

## FACT SHEET

# The Importance of Medicare for Women

*Medicare is a federal health insurance program that funds basic health care services for 47 million individuals who are elderly and/or have disabilities. Without Medicare, these millions of individuals would have difficulty accessing or paying for hospital care, physician visits, diagnostic testing, preventive services and prescription drugs.*

Women constitute more than half of the individuals with Medicare. The program is therefore critically important to preserving the health and well-being of our mothers and grandmothers. Because women, on average, are poorer, live longer and have more health care needs than men, Medicare (sometimes combined with Medicaid) potentially plays a greater role for them in preventing illness and destitution. Any changes to the Medicare program that would increase cost-sharing or reduce services would be especially harmful to women, so it is important for women's health and economic well-being that the Medicare program is protected.

## The majority of individuals receiving Medicare are women

- Women made up 56% of individuals with Medicare in 2010.<sup>1</sup>
- Women make up an even larger portion of the oldest Medicare beneficiaries. Women over 80 made up 62% of individuals with Medicare in 2010.<sup>2</sup>

## Medicare provides important benefits to older women

- Medicare provides a variety of important health benefits including doctor's visits, hospital stays, tests and x-rays, mental health services, and durable medical equipment.
- The new health care law ensures women on Medicare can access even more services they need by eliminating cost-sharing for preventive services and screenings such as mammograms and colorectal cancer screenings.<sup>3</sup>

## Medicare provides important financial protections to older women

Although Medicare beneficiaries are responsible for some out-of-pocket costs (women on Medicare spend, on average, \$4,490 every year in out-of-pocket costs for their health care coverage),<sup>4</sup> individuals on Medicare experience fewer medical related financial problems than those on private insurance.

- Medicare beneficiaries are less likely than those on private insurance to report going without care because of cost and are also less likely to report problems paying medical bills.<sup>5</sup>
- Medicare beneficiaries are far less likely than those with employer sponsored or individual coverage to spend more than 10% of their incomes on health care costs.<sup>6</sup>

- The new health care law closes the Medicare Part D “donut hole,” which required seniors to spend large amounts of money for prescription drugs. In 2007, 64% of those affected by the “donut hole” were women. Already, over 2 million women on Medicare in the U.S. have saved an average of \$604 on prescription drugs.<sup>7</sup>

### **Older women have more health care needs than older men**

Women have more chronic conditions and live longer than men, on average. Therefore, women are especially reliant on the health care services Medicare funds.

- Nationally, 49% of women with Medicare report having 3 or more chronic conditions compared to just 38% of men. Women are more likely to suffer from arthritis, hypertension, and osteoporosis than men and are more likely to report suffering from cognitive impairments and physical limitations.<sup>8</sup>
- Women live longer, on average, than men do, resulting in the need for Medicare-funded services for more years of their lives. Nationally, the life expectancy for women in 2010 was 81.1 years compared to 76.2 for men.<sup>9</sup>
- Because of their lower income, millions of women with Medicare are also “dually eligible” for Medicaid – meaning they qualify for and receive both. Women make up 62% of people who receive both Medicare and Medicaid<sup>10</sup> and these women are significantly more likely to have multiple chronic conditions than the general Medicare population.<sup>11</sup>

### **Protecting Medicare is critical to women’s economic well-being**

Even with the financial protections Medicare provides, elderly women have lower average incomes and are more likely to live at or near the poverty line than elderly men. This makes paying for health care especially difficult and means that any proposals which might increase a Medicare recipient’s cost-sharing, would be especially burdensome for women.

- In 2010, 44% of female Medicare beneficiaries were living in or near poverty compared to 34% of men.<sup>12</sup>
- In 2010, the average annual income for women 65 and older was \$15,072, much lower than elderly men’s average income of \$25,704.<sup>13</sup>
- On average, older women have lower Social Security benefits than men. The average Social Security benefit for women 65 and older is about \$12,100 per year, compared to about \$16,000 for men 65 and older.<sup>14</sup>
- Women on Medicare already have higher out-of-pocket costs and pay a higher percentage of their income on health care costs than men.<sup>15</sup> This is largely a result of women’s higher long term care costs, most of which Medicare does not cover.

