



Data Snapshot: Comparing Costs to Enrollment for Different Age Groups

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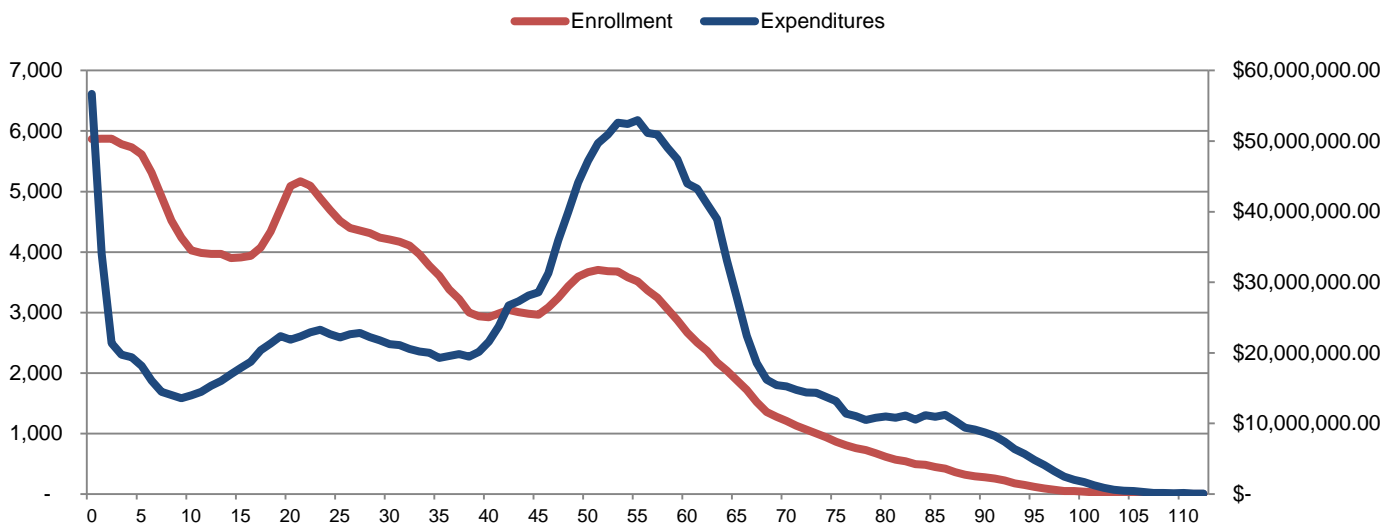
This snapshot provides a comparison of Medicaid and Alliance program costs with program enrollment, by age. This comparison highlights specific subpopulations which, despite lower enrollment, incur higher costs. The main findings of this analysis are:

- Enrollment is high among children and young adults, while expenditures are comparatively low for this group
- Expenditures peak among individuals in late middle age – in the 50s and 60s – before trending downward along with enrollment totals; this middle-age peak in cost aligns with a small enrollment spike during those years

The District’s Department of Health Care Finance operates the city’s Medicaid program along with the Children’s Health Insurance Program, the locally funded Immigrant Children’s Program and the DC Health Care Alliance, a locally funded program serving adults. Together, these programs provide health care coverage to more than a third of the District’s residents of a wide range of ages and eligibility groups.

As is the case in Medicaid programs across the country, some eligibility categories have costs disproportionate to their enrollment numbers. For example, individuals with physical disabilities made up only 19 percent of the District’s Medicaid enrollment in FY 2013, but accounted for more than half of total Medicaid spending in that year, figures that parallel nationwide patterns.¹ Children, conversely, comprised 37 percent of FY 2013 enrollment but just 13 percent of expenditures. Figure 1 below, which shows expenditures compared with enrollment by year of age in Medicaid and other program enrollees, illustrates this contrast.

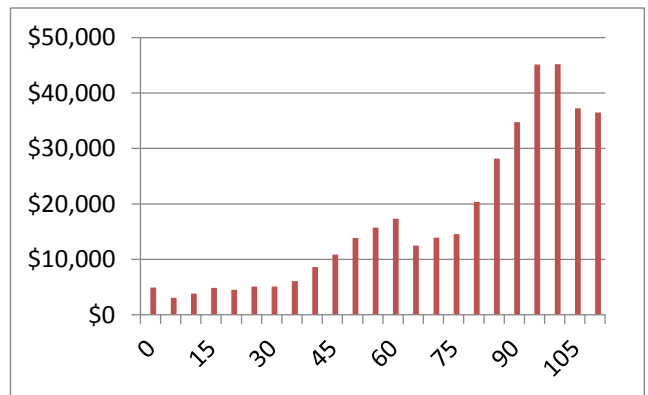
Figure 1. Enrollment (blue / left axis) and expenditures (grey / right axis) for all DHCF programs, by year of age, FY2013.



As Figure 1 also illustrates, a substantial spike in expenditures arises in the middle-aged group (ages 45 to 64). This includes both individuals in the fee-for-service delivery system (such as persons with disabilities or serious and persistent mental illness) and older childless adults enrolled in managed care plans. This spike corresponds to a smaller enrollment increase, and is likely curtailed at the higher end due to transfer of some costs, at age 65, to the Medicare program. Otherwise, Medicaid and other program enrollees generally experience higher health care costs as their age increases.

Figure 2 shows average annual per-capita expenditures, by age, in five-year age increments. Average health care costs are greatest for individuals ages 80 and older; age 65 is also apparent in this graph in the small spike and decline midway across the graph.

Figure 2. Average per-capita annual expenditures, FY 2013, by five-year age groupings



1. For example, see: Medicaid: A Primer (2013). Washington, DC: Kaiser Family Foundation. Available online at <http://kaiserfamilyfoundation.files.wordpress.com/2010/06/7334-05.pdf>.

Data Sources: Data extracted from MMIS April and May 2014. Data in Figure 1 have been smoothed using three-year averages, except for data in the first year of life, which are actuals (for expenditures) or two-year averages (for enrollment). For more information about this snapshot, please contact the DC Department of Health Care Finance at 202-442-5988.