



**Actuarial Analysis of National Center for
Policy Analysis
Proposal for Medicare**

Prepared for:
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I. INTRODUCTION

A. Request for and Purpose of Analysis

This report presents our analysis of the Medicare proposal as described in the National Center for Policy Analysis (NCPA) report, "A Framework for Medicare Reform," as published in September 2008, with some modest revisions that are described in the next section of this report. We have performed this analysis at the request of the NCPA.

The report includes various sections detailing findings, caveats, limitations on the use of this report, and its findings, documentation of methodology, assumptions (including some sensitivity analysis), and other considerations. The report should be read in its entirety while keeping in mind all caveats, limitations, and considerations noted.

Findings in this report are generally presented by comparing projections of status quo Medicare results intended to be consistent with the Medicare Trustees Report alternative projections (issued May 13, 2011) and anticipated results under the NCPA Medicare reform proposal. Ranges of results and the potential variation in assumptions are important in considering the results shown.

B. Overview of NCPA Proposal as Analyzed

1. The proposal only examines the impact on the Medicare population over the age of 65. The impact of individual accounts for those who become disabled before age 65 and become eligible for Medicare are assumed to be accounted for separately.
2. The analysis begins in calendar year 2013, when Medicare-eligible individuals have the option of choosing between a \$2,500 and a \$5,000 deductible, with all costs above the deductible covered by the federal government or Medicare. (The base case analyzed assumes all individuals will be enrolled in the \$5,000 deductible plan.) Only these high-deductible plans would be available. Supplemental coverage for services under the deductible would be prohibited. Alternatively, the program could allow individuals then receiving age benefits the option of staying with current Medicare benefits or choosing the new plans. We assumed that all individuals move to high-deductible benefits, whether current or future benefit recipients.
3. The deductible for all options is assumed to be indexed consistent with projected increases in medical costs after 2013 such that the cost sharing as a percentage of total medical spending remains consistent.
4. Services covered under the deductible options above would be consistent with services covered today under Parts A, B, and D.
5. Each year prior to entrance into Medicare eligibility, each person must contribute 4% of their individual gross wages to a personal account, in addition to the 2.9% tax (part employee and part employer responsibilities) paid into the Medicare Trust Fund and Parts B and D annual premiums.
6. The personal accounts that build up for each person are to be used to fund the Medicare-covered costs of the high-deductible plan benefits. Once such funds are exhausted, Medicare would pay the Medicare-covered benefits consistent with the new plan design.
7. To the extent that funds in the personal account remain upon death, these funds cannot be transferred to the account of a spouse or a designated family member or other beneficiary.
8. People of low or modest incomes may not have sufficient monies to cover the deductibles under these programs. In that instance, the proposal includes subsidies to cover such out-of-pocket costs. The aggregate level of subsidy assumed is equal to 50% of the difference in cost between the NCPA aggregate cost of providing the benefit options and the status quo Medicare cost in

year 1, decreasing proportionately to approximately 1% of such difference by mid-century. We have not examined the exact level of subsidy needed at any point in time, as it is beyond the scope of our analysis. The subsidies should go only to those needing the help, with larger amounts going to those with the most serious limitations on ability to pay and none going to those not in need of a subsidy. Specific assumptions as to the actual dollar amounts of subsidy by individual have not been made in our analysis. There is also an assumed redistributive mechanism associated with the accounts such that high-value accounts will be used to subsidize those with lower-value accounts.

9. Premiums for Parts B and D in total are assumed to be consistent with that expected from status quo projections, and future increases are anticipated to be equal to the assumed medical cost increase for any given scenario. The total Parts B and D premiums for the scenario where 100% choose the high deductible and 0% choose the low deductible (base scenario) are set in our analysis so that, in total, they are equivalent to the 2013 aggregate Parts B and D premiums under the status quo scenario. Therefore, any scenario where some people choose the low deductible will produce greater premiums than the base scenario. The revenue difference is not built into any cost savings.
10. All other aspects of Medicare benefits are assumed to remain unchanged, such as the age of eligibility and services covered. Trends in reimbursement are as specified in the assumptions noted in later sections.
11. Various items or issues that should be considered in any reform of Medicare are identified in Section VI of this report, but are not addressed from a technical perspective in our analysis, which is due to the limited scope of our assignment.

C. Definition of Medicare Status Quo

The starting costs for the current Medicare program and future projections of costs are based on the 2011 Annual Report of the Boards of Trustees of the Federal Health Insurance and Federal Supplementary Medical Insurance Trust Funds (Medicare Trustees Report), Milliman, other data, and judgment as applicable. The assumptions underlying the status quo projections are detailed in Section III.

The status quo projections are intended to match the Medicare trustee projections, assuming no changes in Medicare from the 2010 basis.¹ These projections reflect changes as implemented by the new Federal Law (Patient Protection and Affordability Act or PPACA) as passed in March 2010. However, our modeling includes higher net costs (after cost sharing) because our net costs include not only the costs paid by Medicare for Medicare beneficiaries, but also the costs paid by other programs (e.g., Medicare Supplement, private insurers for Medicare Advantage coverage). This approach was used to examine the overall cost to the system from changing the benefit design and structure.

We project future Medicare costs to be consistent with the assumptions underlying the Medicare Trustees Report alternative scenario projections (issued May 13, 2011). Status quo and NCPA projections in this report are run for 40 years after implementation of the program.

¹ The 2011 Medicare Trustees Report notes that the impact of preventive care services on health status and resulting medical trend (an impact they estimate to be small) has not been explicitly reflected in their trend projections. We believe the impact of coverage of certain preventive care services will have a more pronounced impact on long-term medical trends than the Medicare Trustees Report estimates. As a result, we reduce the long-term medical trend in the status quo projections to reflect increased use of preventive care services.

D. Caveats and Limitations on Use of Report

The findings from the analysis presented in this report rely on the methods and assumptions used and the data employed. When reading the report, the following should be kept in mind:

Multiple data sources have been used as a starting point for our analysis. In some instances, the data had gaps in information or indicated conflicting results, which required us to make an assumption to bridge such differences. In those instances, we used the information available to us plus our experience and judgment in setting assumptions. A few examples of these assumptions:

- > We used the Medicare Payment Advisory Commission (MedPAC) report to break the Medicare-age population into subgroups on age, health status, and eligibility status by market (employer-sponsored insurance, Medigap, Medicaid, Medicare Managed Care, public sector, and Medicare only), and the data required some smoothing.
- > We determined the approximate medical cost differential between dual-eligibles and non-dual-eligibles based upon a Kaiser report, "Where Does the Burden Lie." However, the Kaiser report may use a slightly different definition or count of dual-eligibles than the MedPAC report.
- > The Medicare Trustees Report only summarizes the total net cost to the Medicare program (after costs are paid by members and other entities). As our analysis reflects, the net cost is defined as total Medicare allowed costs net of member cost sharing (but including Medicare-eligible costs currently paid by Medicaid, Medicare supplement plans, or Medicare Advantage plans); we estimated cost-sharing percentages based on Milliman experience and judgment.

Reform projections reflect differences in utilization anticipated based on experience with plans with varying levels of cost sharing from under- and over-age-65 markets. These differences attempt to account for the varying risk characteristics of the population segments studied in this report.

The analysis uses data reflecting the difference in starting costs between five Medicare population segments (those with dual Medicaid and Medicare coverage, those with Medicare Advantage coverage, those with Medicare Supplement coverage, those with post-retirement coverage furnished by former employers, or those without any coverage except for Medicare fee-for-service). To the extent the risk characteristics of these populations are different than assumed, results may be different.

To the extent actual results differ from projected results as shown in this analysis, the underlying basis for future projections should be modified to reflect such actual experience.

This report includes a limited number of sensitivity tests and scenarios with respect to variations in critical assumptions. The selected scenario or combinations of assumptions are intended to examine what we believe to be some of the most critical variables. However, numerous other levels of sensitivity testing, as well as examination of other variables, may provide useful information regarding the status quo and reform scenarios.

We did not recognize tax impacts on personal accounts as part of our analysis.

In assumptions relating to the proportion of individuals choosing different deductible levels, we recognized the anticipated utilization difference by deductible, but did not reflect the potential for less or more costly populations (selection bias) in these estimates. Any selection bias could modify utilization assumptions.

We assumed individuals would make one choice at inception of the program or at their initial eligibility age and remain with that benefit choice adjusted for medical inflation thereafter (however, the base case assumes all enrollment in the \$5,000 deductible plan). A different assumption is possible, offering more choices, but that could impact results substantially depending on what options were made available. We have not tested such options.

We have not explicitly reflected any change in the general health status of the Medicare population as part of our analysis. However, we have assumed that enrollees will use more preventive services than has occurred in Medicare prior to changes from PPACA, but less than anticipated after implementation of changes in benefit structures in PPACA. In our modeling, a higher frequency of preventative care is assumed to correspond to a greater ability to catch chronic conditions at an earlier stage. Long term medical trends are adjusted for this and other factors as detailed later in this report.

The findings, as presented in this report, represent those of the authors only and not necessarily those of Milliman, Inc. Milliman does not take any positions on healthcare reform proposals or initiatives.

Although Milliman understands that the final results may be distributed to third parties, Milliman does not intend to benefit, or create a legal duty to, any third-party recipient of its work. If the final results are distributed to third parties, they should be distributed only in their entirety.

The final results are technical in nature and are dependent upon specific assumptions and methods as noted in the report or supporting attachments. No party should rely upon the results without a thorough understanding of those assumptions and methods.

Mark Litow and Al Schmitz are Fellows of the Society of Actuaries and members of the American Academy of Actuaries. They meet the qualification standards for performing the analyses contained in this report.

