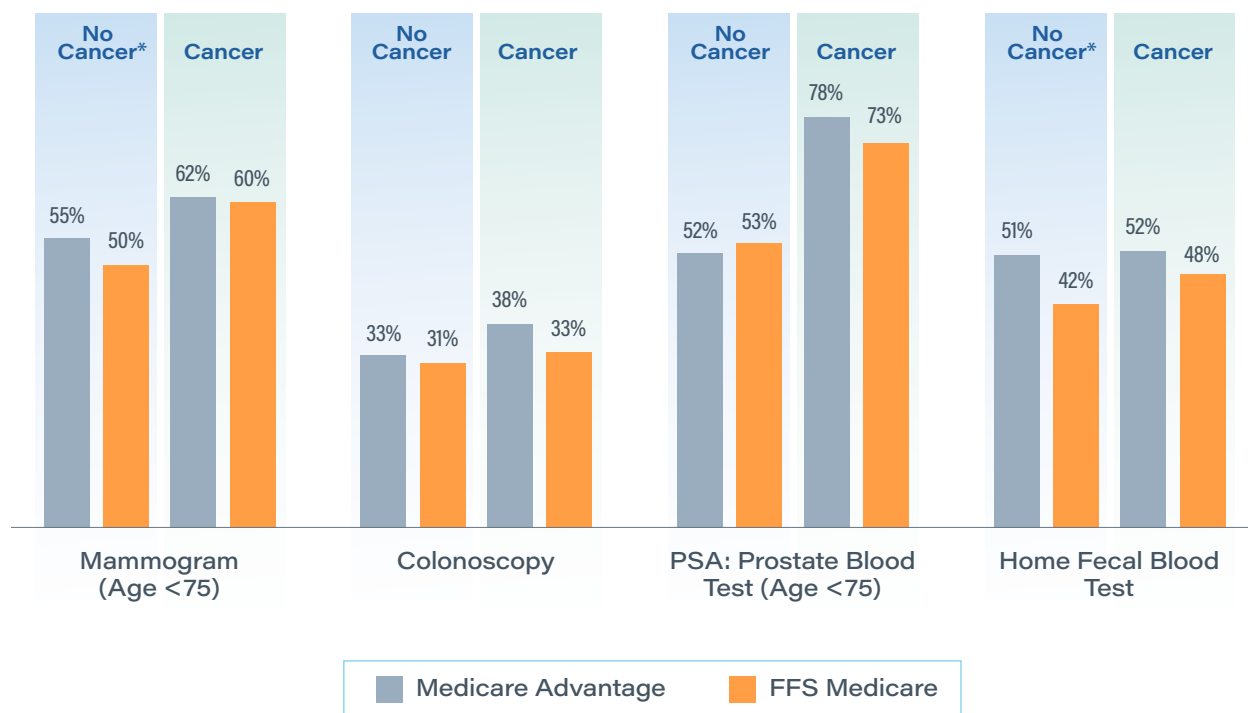


^b In 2019, the FPL was \$12,490 for an individual and \$16,910 for a couple. For an individual, 200% of the FPL is an annual income of \$24,980.

Medicare Advantage Beneficiaries Report Similar or Higher Rates of Preventative Service Use Compared to FFS Beneficiaries and Rates Are Highest Among Cancer Survivors and Patients

Among all Medicare beneficiaries, those who have had a cancer diagnosis are more likely to be screened for cancer through a mammogram, or prostate blood exam than Medicare beneficiaries who have not been diagnosed with cancer. Among Medicare beneficiaries who have never received a cancer diagnosis, Medicare Advantage beneficiaries are statistically significantly more likely to receive a mammogram and home fecal blood test in the past year compared to FFS Medicare beneficiaries. Mammograms are used to detect breast cancer and home fecal blood tests are used to detect a wide range of colorectal diseases, including hemorrhoids, ulcers, and colorectal cancer. Within cancer survivors and patients, Medicare Advantage beneficiaries are five percentage points more likely to receive a Prostate Specific Antigen (PSA) blood test to help detect prostate cancer (**Figure 3**).

