



MEDICARE BENEFICIARY SPENDING BRIEF 2024¹

Average Out-of-Pocket Spending is Lower for Beneficiaries in Medicare Advantage than Fee-for-Service Medicare

- Medicare Advantage beneficiaries report spending over **\$2,500** less on out-of-pocket costs and premiums compared to FFS Medicare beneficiaries.
- Medicare Advantage beneficiaries spend **40%** less than FFS Medicare beneficiaries in out-of-pocket costs and premiums in 2021.
- Medicare Advantage beneficiaries experience a **31%** lower rate of cost burden² compared to FFS Medicare beneficiaries.
- Medicare Advantage beneficiaries are more likely to be financially at-risk than FFS Medicare beneficiaries:

52% of Medicare Advantage beneficiaries live below 200% of the Federal Poverty Level

33% of FFS beneficiaries live below 200% of the Federal Poverty Level

- Medicare-only beneficiaries below 200% of the Federal Poverty Level experience cost burden at higher rates in FFS Medicare compared to Medicare Advantage (**50%** and **31%**, respectively).
- Beneficiaries with 3 or more chronic conditions in Medicare Advantage spend on average **\$3,165** less than beneficiaries in FFS Medicare.
- Medicare Advantage beneficiaries report high rates of health care satisfaction and access to care –

95% are satisfied with health care quality

96% are satisfied with ease of getting to the doctor

95% report having a usual source of care

Findings Reflect 2021 Data Unless Otherwise Noted

READ THE FULL MEDICARE BENEFICIARY SPENDING BRIEF HERE.

1. Data from 2021 Medicare Current Beneficiary Survey (MCBS) and Cost Supplement files unless otherwise noted.

2. “Cost burden” is defined as spending over 20 percent of income on health care costs