II. EXECUTIVE SUMMARY OF FINDINGS

This section of the report summarizes the comparison of projected results for the NCPA program for reforming Medicare versus a status quo continuation of the Medicare program. The NCPA program assumes every Medicare-eligible person over the age of 65 is enrolled in a high-deductible health plan and that the cost of the plan is reduced by funds amassed in individual accounts prior to retirement (at a rate of 4% of salary per year). More detail on the NCPA program is included in Section I.B. above. On the other hand, the status quo projections assume Medicare will continue using the current structure (including the Medicare Advantage, dual-eligible, Medicare Supplement, employer-sponsored insurance, and Medicare fee-for-service programs). Further details on these projections are described in Section I.C. above.

Results in this section are presented using a base scenario including assumptions described below (with ranges reflecting some limited sensitivity testing). Methods and assumptions underlying the results are found in Sections III and IV. Detailed findings corresponding to the summary in this section are found in Section V.

Our analysis is limited in scope and comes with caveats; limitations pertaining to our findings are found in Section I.D. above. The limitations include a lack of technical analysis of certain issues, such as the impact of the proposed program on access to treatment, other costs of the healthcare system, medical education and training, and medical innovations. These items are addressed in general in Section VI. In addition, our analysis determined the impact of healthcare reforms on the average person within each age group.

A. Comparison of Status Quo and NCPA System Projections: Reasons for Results

In order to determine how the savings for the proposed NCPA program will compare to the traditional Medicare program, we note four key differences between the programs that will have a pronounced effect on the projected costs of the NCPA's proposed Medicare program revisions. These key differences are outlined below:

1. The NCPA's use of high-deductible health plans (HDHPs) is expected to result in utilization reductions from the traditional Medicare program that uses much smaller deductible levels.
2. The NCPA's use of HDHPs is anticipated to moderate medical trend as providers will engage in pay-for-performance initiatives aimed at increasing competition and reducing long-term medical costs.
3. The NCPA's use of HDHPs will make members responsible for a higher percentage of their healthcare costs. This will lead to reductions in the net costs of the Medicare program, but will likely create affordability issues for low-income Medicare enrollees that will need to be addressed through subsidies.
4. The use of personal accounts will take advantage of prefunding of future healthcare expenditures and result in some (or all) years of healthcare coverage being funded by the member and reducing strain on the government program. This is particularly true for young adults now as they will have substantial time to build account values before reaching Medicare eligibility.

B. Summaries of Results, Including Sensitivity of Results to Assumptions

Each of the key observations noted above is explored in further detail below.

1. Utilization reduction resulting from HDHPs

The higher cost-sharing requirements of the high-deductible health plans (HDHPs) are assumed to reduce overall utilization. We assume that the \$2,500 deductible plan will result in a

3% utilization reduction on average across all members (with greater utilization reduction for members in better health and less utilization reduction for members in worse health). We also assume that a \$5,000 deductible plan will result in a 9% utilization reduction on average across all members. Ultimately, this utilization reduction will lessen the gross medical costs for the HDHPs as compared to the standard Medicare program.

The utilization reductions assumed reflect greater reductions in utilization for drug costs than for physician costs and outpatient hospital costs, which are much more significant than changes in inpatient hospital costs. The changes in inpatient hospital costs are expected to be minimal. These changes mean that, among healthier populations (e.g., the non-disabled), costs will show larger utilization decreases than among less healthy populations (e.g., those who are disabled or suffering end-stage renal disease) because prescription drugs, physician, and hospital outpatient costs are a greater portion of total costs for healthier populations whereas inpatient charges account for a greater portion of medical costs for the less healthy populations. This result reflects numerous studies including assumptions as shown in American Academy of Actuaries reports on medical savings accounts. It is also supported by the Milliman *Health Cost Guidelines*[™] and other Milliman tools. Changes in utilization can also result from many influences including technology advances, health status changes in the population, regulatory influences, and natural causes such as epidemics. Our limited testing of this item does not preclude the potential for trends outside of the range shown. See additional comments later in this report on the relationship of medical trends to other factors such as wage growth, gross domestic product (GDP), and interest rates; this relationship is critical in understanding the potential sensitivity of the results to changes in the assumptions.

For the purposes of simplicity in this report, we assumed that the selection of deductible plan where applicable in a scenario would not vary by age or health status. Recognition of deductible selection is recognized in aggregate in our estimates of utilization reduction for the scenarios where 100% choose either deductible option. Intermediate scenarios are expected to have a roughly equal chance of under- or over-stating the utilization due to the potential selection. Furthermore, while we assume that HDHPs will result in lower utilization of discretionary medical procedures, experience from several carriers indicates that enrollees in HDHPs use an equal or higher volume of preventive services than enrollees in lower deductible plans. Higher utilization of preventive services may identify chronic conditions at an earlier stage, thereby having the potential to reduce overall medical expenditure over time.

2. Medical trend reduction resulting from HDHPs

The NCPA proposal outlines a number of programs aimed at increasing competition between providers. The pay-for-performance incentive program is assumed to reduce excess costs and further reduce long-term medical trends.

3. Increased member responsibility (cost sharing) from HDHPs

Medical costs are expected to decrease under the NCPA plan, which is due in part to the fact that members bear more responsibility (via cost sharing) for the cost of their medical care (which will be partly or wholly funded by the individual accounts) than under traditional Medicare, resulting in cost savings to the Medicare program. However, many Medicare-eligible members are in low-income brackets and may have a difficult time affording the increased cost sharing resulting from HDHPs. In that circumstance, the Medicare program is assumed to subsidize the coverage of these members with existing Medicare revenue sources and savings from the new program design.

4. Additional net cost reductions resulting from Medicare enrollees' personal savings accounts

The NCPA reform proposal intends to reduce Medicare costs over time not only by implementing HDHPs aimed at reducing utilization of services and shifting more medical cost responsibility to the member, but also by funding a portion of Medicare costs through savings accounts accumulated by members during their careers (using an annual contribution equivalent to 4% of the member's salary each year). This funding will not be sufficient to cover the costs of those already eligible for Medicare or those nearing Medicare eligibility, at which point the federal government will use existing funding mechanisms (e.g., 2.9% Medicare Part A payroll tax, Medicare Part B premium, Medicare Part B general revenue account) to cover eligible expenses. However, young working adults will accrue a large account balance at 4% of annual wages before becoming Medicare-eligible. The effectiveness of account balances in paying off Medicare costs is highly subject to the interest these accounts accrue between the time the funds are collected and the time each enrollee becomes Medicare-eligible (the differential between medical-cost trend and the interest rate applicable to account balances is particularly significant). We assume the interest rate on savings account funds is 5.2%, consistent with projections by the Medicare Trustees. These funds are expected to be invested by the federal government in investment vehicles that will support this assumption.

Please note that while these accounts will also cover members' deductibles in cases where the accounts are sufficient, low-income Medicare-eligibles will likely not accumulate a fund balance sufficient to cover their deductibles during their working life (nor will they be able to pay the deductibles at the age of Medicare eligibility). As such, a subsidy is provided that is intended to cover the cost sharing for low-income Medicare-eligibles. The subsidy is assumed to decrease over time as members (including low-income individuals) have more time to build up their accounts prior to Medicare eligibility and fewer individuals are unable to cover the cost of their deductibles with their account savings.

Ultimately, the four factors outlined above will result in substantial savings for the NCPA reform program relative to traditional Medicare. Figure 1 summarizes the savings (with traditional Medicare as the base for comparison) attributed to each factor in 10-year increments starting in 2013 and continuing to 2053. The assumptions underlying the savings estimates are as follows:

- > 100% of Medicare-eligibles enroll in the \$5,000 deductible plan, as this scenario assumes the \$5,000 deductible plan is the only plan available (sensitivity tests are provided that examine enrollment in the \$2,500 deductible plan based on the assumption that the \$2,500 deductible plan is available under those scenarios)
- > Long-term medical trends fall from 3.67% annually (long-term medical trend of 4.17% as supported by the Medicare Trustees' Report was reduced 0.5% to reflect increased use of preventive services based on lower out of pocket costs to members) to 3.32% per year
- > Wage growth is 1.2% per year
- > Interest rate is 5.2% annually
- > Members contribute 4% of salary for each year from program inception to retirement
- > The age of Medicare eligibility remains 65 years of age

Figure 1
National Center for Policy Analysis
Components of NCPA Annual Best Estimate Savings (\$ Billions)

	Year				
	2013	2023	2033	2043	2053
Medicare-Eligible Population (millions)	51.1	73.7	82.7	84.5	84.7
Savings Resulting From Reduced Utilization	\$65.5	\$128.8	\$226.7	\$353.7	\$786.6
Savings Resulting From Reduced Medical Trend	\$0.0	\$41.6	\$130.5	\$271.7	\$433.5
Savings Resulting From Increased Cost Sharing	\$124.4	\$234.4	\$373.8	\$521.9	\$651.4
Savings Resulting From Member Accounts	\$0.0	\$23.5	\$107.4	\$305.7	\$551.6
Savings Reduction for Low-Income Cost-Sharing Subsidies	\$0.0	-\$93.0	-\$60.7	-\$62.8	-\$21.5
Total Savings	\$189.9	\$335.3	\$777.7	\$1,390.2	\$2,401.6

As shown in Figure 1, the NCPA reform program is projected to result in an estimated \$2.4 trillion of savings from traditional Medicare in the year 2053.

We provide an additional illustration in Figure 2 to estimate the value resulting from each component of the NCPA savings as a percentage of the estimated gross domestic product (GDP) in that year. We estimate the GDP for each year based on the assumptions below:

- > Estimated GDP of \$15.3 trillion in 2013
- > GDP growth of 3% annually

Figure 2
National Center for Policy Analysis
Comparison of Medicare Program Costs (as % of GDP)
Between Standard Medicare and the NCPA Program

	Year				
	2013	2023	2033	2043	2053
Cost of Standard Medicare (as % of GDP)	3.8%	5.6%	7.1%	8.0%	8.6%
Cost of NCPA Program (as % of GDP)	2.7%	4.0%	4.5%	4.4%	3.9%

Sensitivity tests are included in Section V. Additional sensitivity testing could have been performed for the following assumptions, but were beyond the scope of our work:

- > Enrollment (including selection biases within this assumption)
- > Annual medical trend (including variations that are due to technology advances, health status, etc.)
- > Interest rates
- > Annual wage growth
- > Changes in the GDP

The level of change in these assumptions individually, however, must be considered in light of the changes in the other assumptions. For instance, an increase in medical trend can be largely offset by corresponding increases in interest rates and wage growth. Allowing for additional enrollment options can be largely offset by plan design changes that are expected to reduce utilization or limited open enrollment periods. However, if offsetting changes do not occur, the impact of a change in any one of these variables can be very significant and change overall conclusions relative to the balance of revenues and costs between the NCPA reform program and the status quo scenario.