Figure 3: Cancer Screening Utilization in Past Year by Cancer Status and Program^c

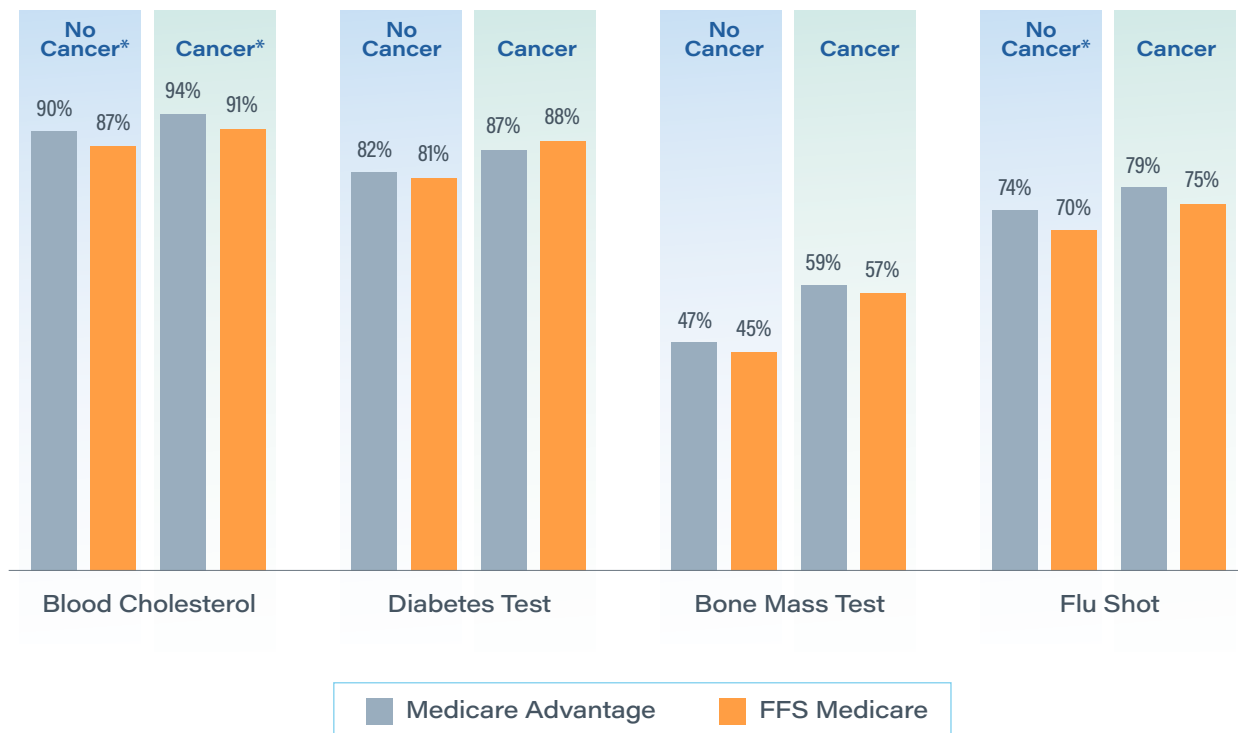


^c Analyses of mammogram use are limited to individuals identifying as female who are younger than 75. The U.S. Preventive Services Task Force (USPSTF) concluded that there is not adequate evidence to recommend [mammograms](#) for those older than age 75. Analyses of PSA blood test use are limited to individuals identifying as males who are younger than 75. The USPSTF recommends against [PSA screening](#) for individuals over the age of 70.

Other types of preventative care continue to be critical in reducing risk of disability, disease, and death.

Within cancer patients and survivors, Medicare Advantage and FFS Medicare program experiences in preventative care utilization rates are not statistically different with one exception; Medicare Advantage beneficiaries are three percentage points more likely to have a blood cholesterol test in the past year than FFS Medicare beneficiaries. Among beneficiaries without a cancer diagnosis, Medicare Advantage performs better than, or as well as, FFS Medicare on preventative care utilization. Medicare Advantage beneficiaries are three percentage points more likely to have a blood cholesterol test in the past year and four percentage points more likely to receive a flu shot in the past year. (Figure 4).