**Learn more about attacks to the Federal Budget, in general, and Medicaid and Medicare, specifically, please visit our website at [www.nwlc.org](http://www.nwlc.org).**

- 1 National Women’s Law Center calculations based on health insurance data for women from the Current Population Survey’s 2010 Annual Social and Economic Supplement, using CPS Table Creator, [http://www.census.gov/hhes/www/cpstc/cps\\_table\\_creator.html](http://www.census.gov/hhes/www/cpstc/cps_table_creator.html).
- 2 *ibid*
- 3 U.S. Department of Health and Human Services, *Strengthening the Health Insurance System: How Health Insurance Reform Will Help America’s Older and Senior Women*, available at: <http://www.healthreform.gov/reports/seniorwomen/index.html> (Date Accessed: April 26, 2010).
- 4 Kaiser Family Foundation, *Medicare Chartbook, Fourth Edition*, (2010), available at: <http://facts.kff.org/chart.aspx?cb=58&sctn=168&ch=1788>
- 5 Karen Davis, et. al., The Commonwealth Fund, *Medicare Beneficiaries Less Likely to Experience Cost- and Access-Related Problems than Adults with Private Coverage*, (July 18, 2010), available at: <http://www.commonwealthfund.org/Publications/In-the-Literature/2012/Jul/Medicare-Beneficiaries-Less-Likely-to-Experience-Cost.aspx>.
- 6 *ibid*
- 7 See *supra* note 3.
- 8 Kaiser Family Foundation, *Medicare’s Roll for Women* (June 2009), available at: <http://www.kff.org/womenshealth/upload/7913.pdf>.
- 9 Sherry L. Murphy et.al., Division of Vital Statistics, Centers for Disease Control, *National Vital Statistics Report*, Volume 60 No. 4, (Jan 11, 2012), available at: [http://www.cdc.gov/nchs/data/nvsr/nvsr60/nvsr60\\_04.pdf](http://www.cdc.gov/nchs/data/nvsr/nvsr60/nvsr60_04.pdf).
- 10 Kaiser Family Foundation, *The Role of Medicare for the People Dually Eligible for Medicare and Medicaid*, (Jan. 2011), available at: <http://www.kff.org/medicare/upload/8138.pdf>.
- 11 Judy Kasper, et. al., The Kaiser Family Foundation, *Chronic Disease and Co-Morbidity Among Dual Eligibles: Implications for Patterns of Medicaid and Medicare Service Use and Spending*, (July 2010), available at: <http://www.kff.org/medicaid/upload/8081.pdf>.
- 12 See *supra* note 1.
- 13 Administration on Aging, Department of Health and Human Services, *A Profile of Older Americans: 2011*, (2011), available at: [http://www.aoa.gov/aoaroot/aging\\_statistics/Profile/2011/docs/2011profile.pdf](http://www.aoa.gov/aoaroot/aging_statistics/Profile/2011/docs/2011profile.pdf).
- 14 The average monthly benefit for all female beneficiaries 65 and older was \$1,011.20, or \$12,134.40 per year as of December 2010, compared to \$1,333.50 per month, or \$16,002.00 per year for all male beneficiaries 65 and older. Benefits are slightly higher for both women and men receiving benefits as retired workers. NWLC calculations based on U.S. Social Security Administration, Annual Statistical Supplement to the Social Security Bulletin, 2011 (February 2012), available at <http://www.ssa.gov/policy/docs/statcomps/supplement/2011/5a.html> at Table 5.A16 Number and average monthly benefit for adult beneficiaries, by sex, type of benefit, and age, December 2010.
- 15 AARP Public Policy Institute, *Medicare Beneficiaries’ Out-of-Pocket Spending for Health Care*, (Jan. 2011), available at: <http://assets.aarp.org/rgcenter/ppi/health-care/i48-oop.pdf>.