III. METHODS AND ASSUMPTIONS UNDERLYING STATUS QUO PROJECTIONS

The status quo projection assumes no changes in Medicare as it exists in calendar year 2010, with the following dynamics reflected:

- > Inflation in medical costs as anticipated in the Medicare Trustee Report's alternative scenario projections
- > Total per member per year medical service cost levels as anticipated in the Medicare Trustees Report

The following sections discuss and present the methods and assumptions underlying the status quo estimates included in Section II above. The methods / assumptions and projections under the NCPA reform projections (also presented in Section II above) use the status quo 2010 assumptions as a starting point, with changes per the reform reflected as a dynamic in the future-year projections of 2013 and later.

A. Medicare Structure Assumed-Risk Segmentation

The baseline for Medicare costs is calendar year 2010 as derived from a combination of government fiscal year estimates, the Kaiser report "Where Does the Burden Lie? Medicaid and Medicare Spending for Dual Eligible Beneficiaries," the Medicare Payment Advisory Committee (MedPAC) data book, *Health Care Spending and the Medicare Program*, issued June 2011, and adjustments based upon Milliman experience and judgment as deemed appropriate. The costs are derived separately for five different types of risk groups:

1. **Medicare Advantage (MA):** This population is governed by Part C of Medicare. Private insurers cover this population, which must opt to take such coverage in lieu of Parts A, B, and D coverage. In accepting this option, the participant receives specific benefit coverage with identified premium and benefit provisions. These plans must meet certain requirements as established by law. Insurers receive risk-adjusted payments from Medicare consistent with the risks undertaken, as defined within the law and rules established. Costs for these benefits are accounted for under Parts A, B, and D within Medicare.
2. **Employer-related coverage:** This population receives benefits supplementing Medicare as an effective continuation of the coverage they received from their employers while under age 65. The benefits provided by the employer essentially are equal to the difference between what they received with inflationary adjustments under age 65 minus what Medicare covers. The term frequently used to reflect this level of coverage is a "carve-out" approach. This coverage can also be in the form of a Medicare Supplement plan paid for by the employer. Such coverage generally provides for Parts A, B, and D services.
3. **Medicare Supplement:** This insurance coverage is generally purchased on an individual / family basis from a private carrier per available standardized products to supplement the coverage provided by the government. Most plans cover only Parts A and B services and a few cover Part D. Individuals (or groups) may purchase Part D services separately as prescription drug plans (PDPs).
4. **Those covered dually by Medicare and Medicaid (dual-eligibles):** This dual protection is available for people who are eligible for Medicaid. In this instance, Medicaid pays for supplemental coverage to Medicare so that these individuals have all of their medical costs satisfied for services eligible under the program. All services under Parts A, B, and D are covered. The dual-eligible market includes both those who receive their Medicare benefits through the Medicare fee-for-service market (described below) and those who enroll in a Medicare Advantage Dual Special Needs Plan (Dual SNP).

- 5. Medicare fee-for-service:** These are individuals who do not purchase protection under #1 or #3 above and are not eligible for coverage under #2 or #4 above. Therefore, they would pay all costs not covered or paid for by Medicare out of their own pocket.

The following sections present the population and cost assumptions assumed for these risk groups in our analysis. Data underlying these assumptions is also noted.

B. Development of Medicare Population Assumptions and Data

Medicare population assumptions are based on government data underlying the Medicare Trustees Reports. This data has been divided into the following risk categories for purposes of our analysis:

- 1. Ages 65+:** These ages were subdivided into initial groups of ages 65-74, 75-84, and 85+; they were tracked over time for purposes of estimating aged populations and corresponding costs. For population projections, mortality was applied to each age category in this group based on Table 6 of the 2010 United States Social Security Life Tables (at http://www.ssa.gov/OACT/NOTES/as120/LifeTables_Tbl_6.html).
- 2. Ages under 65:** We divided this population into initial ages 20-24, 25-34, 35-44, 45-54, and 55-64. The starting population distribution is based upon the 2000-2050 U.S. Census Bureau population projections (at <http://www.census.gov/population/www/projections/usinterimproj/>). We then tracked these populations over time by applying mortality rates (see Appendix A for mortality assumptions) for the purpose of accumulating funds prior to age 65 and costs and funds available at ages over 65.
- 3. Health status:** The population was divided into those with or anticipated to be disabled, those with end-stage renal disease (ESRD), and non-disabled. Cost and population estimates of these groups were based on Medicare data as available.
- 4. Form of coverage:** Prior to implementation of the NCPA program, the percentages for each of the five risk groups identified in Section III.A are based on Medicare or other government data as available. After implementation of the NCPA program, the movement of these five groups into the two high-deductible coverage options is based on judgment, as described in Section II.A above. We assumed that the choice between the two deductible levels was made consistently across the risk groups. Note that the base scenario assumes all individuals will be enrolled in the \$5,000 deductible.

Please note that while the impact to the insurance industry from a change to the NCPA program is potentially significant, the impact is not included in the analysis of this report.

For status quo projections, the combination of the three risk categories above produces 45 cells (three ages, three health statuses, five forms of coverage). For the NCPA reform projections, the model allows for nine cells (three ages, three health statuses, and one form of coverage) because we assume the five forms of coverage will combine to the choice between the two deductible options available. Other cell splits could have been used, which may have changed results to some degree, although we would not expect such modifications would have altered results materially.

C. Development of Starting Costs and Data

Medicare cost assumptions for the status quo are developed by risk group, recognizing average service costs per member per month (PMPM) under Medicare and adjusting for the risk characteristics of each group according to relative differences by age and health status. Benefit levels and utilization vary according to the risk groups and characteristics. Provider reimbursement reflects Medicare reimbursement levels as designated. The costs are not differentiated by state or other regions within these market subpopulations, but instead represent a nationwide cost average.

Appendix B presents the cost estimates for 2010 by cell as assumed, and supporting relative assumptions by risk category. These relativity estimates are based on Medicare and other government data. We reconciled the 2010 levels to the Medicare Trustees Report's alternative scenario projection. Appendix B also presents the total costs based on the population assumptions in Section III.B above, as well as the cost estimates per person.

D. Gross Versus Net Cost and Premium Development

The projections of status quo results use the Medicare Trustee Report's 2010 population and cost estimates as a starting point. Future results are projected by applying annual mortality assumptions to the population estimates across all ages, annual charge levels, and utilization trends for each of the costs by form of coverage, age, and health status. Application of the annual mortality, charge level, and utilization assumptions produces results for each calendar year from 2011 forward. The projected population, cost, and premiums for each market under the status quo scenario for years 2010 - 2025 are found in Appendix C.

E. Other Assumptions

Our projections assume that Parts B and D premiums are continued in the status quo scenario under Medicare, adjusted consistent with trend assumptions.

All other assumptions such as population growth and GDP growth are assumed to be consistent with the projections of the Medicare Trustee Reports by year.

F. Reconciliation to Medicare Trustee Reports

We reconciled our status quo Medicare projections to the Medicare Trustee Report's alternative scenario projections after noting two key differences:

1. The Medicare status quo projections from the Milliman model reflect only aged Medicare-eligibles whereas the Medicare Trustee Report's alternative scenario projections reflect both aged and disabled populations.
2. The Medicare status quo projections from the Milliman model will reflect the total costs for Medicare-covered services of aged Medicare eligibles net of member cost sharing whereas the Medicare Trustee Report's alternative scenario projection will only reflect the costs to the federal Medicare program. As such, any costs covered by private companies or other entities (e.g., former employers, Medicaid, Medicare Advantage insurers) would be included in the net costs of the Milliman Medicare status quo projections but not the Medicare Trustee Report's alternative scenario projections.

IV. METHODS AND ASSUMPTIONS UNDERLYING NCPA REFORM PROJECTIONS

The NCPA reform proposal projections begin in the same place as the status quo projections and will match status quo results for 2010 - 2012, or until the reform is implemented at the beginning of 2013. The changes to Medicare and component parts for 2013 and later produce the anticipated differences in results between the two scenarios. The following sections note the methods and assumptions employed in estimating the differences.