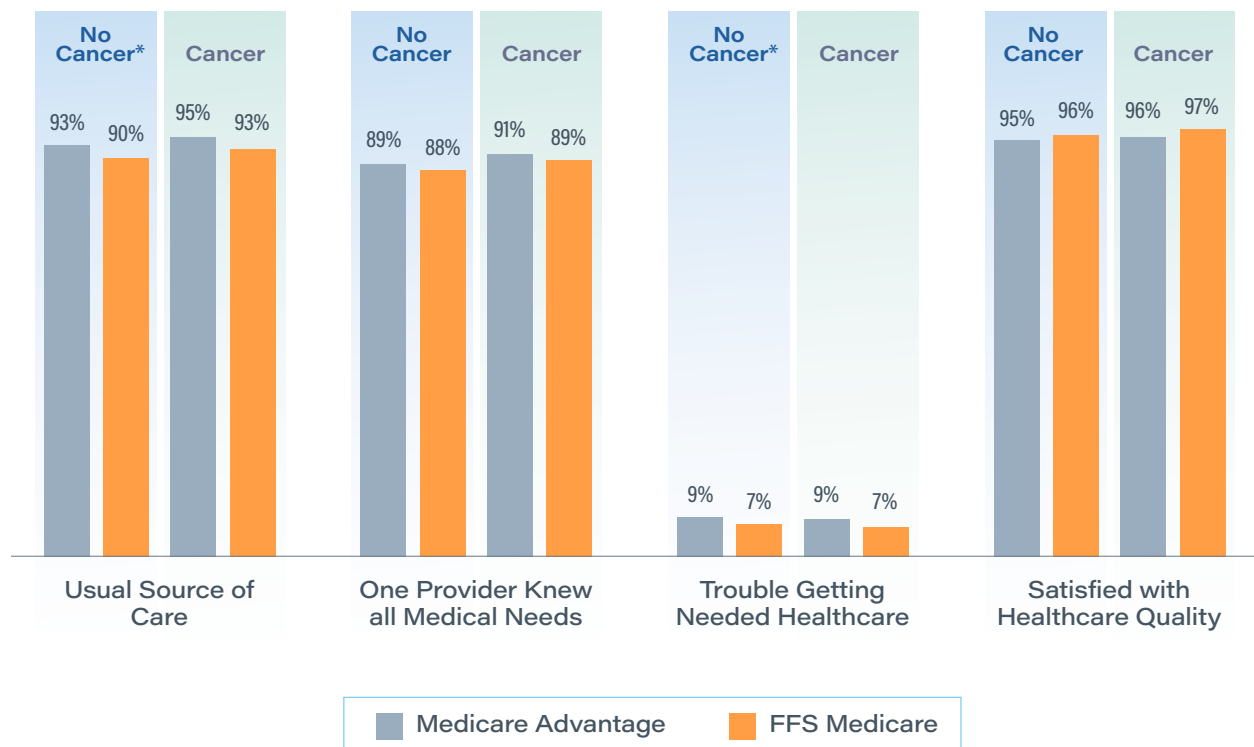
Figure 4: Preventative Care Utilization in Past Year by Cancer Status and Program





Similarly, beneficiaries' experience with care and reported quality of care are similar across Medicare Advantage and FFS Medicare among beneficiaries with and without cancer. Most differences between the two programs are not statistically significant with one exception: Medicare Advantage beneficiaries without cancer are three percentage points more likely to have a usual source of care but two percentage points more likely to report trouble getting health care compared to similar FFS Medicare beneficiaries. (**Figure 5**).

