

An Overview of the Dually Eligible Population

Individuals who are dually eligible qualify for both Medicare and Medicaid, and face complex health and social needs due to a combination of age, disability, and limited financial resources. They utilize services at higher rates than other people enrolled in Medicare or Medicaid, highlighting the need for streamlined, integrated approaches that lead to improved health outcomes and efficient care delivery.

Key Statistics:^{1,2}

- There are more than 12.8 million dually eligible individuals living in the United States.
- Ninety percent live on an annual income below \$20,000.
- Nearly 40% of dually eligible individuals are under age 65, all of whom qualify for Medicare due to disability (received 24 months of Social Security Disability Insurance).
- Dually eligible individuals account for 19% of Medicare enrollment and 13% of Medicaid enrollment but represent 35% of total Medicare costs and 27% of total Medicaid costs.
- Medicare and Medicaid spending on dually eligible individuals amounts to more than \$493 billion a year, with Medicare accounting for about 63% of combined spending and Medicaid, funded jointly by federal and state governments, making up the remainder.

Dually Eligible Individuals' Demographics

Understanding their demographics provides insight into the experiences and challenges faced by the population:

Sex, Age, and Race¹	<p>Dually eligible individuals are disproportionately older and people of color, underscoring disparities among underserved populations.</p> <ul style="list-style-type: none"> • 59% are female and 41% are male • 64% are over age 65 while 36% are under age 65 • 53% identify as White, non-Hispanic • 21% identify as Black, non-Hispanic • 18% identify as Hispanic • 8% identify as Other
Residence¹	<p>Seventy-nine percent of dually eligible individuals live in urban areas where long wait times can lead to harmful care delays, and 21% live in rural areas where the complex care they need might not be available.</p>
Living Arrangement³	<p>Social isolation and loneliness can increase the risk of chronic conditions like high blood pressure, heart disease, obesity, anxiety, depression, cognitive decline, and Alzheimer's disease. Among dually eligible individuals:</p> <ul style="list-style-type: none"> • 39% live with children, non-relatives, or others • 37% live alone • 13% live with a spouse • 11% live in institutional settings
Education Level¹	<p>Only 62% of dually eligible individuals have a high school diploma, affecting their ability to navigate a complex, uncoordinated health care system. Thirty-three percent did not graduate from high school.</p>
Chronic Conditions¹	<p>Dually eligible individuals experience high rates of chronic, cognitive, and behavioral health conditions.</p> <ul style="list-style-type: none"> • 49% have hypertension • 28% have diabetes • 11% have Alzheimer's disease or related dementia • 10% have schizophrenia or other psychotic disorders • 7% have intellectual disabilities

1. Medicaid and CHIP Payment and Access Commission and the Medicare Payment Advisory Commission. Beneficiaries Dually Eligible For Medicare and Medicaid https://www.macpac.gov/wp-content/uploads/2024/01/Jan24_MedPAC_MACPAC_DualsDataBook-508.pdf

2. Kaiser Family Foundation. A Profile of Medicare-Medicaid Enrollees (Dual Eligibles) <https://www.kff.org/medicare/issue-brief/a-profile-of-medicare-medicare-enrollees-dual-eligibles/>

3. Medicare Payment Advisory Commission. Dual-eligible Beneficiaries https://www.medpac.gov/wp-content/uploads/2024/07/July2024_MedPAC_DataBook_Sec4_SEC.pdf

4. National Institute on Aging. Social Isolation, Loneliness in Older People Pose Health Risks <https://www.nia.nih.gov/news/social-isolation-loneliness-older-people-pose-health-risks>

Dually Eligible Individuals Have Complex Health Needs

Dually eligible individuals face complex health needs and often experience a range of chronic conditions that significantly impact their daily lives. These conditions vary widely and require complex treatment to support both physical and mental well-being. Dually eligible individuals report being in worse health than those only enrolled in Medicare. Among all dually eligible individuals:²

- Only 24% self-report being in “excellent or very good health,” compared to 53% of Medicare-only individuals
- 59% self-report being in “good or fair health,” compared to 39% of Medicare-only individuals
- 11% self-report being in “poor health,” compared to 4% of Medicare-only individuals

Additionally:²

- 30% have one or two chronic conditions, compared to 53% of Medicare-only individuals
- 37% have three or four conditions, compared to 39% of Medicare-only individuals
- 26% have five or more chronic conditions, compared to 15% of Medicare-only individuals

Further:⁴

- 50% have a mental health condition 24% of Medicare-only individuals
- 11% have Alzheimer’s or other dementia 3% of Medicare-only individuals
- 16% have an intellectual or developmental disability 1% of Medicare-only individuals

Additionally, dually eligible individuals are more likely to have functional limitations that affect their ability to carry out activities of daily living (ADLs), including dressing, bathing, toileting, etc.¹

- 23% report limitations in one to two ADLs, compared to 12% of Medicare-only individuals
- 24% report limitations in three to six ADLs, compared to 6% of Medicare-only individuals

Dually Eligible Individuals Have Comparatively High Health Care Utilization

Due to their complex health needs, dually eligible individuals often require more frequent use of health care services. Some of the increased utilization among dually eligible individuals may be the result of uncoordinated care between Medicare- and Medicaid-covered services. In 2021, when compared to non-dually eligible individuals, dually eligible individuals utilized the following services at much higher rates:³

Services	Dually Eligible Utilization	Medicare-only Utilization
Prescribed medication	91.6%	57.4%
Physician visits	91.0%	82.9%
Outpatient hospital	74.6%	62.8%
Inpatient hospital	19.8%	10.9%
Home health	12.4%	7.6%
Skilled nursing facility	6.4%	2.8%

Key Takeaways

Dually eligible individuals are among the most vulnerable populations, often having lower incomes, poorer health, and higher use of health care services. Their elevated use of health care services makes effective policies to support this population and manage utilization critical. They require a comprehensive approach that addresses medical and social needs while reducing administrative burdens and system fragmentation. With many managing multiple chronic conditions, mental health challenges, and disabilities at the same time, coordinated and accessible care is essential to improving health outcomes and reducing spending growth.