A. NCPA Proposal Structure Assumed-Risk Segmentation

The baseline for the NCPA reform proposal is the same as for Medicare status quo projections, or the 2010 population as segmented into the five population groups noted in Section III.A and the supporting costs. The differences between the Medicare status quo and the NCPA reform proposal in 2013 and later under the NCPA reform are:

- > All individuals receiving aged Medicare benefits and those to become aged Medicare beneficiaries in future years have only two benefit options, each of which is followed by segment for the NCPA reform baseline:
 - **Benefit Option 1:** A \$2,500 deductible with 100% coverage above the deductible in 2013, increased with average increases in medical costs thereafter. All Parts A, B, and D services are covered with this benefit coverage. Regardless of the five groups people were in prior to 2013, they all have the same choice of benefits.
 - **Benefit Option 2:** A \$5,000 deductible with 100% coverage above the deductible in 2013, increased with average annual increases in medical costs thereafter. All other provisions as noted in Section I.A remain unchanged.
- > Personal accounts under the NCPA proposal (referred to as "HIRAs") are funded by annual contributions during an individual's working lifetime only equal to 4% of annual gross income prior to the eligibility age, accumulating year after year until attainment of the age of eligibility for benefits (age 65 in this proposal). These accounts are to be used to purchase insurance, as well as cover out-of-pocket costs under the deductible until exhausted, at which point Medicare will cover the insurance costs. Subsidies may be available to cover costs underneath the deductible as noted earlier. The accumulation of accounts is followed for selected ages for all health-status and benefit-risk segments combined.
- > In Section I.B, we noted our assumption that all Medicare enrollees over age 65 would enroll in the \$5,000 high-deductible health plan (including those with Medicare coverage prior to 2013) as the base case scenario assumes this deductible level is the only level offered. We noted this was an important assumption in order to establish that a broad cross-section of risks is enrolled in the NCPA reform program. If aged Medicare enrollees were permitted to choose between enrolling in high-deductible health plans (thus saving on Medicare premiums) and maintaining their existing Medicare coverage, we would anticipate that the more healthy risks would gravitate toward high-deductible health plans (as their disincentive for a high-deductible health plan would not be as high as other Medicare enrollees) while the less healthy risks would likely remain in existing Medicare coverage because the lower cost sharing would be more advantageous to them. As a result, the average costs of non-NCPA Medicare coverage would increase more rapidly than NCPA Medicare coverage; that would be due to anti-selection. This would likely cause the remaining healthy risks in non-NCPA Medicare coverage to move to the high-deductible health plans, which would thereby create a rate spiral within the non-NCPA Medicare market.

B. Projection Model Assumptions

The projection model is based on a “closed group” population. It examines the current U.S. population of individuals aged 20 and over and projects them forward for 40 years after implementation of the NCPA reform. It does not account for new individuals turning age 20 subsequent to 2013.

C. NCPA Program Population Assumptions

The population assumptions corresponding to the NCPA projections are the same as for the status quo projections in Section III.B, except that the people in the five status quo segments (Medicare Advantage, employer-related coverage, Medicare supplement, dual-eligible, and Medicare fee-for-service) must now enter into a high-deductible health plan. These five groups are assumed to participate in one of these two plans consistently across their risk levels and underlying health statuses. The population assumptions for the status quo options and the participation assumptions by deductible level for the NCPA reform options are shown in Appendix D. Sensitivity ranges around our best estimates are discussed in Section II above as well as Section V below.

D. Cost Assumption Changes for NCPA Program

Cost assumptions for the NCPA reform proposal are developed for the same risk groups as used for the status quo, but adjusting for the utilization anticipated with the modified benefit coverage. The cost estimates are not differentiated by state or other regions within these market subpopulations, but instead represent a nationwide cost average.

Personal accounts under the NCPA proposal (referred to as "HIRAs") are examined for selected age groups under age 65 with respect to both build-up of monies prior to age 65 and the ability to pay benefits after age 65. Amounts entering and exiting the accounts are adjusted for various assumptions as to average wage trends, investment earnings, and medical trends.

E. Projection Assumption Changes for NCPA Program

The projections of the NCPA reform proposal results use the 2010 population and cost estimates as a starting point through 2012, apply changes in benefits and utilization as applicable to 2013 and later, reflect personal account accumulations by age group starting in 2013, and apply mortality assumptions to the population estimates across all ages. Application of these assumptions to starting population and cost levels create projected results. Those assumptions that do not change from the status quo are not repeated.

F. Rationale and Support for Assumption Modifications Above

The changes in benefit costs that are due to different levels of cost sharing and modifications in utilization are based on:

1. Probability distributions of costs for the risk groups currently receiving Medicare benefits.
2. Changes in utilization that are anticipated to occur for each risk group consistent with the changes in benefits. These changes are applied to the probability distribution of costs in #1 above to ascertain estimated changes in costs for each population segment and in total.

Changes in utilization consistent with changes in benefit structure and the risk group covered, including subsidies as available, are based on Milliman *Health Cost Guidelines* research and our judgment and experience.

V. ADDITIONAL FINDINGS COMPARING STATUS QUO AND NCPA PROPOSAL PROJECTIONS

This section summarizes how a variety of different program structures and underlying assumptions would result in the savings outlined in the NCPA report "A Framework for Medicare Reform." Specifically, we tested a number of scenarios that resulted in long-term projected Medicare program costs (as of the year 2053) that were approximately the same percentage of the projected gross domestic product (GDP) as standard Medicare represents to current GDP today. Currently, Medicare costs measured in this report represent 3.5% of the current GDP. The scenarios below illustrate the sensitivity to various assumptions and the impact on the measured Medicare costs as a percent of GDP in 2053. Figure 3 represents the results of our analysis. Please note that the following GDP assumptions are inherent in these projections:

- > 2011 GDP of \$15.3 trillion
- > GDP grows at a rate of 3% annually

Figure 3						
Assumption Scenarios Under the NCPA Plan						
	Standard Medicare	Base	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Medical Trend	3.67%	3.32%	3.67%	3.67%	3.52%	3.67%
Wage Growth	1.2%	1.2%	1.2%	1.2%	1.2%	3.5%
Interest Rate	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%
Percentage in \$2,500 Deductible	N/A	0%	75%	75%	0%	75%
Contribution Rate	N/A	4%	4%	9%	5.5%	6%
Age of Eligibility	65	65	65	65	65	65
2053 Medicare Costs as a Percent of GDP	8.6%	3.9%	5.3%	3.8%	3.8%	3.8%

Please note that the base scenario above includes the assumptions we summarized in Section II.B of this report. Scenario 1 is based upon the assumptions underlying the NCPA's original proposal, "A Framework for Medicare Reform." Scenarios 2 - 4 summarize a variety of program structures and related assumptions, which would result in projected 2053 Medicare costs that represent approximately the same percentage of projected 2053 GDP that current Medicare costs represent of present-day GDP.

VI. ADDITIONAL CONSIDERATIONS IN COMPARING THE STATUS QUO AND NCPA PROPOSED RESULTS (IGNORED IN THIS ANALYSIS)

This section examines additional considerations not addressed in other sections, but that may be important in the overall evaluation of the NCPA proposal relative to the current Medicare program. These items are beyond the technical scope of this project.

A. Impact on Access to Quality Treatment

As reimbursements under Medicare have moved lower relative to commercial under-age-65 markets, access to quality treatment can become a problem. Providers begin to refuse Medicare patients in favor of commercially covered patients with more favorable reimbursement arrangements. In 2008, Medicare reimbursement was estimated to be slightly above 70% of that in commercial markets.

Our healthcare reform modeling in 2008 showed Medicare utilization to be constrained slightly, meaning that people received less care than if all medical care providers participated in Medicare and the capacity of providers and facilities available in Medicare was adequate to deliver all needed care. This analysis was based on the provider participation rate at that time, information available indicating problems with patients finding doctors, other documents found indicating this was increasing as an issue, and clinical judgment.

Previous modeling suggests Medicaid care has reimbursement arrangements at about 60% of commercial levels. This reimbursement level can lead providers to seek out commercial patients with more favorable reimbursement levels and turn away Medicaid patients. There are other differences between Medicaid and Medicare that may cause additional constraints on Medicaid care, but our limited testing does suggest greater constraint under both programs if reimbursements move lower relative to commercial markets.

Our analysis in this report has not considered any change in constraints of care in our analysis, other than that recognized as part of overall utilization trends. However, if Medicare reimbursements were lowered substantially, such as with a 30% cut to physician reimbursements, we would expect a serious impact on the ability of consumers to receive care under Medicare, affecting utilization significantly. Such modifications in the delivery of care could also affect the long-term health status of the Medicare population in a negative way.

In addition, we have not measured any quality or clinical implications the NCPA program may have on the Medicare program.

B. Impact of Costs on Overall Healthcare System

Costs of Medicare are linked to costs in the remainder of the healthcare system, whether through reimbursements or the delivery of care. Studies, including those by Milliman, have shown that lower fees under Medicare lead to cost shifting to the commercial market.

Any reductions in Medicare costs can, therefore, be expected to have some effects on other parts of the system. If costs are reduced through utilization reductions emanating from excess treatment as opposed to cuts in payments to providers, the results may likewise be different. Similarly, cost increases resulting from different influences may also have varying levels of impact.

Our analysis has not considered impacts on other parts of the healthcare system in evaluating the NCPA reform versus the status quo.

C. Impact on Infrastructure of System, Including Education and Training of Medical Providers

Our analysis has implicitly assumed no difference in the education and training of medical providers under the status quo and NCPA reform projections. If some differences do occur, this could affect the change assumptions for the NCPA reforms as noted in this report.

D. Innovations / Reforms of Medicare / Other External Influences Impacting Status Quo or NCPA Proposed Systems

Our analysis has assumed no difference in the level of innovations, no reforms other than noted, and no other external influences impacting the status quo and NCPA reform projections. If some differences do occur as a result of the reform, they could impact the change assumptions for the NCPA reforms as noted in this report. A reform or external influence may be direct or indirect; indirect effects may include events such as epidemics, new treatments for disease, economic issues impacting wages or employment, or many other potential influences.