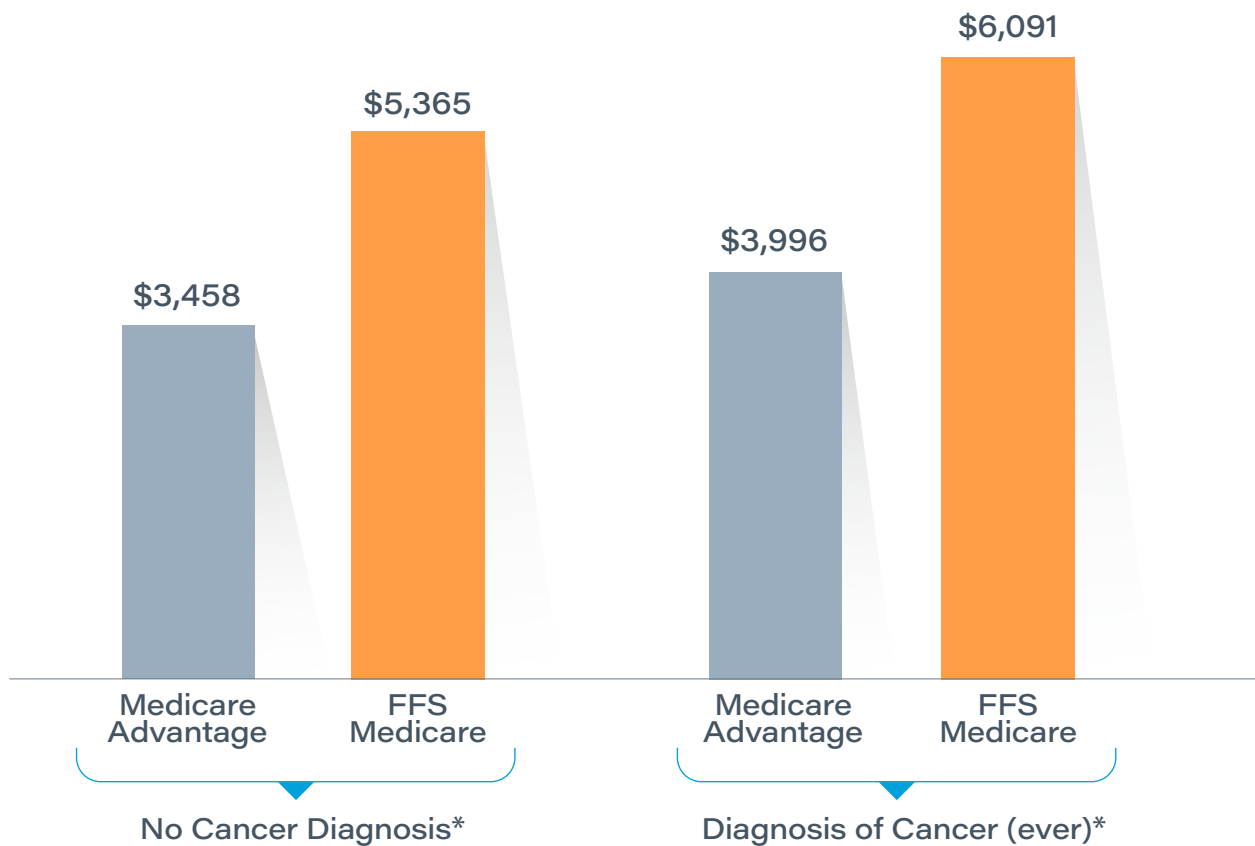
Figure 5: Care Experiences by Cancer Status and Program



Medicare Advantage Beneficiaries Spend Less on Healthcare than FFS Medicare Beneficiaries Across Cancer Status

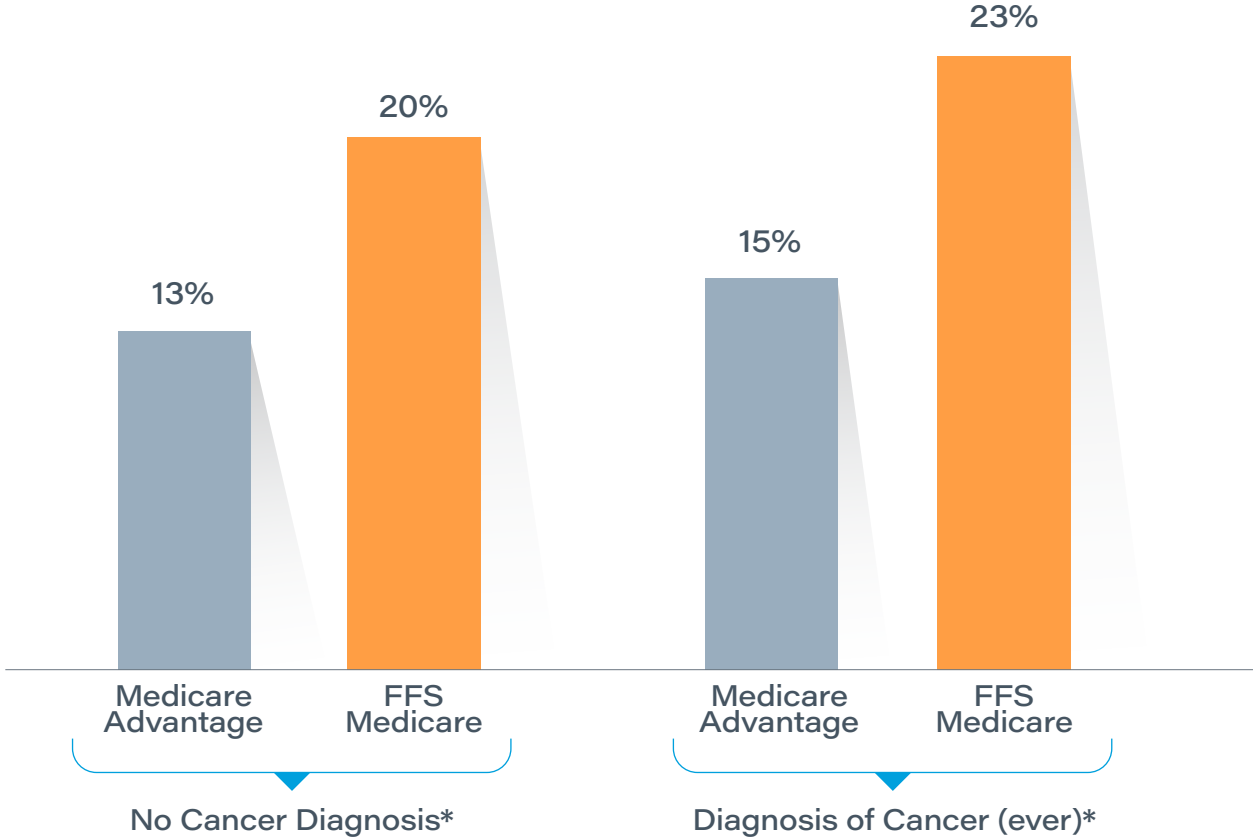
Among Medicare beneficiaries without a cancer diagnosis, Medicare Advantage beneficiaries spend an average of \$1,907 less on out-of-pocket costs and premiums when compared to FFS Medicare. The difference between the two programs is slightly larger among cancer survivors and patients; Medicare Advantage beneficiaries report spending an average of \$2,095 less on their health care than FFS Medicare beneficiaries (Figure 6).