APPENDICES

Appendix A
National Center for Policy Analysis
Mortality Assumptions Underlying Long-Term Medicare Cost Projections

Age	Male q_x	Female q_x
0	0.00587	0.00495
1	0.00040	0.00035
2	0.00027	0.00023
3	0.00023	0.00017
4	0.00018	0.00013
5	0.00016	0.00012
6	0.00015	0.00012
7	0.00014	0.00012
8	0.00012	0.00011
9	0.00010	0.00010
10	0.00009	0.00010
11	0.00010	0.00010
12	0.00015	0.00012
13	0.00025	0.00016
14	0.00040	0.00021
15	0.00056	0.00028
16	0.00071	0.00034
17	0.00084	0.00038
18	0.00095	0.00040
19	0.00104	0.00040
20	0.00113	0.00041
21	0.00121	0.00041
22	0.00126	0.00042
23	0.00125	0.00043
24	0.00120	0.00044
25	0.00114	0.00045
26	0.00109	0.00046
27	0.00106	0.00049
28	0.00107	0.00052
29	0.00111	0.00055
30	0.00116	0.00060
31	0.00121	0.00064
32	0.00128	0.00070
33	0.00137	0.00077
34	0.00148	0.00086
35	0.00160	0.00094
36	0.00174	0.00104
37	0.00189	0.00113
38	0.00206	0.00124
39	0.00224	0.00134
40	0.00244	0.00146
41	0.00264	0.00158
42	0.00286	0.00169
43	0.00310	0.00180
44	0.00335	0.00190
45	0.00363	0.00201
46	0.00392	0.00214
47	0.00418	0.00229
48	0.00438	0.00244
49	0.00457	0.00261
50	0.00478	0.00281

Appendix A
National Center for Policy Analysis
Mortality Assumptions Underlying Long-Term Medicare Cost Projections

Age	Male q_x	Female q_x
51	0.00504	0.00304
52	0.00538	0.00332
53	0.00580	0.00365
54	0.00632	0.00403
55	0.00691	0.00447
56	0.00757	0.00495
57	0.00828	0.00547
58	0.00906	0.00604
59	0.00991	0.00666
60	0.01086	0.00734
61	0.01192	0.00811
62	0.01311	0.00895
63	0.01444	0.00987
64	0.01590	0.01088
65	0.01753	0.01201
66	0.01932	0.01325
67	0.02122	0.01456
68	0.02323	0.01594
69	0.02538	0.01742
70	0.02785	0.01912
71	0.03059	0.02103
72	0.03343	0.02303
73	0.03633	0.02511
74	0.03942	0.02736
75	0.04299	0.02998
76	0.04715	0.03305
77	0.05184	0.03649
78	0.05711	0.04031
79	0.06305	0.04462
80	0.06978	0.04965
81	0.07738	0.05542
82	0.08596	0.06182
83	0.09557	0.06888
84	0.10625	0.07674
85	0.11800	0.08559
86	0.13083	0.09561
87	0.14473	0.10691
88	0.15973	0.11955
89	0.17584	0.13354
90	0.19307	0.14886
91	0.21141	0.16549
92	0.23086	0.18337
93	0.25138	0.20245
94	0.27296	0.22268
95	0.29443	0.24316
96	0.31547	0.26357
97	0.33577	0.28359
98	0.35496	0.30287
99	0.37271	0.32105
100	0.39134	0.34031

Appendix A
National Center for Policy Analysis
Mortality Assumptions Underlying Long-Term Medicare Cost Projections

Age	Male q_x	Female q_x
101	0.41091	0.36073
102	0.43146	0.38237
103	0.45303	0.40531
104	0.47568	0.42963
105	0.49947	0.45541
106	0.52444	0.48274
107	0.55066	0.51170
108	0.57819	0.54240
109	0.60710	0.57495
110	0.63746	0.60944
111	0.66933	0.64601
112	0.70280	0.68477
113	0.73794	0.72585
114	0.77483	0.76941
115	0.81358	0.81358
116	0.85425	0.85425
117	0.89697	0.89697
118	0.94182	0.94182
119	0.98891	0.98891

Appendix B
National Center of Policy Analysis
Development of Grand Total U.S. Healthcare Costs Including Administration for Medicare Beneficiaries - 2010

Market	Medicare Covered Services - Costs Without Administration						Administrative Costs						
	2010 Starting Costs	Risk Factors			Total Adjustment	Estimated Medical Cost Per Person	Population (millions)	Total Gross Cost Before Admin (\$billions)	Administration			Total Net Cost With Admin	
		Health Status	Demographic Adjustment	Utilization Adjustment*					Average Cost Sharing	Total Net Cost (\$billions)	Percentage		Cost
Medicare Fee-for-Service (FFS)	\$13,774	1.11	0.95	0.65	0.69	\$9,437	2.48	\$23.4	78%	\$18.3	1.3%	\$0.2	\$18.5
Medicare Advantage	\$13,774	0.98	0.97	0.80	0.76	\$10,466	9.41	\$98.5	87%	\$85.7	13.3%	\$13.2	\$98.9
Medicare Medicare Supplement	\$13,774	0.94	1.05	1.16	1.15	\$15,863	11.02	\$174.8	94%	\$164.4	1.3%	\$2.2	\$166.6
Medicare Employer	\$13,774	0.96	0.99	1.10	1.04	\$14,393	13.16	\$189.4	95%	\$179.9	1.3%	\$2.4	\$182.4
Medicare Dual-Eligible (Includes Special Needs Plans)	\$13,774	1.19	0.99	1.04	1.22	\$16,804	3.52	\$59.1	98%	\$57.6	5.1%	\$3.1	\$60.7
Total						\$13,772	39.6	\$545.3	92.8%	\$505.9	4.0%	\$21.2	\$527.1

* Reflects the impact of area, managed care, and changes in utilization resulting from cost sharing.

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year				2010		
Market	Age Group	Health Status Group	PMPY				Aggregate		
			Population	Allowed Cost	Net Cost	Premium	Allowed Cost	Net Cost	Premium
Medicare FFS	65-74	ESRD	16,018	17,237	13,445	13,627	276,099,089	215,357,290	218,279,936
Medicare FFS	65-74	Disabled	525,902	12,928	10,084	10,220	6,798,645,696	5,302,943,643	5,374,910,695
Medicare FFS	65-74	Non-Disabled	977,174	8,187	6,386	6,473	8,000,585,668	6,240,456,821	6,325,147,007
Medicare FFS	75-84	ESRD	7,518	19,152	14,939	15,141	143,977,909	112,302,769	113,826,847
Medicare FFS	75-84	Disabled	246,819	14,364	11,204	11,356	3,545,302,510	2,765,335,958	2,802,864,751
Medicare FFS	75-84	Non-Disabled	458,612	9,097	7,096	7,192	4,172,080,399	3,254,222,712	3,298,386,261
Medicare FFS	85+	ESRD	2,659	21,067	16,432	16,655	56,018,437	43,694,381	44,287,364
Medicare FFS	85+	Disabled	87,301	15,800	12,324	12,492	1,379,394,276	1,075,927,536	1,090,529,111
Medicare FFS	85+	Non-Disabled	162,214	10,007	7,805	7,911	1,623,258,892	1,266,141,936	1,283,324,940
Medicare Advantage	65-74	ESRD	20,637	19,116	16,631	19,190	394,481,185	343,198,631	396,024,059
Medicare Advantage	65-74	Disabled	512,955	14,337	12,473	14,393	7,354,080,556	6,398,050,084	7,382,843,448
Medicare Advantage	65-74	Non-Disabled	4,260,997	9,080	7,900	9,115	38,689,438,301	33,659,811,322	38,840,758,389
Medicare Advantage	75-84	ESRD	14,880	21,240	18,478	21,323	316,037,848	274,952,928	317,273,919
Medicare Advantage	75-84	Disabled	369,858	15,930	13,859	15,992	5,891,707,595	5,125,785,607	5,914,750,930
Medicare Advantage	75-84	Non-Disabled	3,072,321	10,089	8,777	10,128	30,995,969,614	26,966,493,564	31,117,199,414
Medicare Advantage	85+	ESRD	4,993	23,363	20,326	23,455	116,649,685	101,485,226	117,105,919
Medicare Advantage	85+	Disabled	124,104	17,523	15,245	17,591	2,174,631,416	1,891,929,332	2,183,136,719
Medicare Advantage	85+	Non-Disabled	1,030,904	11,098	9,655	11,141	11,440,623,656	9,953,342,580	11,485,369,619
Medicare Medicare Supplement	65-74	ESRD	43,111	28,973	27,235	27,604	1,249,063,408	1,174,119,603	1,190,053,759
Medicare Medicare Supplement	65-74	Disabled	151,751	21,730	20,426	20,703	3,297,518,533	3,099,667,421	3,141,733,477
Medicare Medicare Supplement	65-74	Non-Disabled	5,000,231	13,762	12,936	13,112	68,814,030,170	64,685,188,359	65,563,040,857
Medicare Medicare Supplement	75-84	ESRD	34,545	32,192	30,261	30,671	1,112,065,913	1,045,341,959	1,059,528,453
Medicare Medicare Supplement	75-84	Disabled	121,597	24,144	22,696	23,004	2,935,846,120	2,759,695,352	2,797,147,596
Medicare Medicare Supplement	75-84	Non-Disabled	4,006,624	15,291	14,374	14,569	61,266,495,227	57,590,505,513	58,372,074,995
Medicare Medicare Supplement	85+	ESRD	13,812	35,411	33,287	33,738	489,086,709	459,741,506	465,980,728
Medicare Medicare Supplement	85+	Disabled	48,617	26,559	24,965	25,304	1,291,185,440	1,213,714,314	1,230,185,815
Medicare Medicare Supplement	85+	Non-Disabled	1,601,922	16,820	15,811	16,026	26,945,011,211	25,328,310,539	25,672,044,881
Medicare Employer	65-74	ESRD	46,373	26,289	24,974	25,313	1,219,087,696	1,158,133,311	1,173,850,514
Medicare Employer	65-74	Disabled	566,653	19,716	18,731	18,985	11,172,386,233	10,613,766,921	10,757,807,961
Medicare Employer	65-74	Non-Disabled	6,112,630	12,487	11,863	12,024	76,328,916,441	72,512,470,619	73,496,548,352
Medicare Employer	75-84	ESRD	32,875	29,210	27,749	28,126	960,277,365	912,263,496	924,643,962
Medicare Employer	75-84	Disabled	401,718	21,907	20,812	21,094	8,800,506,842	8,360,481,500	8,473,942,862
Medicare Employer	75-84	Non-Disabled	4,333,436	13,875	13,181	13,360	60,124,411,865	57,118,191,272	57,893,350,905
Medicare Employer	85+	ESRD	11,476	32,131	30,524	30,938	368,718,601	350,282,671	355,036,410
Medicare Employer	85+	Disabled	140,226	24,098	22,893	23,204	3,379,138,873	3,210,181,930	3,253,747,795
Medicare Employer	85+	Non-Disabled	1,512,648	15,262	14,499	14,696	23,086,026,866	21,931,725,522	22,229,364,294
Medicare Dual-Eligible	65-74	ESRD	20,950	30,691	29,924	31,529	642,977,509	626,903,071	660,546,885
Medicare Dual-Eligible	65-74	Disabled	759,556	23,018	22,443	23,647	17,483,530,806	17,046,442,536	17,961,268,709
Medicare Dual-Eligible	65-74	Non-Disabled	1,010,319	14,578	14,214	14,976	14,728,568,233	14,360,354,027	15,131,026,717
Medicare Dual-Eligible	75-84	ESRD	14,201	34,101	33,248	35,033	484,266,571	472,159,907	497,499,167
Medicare Dual-Eligible	75-84	Disabled	515,546	25,576	24,936	26,275	13,185,440,264	12,855,804,258	13,545,732,739
Medicare Dual-Eligible	75-84	Non-Disabled	688,867	16,198	15,793	16,641	11,158,219,136	10,879,263,658	11,463,117,744
Medicare Dual-Eligible	85+	ESRD	5,979	37,511	36,573	38,536	224,270,160	218,663,406	230,398,348
Medicare Dual-Eligible	85+	Disabled	216,092	28,133	27,430	28,902	6,079,377,036	5,927,392,611	6,245,496,161
Medicare Dual-Eligible	85+	Non-Disabled	284,380	17,818	17,372	18,305	5,067,004,704	4,940,329,586	5,205,460,730
		Composite	39,592,000	13,772	12,776	13,318	545,262,410,664	505,842,527,186	527,296,650,148

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2011			2011		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	16,826	17,842	13,916	14,105	300,200,544	234,156,424	237,334,196
Medicare FFS	65-74	Disabled	552,427	13,381	10,437	10,579	7,392,118,313	5,765,852,284	5,844,101,540
Medicare FFS	65-74	Non-Disabled	1,026,461	8,475	6,610	6,700	8,698,978,955	6,785,203,585	6,877,286,611
Medicare FFS	75-84	ESRD	7,496	19,824	15,463	15,673	148,607,855	115,914,127	117,487,215
Medicare FFS	75-84	Disabled	246,121	14,868	11,597	11,754	3,659,309,985	2,854,261,788	2,892,997,408
Medicare FFS	75-84	Non-Disabled	457,315	9,416	7,345	7,444	4,306,243,380	3,358,869,836	3,404,453,568
Medicare FFS	85+	ESRD	2,766	21,806	17,009	17,240	60,314,810	47,045,552	47,684,014
Medicare FFS	85+	Disabled	90,811	16,355	12,757	12,930	1,485,187,885	1,158,446,550	1,174,168,004
Medicare FFS	85+	Non-Disabled	168,735	10,358	8,079	8,189	1,747,755,868	1,363,249,577	1,381,750,444
Medicare Advantage	65-74	ESRD	21,677	19,786	17,214	19,864	428,916,541	373,157,390	430,594,097
Medicare Advantage	65-74	Disabled	538,828	14,840	12,911	14,898	7,996,038,621	6,956,553,600	8,027,312,305
Medicare Advantage	65-74	Non-Disabled	4,475,911	9,398	8,177	9,435	42,066,746,549	36,598,069,498	42,231,275,788
Medicare Advantage	75-84	ESRD	14,838	21,985	19,127	22,071	326,200,783	283,794,681	327,476,602
Medicare Advantage	75-84	Disabled	368,812	16,489	14,345	16,553	6,081,169,200	5,290,617,204	6,104,953,548
Medicare Advantage	75-84	Non-Disabled	3,063,629	10,443	9,085	10,484	31,992,717,343	27,833,664,088	32,117,845,570
Medicare Advantage	85+	ESRD	5,194	24,183	21,039	24,278	125,596,214	109,268,706	126,087,439
Medicare Advantage	85+	Disabled	129,093	18,137	15,780	18,208	2,341,416,293	2,037,032,175	2,350,573,917
Medicare Advantage	85+	Non-Disabled	1,072,346	11,487	9,994	11,532	12,318,070,288	10,716,721,151	12,366,248,075
Medicare Medicare Supplement	65-74	ESRD	45,286	29,990	28,190	28,573	1,358,097,613	1,276,611,756	1,293,936,848
Medicare Medicare Supplement	65-74	Disabled	159,405	22,492	21,143	21,430	3,585,368,060	3,370,245,977	3,415,984,096
Medicare Medicare Supplement	65-74	Non-Disabled	5,252,430	14,245	13,390	13,572	74,820,997,495	70,331,737,645	71,286,220,320
Medicare Medicare Supplement	75-84	ESRD	34,447	33,322	31,322	31,747	1,147,826,988	1,078,957,368	1,093,600,062
Medicare Medicare Supplement	75-84	Disabled	121,253	24,991	23,492	23,811	3,030,255,102	2,848,439,796	2,887,096,404
Medicare Medicare Supplement	75-84	Non-Disabled	3,995,290	15,828	14,878	15,080	63,236,662,339	59,442,462,599	60,249,165,271
Medicare Medicare Supplement	85+	ESRD	14,367	36,654	34,455	34,922	526,597,556	495,001,703	501,719,446
Medicare Medicare Supplement	85+	Disabled	50,571	27,490	25,841	26,192	1,390,213,811	1,306,800,982	1,324,535,776
Medicare Medicare Supplement	85+	Non-Disabled	1,666,318	17,411	16,366	16,588	29,011,577,692	27,270,883,030	27,640,980,318
Medicare Employer	65-74	ESRD	48,712	27,211	25,850	26,201	1,325,505,238	1,259,229,976	1,276,319,177
Medicare Employer	65-74	Disabled	595,234	20,408	19,388	19,651	12,147,654,777	11,540,272,038	11,696,886,820
Medicare Employer	65-74	Non-Disabled	6,420,936	12,925	12,279	12,446	82,991,879,008	78,842,285,057	79,912,265,661
Medicare Employer	75-84	ESRD	32,782	30,234	28,723	29,112	991,157,324	941,599,458	954,378,047
Medicare Employer	75-84	Disabled	400,582	22,676	21,542	21,834	9,083,507,674	8,629,332,290	8,746,442,267
Medicare Employer	75-84	Non-Disabled	4,321,176	14,361	13,643	13,828	62,057,852,622	58,954,959,991	59,755,046,691
Medicare Employer	85+	ESRD	11,937	33,258	31,595	32,024	396,997,732	377,147,846	382,266,176
Medicare Employer	85+	Disabled	145,863	24,943	23,696	24,018	3,638,304,293	3,456,389,078	3,503,296,258
Medicare Employer	85+	Non-Disabled	1,573,456	15,797	15,008	15,211	24,856,625,842	23,613,794,550	23,934,260,936
Medicare Dual-Eligible	65-74	ESRD	22,007	31,768	30,973	32,636	699,104,797	681,627,177	718,207,853
Medicare Dual-Eligible	65-74	Disabled	797,866	23,826	23,230	24,477	19,009,716,644	18,534,473,728	19,529,157,612
Medicare Dual-Eligible	65-74	Non-Disabled	1,061,277	15,090	14,712	15,502	16,014,265,756	15,613,909,112	16,451,855,956
Medicare Dual-Eligible	75-84	ESRD	14,161	35,297	34,415	36,262	499,839,293	487,343,311	513,497,414
Medicare Dual-Eligible	75-84	Disabled	514,088	26,473	25,811	27,196	13,609,448,863	13,269,212,641	13,981,327,383
Medicare Dual-Eligible	75-84	Non-Disabled	686,918	16,766	16,347	17,224	11,517,037,709	11,229,111,766	11,831,741,043
Medicare Dual-Eligible	85+	ESRD	6,219	38,827	37,856	39,888	241,470,717	235,433,949	248,068,910
Medicare Dual-Eligible	85+	Disabled	224,779	29,120	28,392	29,916	6,545,639,110	6,381,998,132	6,724,498,858
Medicare Dual-Eligible	85+	Non-Disabled	295,812	18,443	17,982	18,947	5,455,622,173	5,319,231,619	5,604,697,181
Composite			40,772,457	14,242	13,212	13,772	580,664,815,652	538,670,370,792	561,517,083,124