Figure 6: Average Total Spending (Out-of-Pocket + Premium) per Beneficiary by Cancer Status



Across the two programs, beneficiaries with a cancer diagnosis are more likely to be cost burdened by their health care expenses (“cost burden” is defined as spending over 20 percent of income on health care costs). However, beneficiaries in Medicare Advantage are less likely to be cost burdened by health care than individuals in FFS Medicare across cancer status (Figure 7).

Figure 7: Percent of Beneficiaries with Medical Expense Cost Burden by Cancer Status

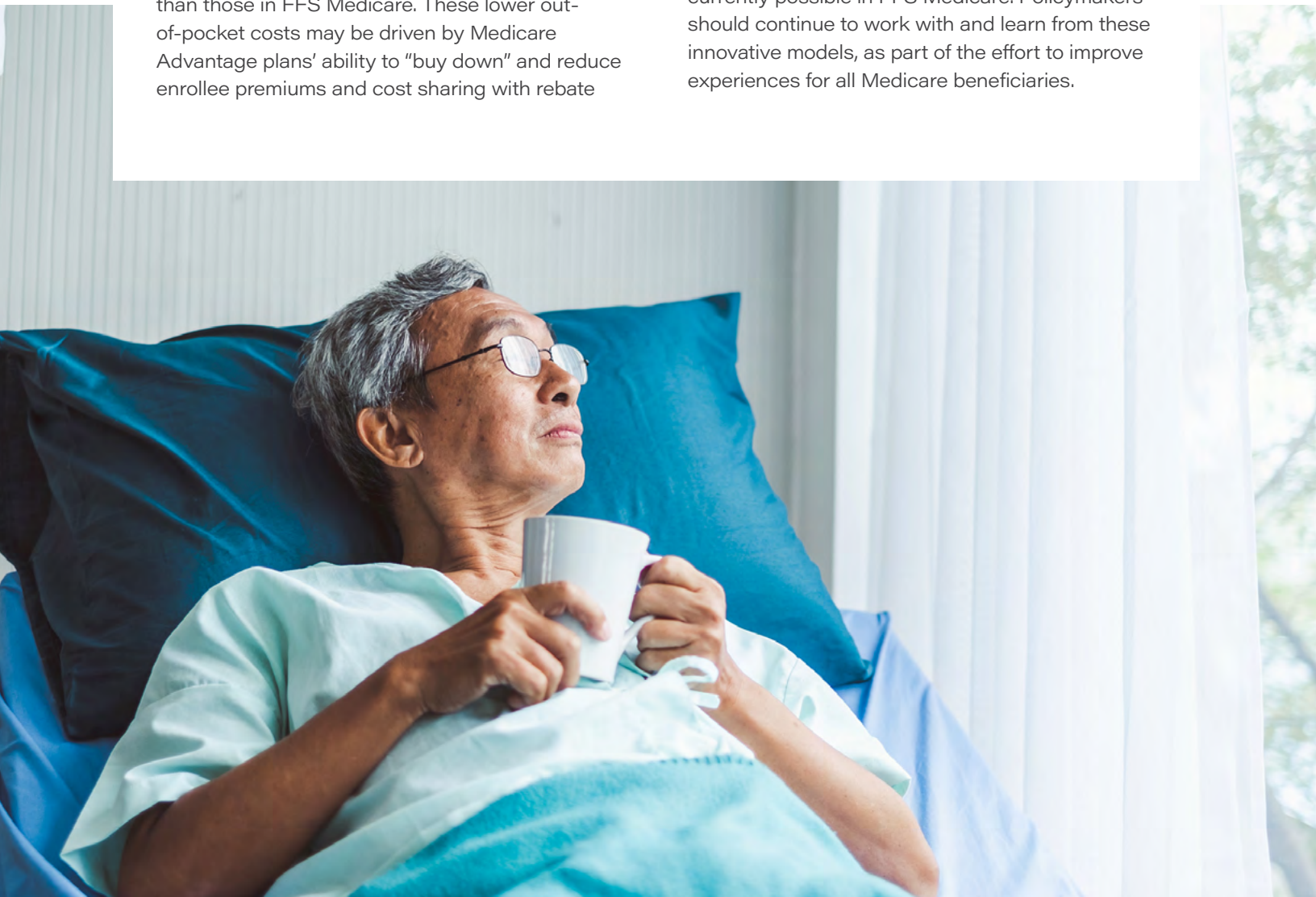


Conclusion and Looking Ahead

Over one in three Medicare cancer patients and survivors enroll in Medicare Advantage, which serves an estimated 7.4 million beneficiaries with a history of cancer.¹ This analysis shows that cancer patients and survivors in Medicare Advantage are demographically diverse and more likely to experience social disadvantage than those in FFS Medicare, and that Medicare Advantage provides these individuals with screening and preventative care at similar or higher rates than FFS Medicare. Furthermore, the analysis shows that beneficiaries with a cancer diagnosis in Medicare Advantage spend over \$2,000 less on out-of-pocket costs than similar beneficiaries in FFS Medicare, resulting in lower rates of health care expenses cost burdening Medicare Advantage beneficiaries than those in FFS Medicare. These lower out-of-pocket costs may be driven by Medicare Advantage plans' ability to "buy down" and reduce enrollee premiums and cost sharing with rebate

dollars. Higher rates of screening and preventative care among Medicare Advantage beneficiaries than FFS Medicare beneficiaries may also contribute to cost savings, as identifying cancers early not only results in improved prognoses but also reduced long-term cost. The impact of financial hardship on delayed or forgone care and poor medication adherence is well documented among patients with cancer.² Therefore, controlling the out-of-pocket costs of health care for this population is especially critical.