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
				Year	2012				
Medicare FFS	65-74	ESRD	17,876	18,520	14,446	14,642	331,076,231	258,239,460	261,744,067
Medicare FFS	65-74	Disabled	586,914	13,890	10,834	10,981	8,152,399,193	6,358,871,370	6,445,168,578
Medicare FFS	65-74	Non-Disabled	1,090,539	8,797	6,862	6,955	9,593,670,719	7,483,063,161	7,584,616,945
Medicare FFS	75-84	ESRD	7,492	20,578	16,051	16,269	154,179,290	120,259,847	121,891,911
Medicare FFS	75-84	Disabled	245,988	15,434	12,038	12,202	3,796,500,642	2,961,270,501	3,001,458,352
Medicare FFS	75-84	Non-Disabled	457,069	9,775	7,624	7,728	4,467,688,123	3,484,796,736	3,532,089,441
Medicare FFS	85+	ESRD	2,812	22,636	17,656	17,896	63,661,684	49,656,113	50,330,004
Medicare FFS	85+	Disabled	92,337	16,977	13,242	13,422	1,567,601,081	1,222,728,843	1,239,322,682
Medicare FFS	85+	Non-Disabled	171,570	10,752	8,387	8,500	1,844,738,983	1,438,896,406	1,458,423,888
Medicare Advantage	65-74	ESRD	23,031	20,539	17,869	20,619	473,030,695	411,536,704	474,880,787
Medicare Advantage	65-74	Disabled	572,465	15,404	13,402	15,465	8,818,432,828	7,672,036,560	8,852,923,017
Medicare Advantage	65-74	Non-Disabled	4,755,328	9,756	8,488	9,794	46,393,320,032	40,362,188,428	46,574,771,136
Medicare Advantage	75-84	ESRD	14,830	22,821	19,854	22,910	338,430,329	294,434,386	339,753,980
Medicare Advantage	75-84	Disabled	368,613	17,116	14,891	17,183	6,309,157,429	5,488,966,963	6,333,833,472
Medicare Advantage	75-84	Non-Disabled	3,061,984	10,840	9,431	10,882	33,192,151,649	28,877,171,934	33,321,971,040
Medicare Advantage	85+	ESRD	5,281	25,103	21,840	25,202	132,565,558	115,332,035	133,084,041
Medicare Advantage	85+	Disabled	131,262	18,828	16,380	18,901	2,471,341,673	2,150,067,255	2,481,007,454
Medicare Advantage	85+	Non-Disabled	1,090,364	11,924	10,374	11,971	13,001,601,007	11,311,392,876	13,052,452,183
Medicare Medicare Supplement	65-74	ESRD	48,113	31,131	29,263	29,660	1,497,778,230	1,407,911,536	1,427,018,517
Medicare Medicare Supplement	65-74	Disabled	169,357	23,348	21,947	22,245	3,954,123,898	3,716,876,464	3,767,318,759
Medicare Medicare Supplement	65-74	Non-Disabled	5,580,322	14,787	13,900	14,088	82,516,352,384	77,565,371,241	78,618,022,654
Medicare Medicare Supplement	75-84	ESRD	34,428	34,590	32,514	32,955	1,190,860,002	1,119,408,402	1,134,600,063
Medicare Medicare Supplement	75-84	Disabled	121,187	25,942	24,386	24,717	3,143,861,955	2,955,230,237	2,995,336,115
Medicare Medicare Supplement	75-84	Non-Disabled	3,993,144	16,430	15,444	15,654	65,607,458,836	61,671,011,306	62,507,957,950
Medicare Medicare Supplement	85+	ESRD	14,608	38,048	35,766	36,251	555,818,497	522,469,387	529,559,898
Medicare Medicare Supplement	85+	Disabled	51,421	28,536	26,824	27,188	1,467,356,888	1,379,315,474	1,398,034,374
Medicare Medicare Supplement	85+	Non-Disabled	1,694,317	18,073	16,989	17,219	30,621,432,490	28,784,146,541	29,174,780,557
Medicare Employer	65-74	ESRD	51,753	28,246	26,834	27,198	1,461,833,723	1,388,742,036	1,407,588,865
Medicare Employer	65-74	Disabled	632,392	21,185	20,125	20,399	13,397,043,554	12,727,191,377	12,899,914,020
Medicare Employer	65-74	Non-Disabled	6,821,774	13,417	12,746	12,919	91,527,610,731	86,951,230,194	88,131,258,522
Medicare Employer	75-84	ESRD	32,765	31,385	29,816	30,220	1,028,316,659	976,900,826	990,158,495
Medicare Employer	75-84	Disabled	400,367	23,539	22,362	22,665	9,424,056,137	8,952,853,330	9,074,353,860
Medicare Employer	75-84	Non-Disabled	4,318,856	14,908	14,162	14,355	64,384,454,535	61,165,231,808	61,995,314,443
Medicare Employer	85+	ESRD	12,138	34,523	32,797	33,242	419,027,168	398,075,810	403,478,157
Medicare Employer	85+	Disabled	148,313	25,892	24,598	24,932	3,840,194,093	3,648,184,388	3,697,694,452
Medicare Employer	85+	Non-Disabled	1,599,894	16,399	15,579	15,790	26,235,922,026	24,924,125,924	25,262,375,016
Medicare Dual-Eligible	65-74	ESRD	23,381	32,976	32,152	33,877	771,007,868	751,732,672	792,075,677
Medicare Dual-Eligible	65-74	Disabled	847,674	24,732	24,114	25,408	20,964,869,887	20,440,748,140	21,537,735,465
Medicare Dual-Eligible	65-74	Non-Disabled	1,127,529	15,664	15,272	16,092	17,661,336,263	17,219,802,856	18,143,932,705
Medicare Dual-Eligible	75-84	ESRD	14,153	36,640	35,724	37,642	518,578,695	505,614,228	532,748,871
Medicare Dual-Eligible	75-84	Disabled	513,812	27,480	26,793	28,231	14,119,678,728	13,766,686,760	14,505,499,291
Medicare Dual-Eligible	75-84	Non-Disabled	686,550	17,404	16,969	17,880	11,948,821,292	11,650,100,760	12,275,323,124
Medicare Dual-Eligible	85+	ESRD	6,324	40,304	39,297	41,406	254,869,947	248,498,198	261,834,274
Medicare Dual-Eligible	85+	Disabled	228,556	30,228	29,473	31,054	6,908,857,155	6,736,135,726	7,097,641,844
Medicare Dual-Eligible	85+	Non-Disabled	300,782	19,145	18,666	19,668	5,758,355,090	5,614,396,213	5,915,702,282
Composite			42,169,665	14,757	13,689	14,269	622,281,423,875	577,248,901,416	601,736,981,228

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2013			2013		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	22,314	19,066	14,871	15,073	425,444,679	331,846,850	336,350,394
Medicare FFS	65-74	Disabled	732,625	14,299	11,154	11,305	10,476,121,616	8,171,374,860	8,282,269,827
Medicare FFS	65-74	Non-Disabled	1,361,284	9,056	7,064	7,160	12,328,206,558	9,616,001,115	9,746,501,324
Medicare FFS	75-84	ESRD	8,786	21,184	16,524	16,748	186,132,247	145,183,153	147,153,455
Medicare FFS	75-84	Disabled	288,471	15,888	12,393	12,561	4,583,308,127	3,574,980,339	3,623,496,939
Medicare FFS	75-84	Non-Disabled	536,006	10,063	7,849	7,955	5,393,596,159	4,207,005,004	4,264,098,907
Medicare FFS	85+	ESRD	3,299	23,303	18,176	18,423	76,866,965	59,956,233	60,769,908
Medicare FFS	85+	Disabled	108,300	17,477	13,632	13,817	1,892,767,053	1,476,358,302	1,496,394,184
Medicare FFS	85+	Non-Disabled	201,231	11,069	8,634	8,751	2,227,391,401	1,737,365,292	1,760,943,340
Medicare Advantage	65-74	ESRD	28,749	21,144	18,395	21,227	607,861,191	528,839,236	610,238,626
Medicare Advantage	65-74	Disabled	714,589	15,858	13,797	15,920	11,331,998,419	9,858,838,625	11,376,319,533
Medicare Advantage	65-74	Non-Disabled	5,935,919	10,043	8,738	10,083	59,617,058,896	51,866,841,240	59,850,229,990
Medicare Advantage	75-84	ESRD	17,391	23,493	20,439	23,585	408,568,475	355,454,573	410,166,446
Medicare Advantage	75-84	Disabled	432,274	17,620	15,329	17,689	7,616,701,600	6,626,530,392	7,646,491,641
Medicare Advantage	75-84	Non-Disabled	3,590,797	11,159	9,709	11,203	40,071,074,060	34,861,834,432	40,227,797,930
Medicare Advantage	85+	ESRD	6,194	25,843	22,483	25,944	160,063,503	139,255,248	160,689,535
Medicare Advantage	85+	Disabled	153,955	19,382	16,862	19,458	2,983,969,679	2,596,053,621	2,995,640,424
Medicare Advantage	85+	Non-Disabled	1,278,868	12,275	10,680	12,323	15,698,510,494	13,657,704,130	15,759,909,680
Medicare Medicare Supplement	65-74	ESRD	60,058	32,048	30,125	30,534	1,924,698,058	1,809,216,174	1,833,769,321
Medicare Medicare Supplement	65-74	Disabled	211,402	24,036	22,594	22,900	5,081,189,214	4,776,317,861	4,841,137,995
Medicare Medicare Supplement	65-74	Non-Disabled	6,965,732	15,223	14,309	14,503	106,036,434,482	99,674,248,413	101,026,942,750
Medicare Medicare Supplement	75-84	ESRD	40,374	35,608	33,472	33,926	1,437,660,319	1,351,400,700	1,369,740,764
Medicare Medicare Supplement	75-84	Disabled	142,117	26,706	25,104	25,445	3,795,413,041	3,567,688,258	3,616,105,897
Medicare Medicare Supplement	75-84	Non-Disabled	4,682,772	16,914	15,899	16,115	79,204,306,178	74,452,047,808	75,462,447,836
Medicare Medicare Supplement	85+	ESRD	17,134	39,169	36,819	37,319	671,111,389	630,844,705	639,405,995
Medicare Medicare Supplement	85+	Disabled	60,310	29,377	27,614	27,989	1,771,729,304	1,665,425,545	1,688,027,288
Medicare Medicare Supplement	85+	Non-Disabled	1,987,232	18,605	17,489	17,726	36,973,206,532	34,754,814,140	35,226,476,992
Medicare Employer	65-74	ESRD	64,602	29,078	27,624	27,999	1,878,508,093	1,784,582,688	1,808,801,530
Medicare Employer	65-74	Disabled	789,394	21,809	20,718	20,999	17,215,675,319	16,354,891,553	16,576,846,265
Medicare Employer	65-74	Non-Disabled	8,515,395	13,812	13,122	13,300	117,616,220,520	111,735,409,494	113,251,787,677
Medicare Employer	75-84	ESRD	38,423	32,309	30,694	31,110	1,241,430,608	1,179,359,077	1,195,364,338
Medicare Employer	75-84	Disabled	469,511	24,232	23,020	23,333	11,377,148,894	10,808,291,449	10,954,972,411
Medicare Employer	75-84	Non-Disabled	5,064,735	15,347	14,580	14,777	77,727,839,801	73,841,447,811	74,843,561,294
Medicare Employer	85+	ESRD	14,236	35,540	33,763	34,221	505,945,568	480,648,289	487,171,240
Medicare Employer	85+	Disabled	173,954	26,655	25,322	25,666	4,636,761,829	4,404,923,738	4,464,703,625
Medicare Employer	85+	Non-Disabled	1,876,486	16,882	16,037	16,255	31,678,013,885	30,094,113,191	30,502,524,964
Medicare Dual-Eligible	65-74	ESRD	29,185	33,948	33,099	34,875	990,772,410	966,003,100	1,017,845,290
Medicare Dual-Eligible	65-74	Disabled	1,058,123	25,461	24,824	26,156	26,940,600,111	26,267,085,108	27,676,752,662
Medicare Dual-Eligible	65-74	Non-Disabled	1,407,458	16,125	15,722	16,566	22,695,442,435	22,128,056,375	23,315,595,950
Medicare Dual-Eligible	75-84	ESRD	16,598	37,720	36,777	38,750	626,051,770	610,400,476	643,158,650
Medicare Dual-Eligible	75-84	Disabled	602,548	28,290	27,582	29,063	17,045,917,902	16,619,769,955	17,511,698,022
Medicare Dual-Eligible	75-84	Non-Disabled	805,119	17,917	17,469	18,406	14,425,160,140	14,064,531,136	14,819,327,990
Medicare Dual-Eligible	85+	ESRD	7,417	41,492	40,454	42,625	307,737,373	300,043,938	316,146,304
Medicare Dual-Eligible	85+	Disabled	268,069	31,119	30,341	31,969	8,341,954,694	8,133,405,827	8,569,898,808
Medicare Dual-Eligible	85+	Non-Disabled	352,782	19,708	19,216	20,247	6,952,805,101	6,778,984,974	7,142,790,669
Composite			51,142,219	15,157	14,060	14,656	775,185,376,092	719,045,374,428	749,558,464,612