Supplemental benefits and more flexible, person-centered clinical models can position Medicare Advantage plans to address complex medical and social needs of Medicare beneficiaries in ways not currently possible in FFS Medicare. Policymakers should continue to work with and learn from these innovative models, as part of the effort to improve experiences for all Medicare beneficiaries.



Methods

Using the 2019 Medicare Current Beneficiary Survey (MCBS) and Cost Supplement file and analyzing Part A and B Medicare claims for Medicare beneficiaries enrolled in FFS Medicare ATI Advisory examined how Medicare coverage arrangements are related to beneficiaries' demographics, utilization of preventative care, and health care costs.

All comparisons of Medicare Advantage and FFS Medicare are made using survey data from the same community-dwelling population with the exception of personal cost data, which is collected from a subset of surveyed Medicare beneficiaries. Cost data is collected using a variety of self-reported and administrative sources. Because cost data among Medicare Advantage beneficiaries may be underreported relative to claims data for FFS Medicare beneficiaries, CMS applies an adjustment to utilization and spending estimates for Medicare Advantage beneficiaries.⁴

Statistical significance was measured at a p-value of 0.05 using the Balanced Repeated Replication method.

Full methods are available at:

<https://atiadvisory.com/wp-content/uploads/2022/04/2019-MCBS-Analysis-Research-Methods-April-2022.pdf>



References

- 1 ATI Advisory analysis of 2019 Medicare Current Beneficiary Survey.
- 2 Altice CK, Banegas MP, Tucker-Seeley RD, Yabroff KR. Financial Hardships Experienced by Cancer Survivors: A Systematic Review. *J Natl Cancer Inst.* 2016 Oct 20;109(2):djw205. doi: 10.1093/jnci/djw205. PMID: 27754926; PMCID: PMC6075571.
- 3 American Cancer Society. [Survival Rates for Melanoma Skin Cancer](#). March 2022.
- 4 For more details, see the [2019 Data User's Guide: Cost Supplement File](#).