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2014			2014		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	24,518	19,661	15,336	15,544	482,053,822	376,001,981	381,104,761
Medicare FFS	65-74	Disabled	804,982	14,746	11,502	11,658	11,870,061,394	9,258,647,887	9,384,298,402
Medicare FFS	65-74	Non-Disabled	1,495,731	9,339	7,284	7,383	13,968,582,467	10,895,494,324	11,043,358,730
Medicare FFS	75-84	ESRD	9,148	21,846	17,040	17,271	199,838,234	155,873,822	157,989,210
Medicare FFS	75-84	Disabled	300,339	16,384	12,780	12,953	4,920,803,442	3,838,226,684	3,890,315,841
Medicare FFS	75-84	Non-Disabled	558,058	10,377	8,094	8,204	5,790,757,638	4,516,790,957	4,578,089,012
Medicare FFS	85+	ESRD	3,394	24,030	18,743	18,998	81,568,769	63,623,640	64,487,086
Medicare FFS	85+	Disabled	111,446	18,023	14,058	14,248	2,008,543,979	1,566,664,304	1,587,925,742
Medicare FFS	85+	Non-Disabled	207,077	11,414	8,903	9,024	2,363,636,655	1,843,636,591	1,868,656,863
Medicare Advantage	65-74	ESRD	31,588	21,804	18,970	21,889	688,742,449	599,205,931	691,436,222
Medicare Advantage	65-74	Disabled	785,165	16,353	14,227	16,417	12,839,820,106	11,170,643,492	12,890,038,532
Medicare Advantage	65-74	Non-Disabled	6,522,177	10,357	9,011	10,397	67,549,630,979	58,768,178,952	67,813,827,530
Medicare Advantage	75-84	ESRD	18,106	24,227	21,077	24,321	438,653,719	381,628,736	440,369,358
Medicare Advantage	75-84	Disabled	450,058	18,170	15,808	18,241	8,177,563,107	7,114,479,903	8,209,546,760
Medicare Advantage	75-84	Non-Disabled	3,738,523	11,508	10,012	11,553	43,021,737,502	37,428,911,627	43,190,001,850
Medicare Advantage	85+	ESRD	6,374	26,649	23,185	26,754	169,854,280	147,773,224	170,518,605
Medicare Advantage	85+	Disabled	158,427	19,987	17,389	20,065	3,166,493,374	2,754,849,235	3,178,877,996
Medicare Advantage	85+	Non-Disabled	1,316,019	12,658	11,013	12,708	16,658,758,233	14,493,119,663	16,723,913,089
Medicare Medicare Supplement	65-74	ESRD	65,989	33,048	31,065	31,487	2,180,796,000	2,049,948,240	2,077,768,398
Medicare Medicare Supplement	65-74	Disabled	232,281	24,786	23,299	23,615	5,757,285,963	5,411,848,805	5,485,293,826
Medicare Medicare Supplement	65-74	Non-Disabled	7,653,700	15,698	14,756	14,956	120,145,511,238	112,936,780,563	114,469,462,735
Medicare Medicare Supplement	75-84	ESRD	42,035	36,720	34,517	34,985	1,543,523,510	1,450,912,099	1,470,602,647
Medicare Medicare Supplement	75-84	Disabled	147,964	27,540	25,887	26,239	4,074,891,112	3,830,397,646	3,882,380,553
Medicare Medicare Supplement	75-84	Non-Disabled	4,875,421	17,442	16,395	16,618	85,036,574,371	79,934,379,909	81,019,181,497
Medicare Medicare Supplement	85+	ESRD	17,631	40,392	37,968	38,484	712,161,984	669,432,265	678,517,231
Medicare Medicare Supplement	85+	Disabled	62,062	30,294	28,476	28,863	1,880,102,583	1,767,296,428	1,791,280,675
Medicare Medicare Supplement	85+	Non-Disabled	2,044,961	19,186	18,035	18,280	39,234,786,571	36,880,699,376	37,381,212,939
Medicare Employer	65-74	ESRD	70,982	29,986	28,487	28,873	2,128,460,055	2,022,037,052	2,049,478,424
Medicare Employer	65-74	Disabled	867,359	22,489	21,365	21,655	19,506,371,773	18,531,053,184	18,782,540,916
Medicare Employer	65-74	Non-Disabled	9,356,415	14,243	13,531	13,715	133,266,089,277	126,602,784,813	128,320,930,400
Medicare Employer	75-84	ESRD	40,004	33,318	31,652	32,081	1,332,844,277	1,266,202,063	1,283,385,883
Medicare Employer	75-84	Disabled	488,827	24,988	23,739	24,061	12,214,913,743	11,604,168,056	11,761,649,980
Medicare Employer	75-84	Non-Disabled	5,273,099	15,826	15,035	15,239	83,451,387,290	79,278,817,925	80,354,722,783
Medicare Employer	85+	ESRD	14,649	36,649	34,817	35,289	536,893,286	510,048,622	516,970,569
Medicare Employer	85+	Disabled	179,007	27,487	26,113	26,467	4,920,383,646	4,674,364,463	4,737,800,972
Medicare Employer	85+	Non-Disabled	1,930,998	17,408	16,538	16,762	33,615,697,159	31,934,912,301	32,368,305,838
Medicare Dual-Eligible	65-74	ESRD	32,068	35,007	34,132	35,964	1,122,603,361	1,094,538,277	1,153,278,525
Medicare Dual-Eligible	65-74	Disabled	1,162,629	26,255	25,599	26,973	30,525,283,024	29,762,150,948	31,359,387,123
Medicare Dual-Eligible	65-74	Non-Disabled	1,546,465	16,628	16,213	17,083	25,715,269,921	25,072,388,173	26,417,940,295
Medicare Dual-Eligible	75-84	ESRD	17,280	38,897	37,924	39,960	672,151,560	655,347,771	690,518,117
Medicare Dual-Eligible	75-84	Disabled	627,337	29,173	28,443	29,970	18,301,106,788	17,843,579,118	18,801,184,975
Medicare Dual-Eligible	75-84	Non-Disabled	838,241	18,476	18,014	18,981	15,487,367,572	15,100,183,382	15,910,560,266
Medicare Dual-Eligible	85+	ESRD	7,632	42,787	41,717	43,956	326,561,077	318,397,050	335,484,366
Medicare Dual-Eligible	85+	Disabled	275,856	32,090	31,288	32,967	8,852,216,042	8,630,910,641	9,094,103,060
Medicare Dual-Eligible	85+	Non-Disabled	363,030	20,324	19,816	20,879	7,378,094,837	7,193,642,466	7,579,701,457
Composite			54,775,055	15,597	14,466	15,081	854,316,428,164	792,400,972,589	826,038,400,039

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2015					
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	26,786	20,122	15,695	15,908	538,978,557	420,403,274	426,108,631
Medicare FFS	65-74	Disabled	879,419	15,092	11,771	11,931	13,271,772,309	10,351,982,401	10,492,470,724
Medicare FFS	65-74	Non-Disabled	1,634,041	9,558	7,455	7,556	15,618,103,381	12,182,120,637	12,347,446,043
Medicare FFS	75-84	ESRD	9,503	22,358	17,439	17,676	212,459,015	165,718,031	167,967,016
Medicare FFS	75-84	Disabled	311,991	16,768	13,079	13,257	5,231,576,715	4,080,629,838	4,136,008,684
Medicare FFS	75-84	Non-Disabled	579,708	10,620	8,284	8,396	6,156,472,857	4,802,048,828	4,867,218,161
Medicare FFS	85+	ESRD	3,456	24,594	19,183	19,443	85,007,301	66,305,695	67,205,540
Medicare FFS	85+	Disabled	113,483	18,445	14,387	14,582	2,093,214,156	1,632,707,042	1,654,864,757
Medicare FFS	85+	Non-Disabled	210,862	11,682	9,112	9,236	2,463,275,765	1,921,355,097	1,947,430,098
Medicare Advantage	65-74	ESRD	34,509	22,315	19,414	22,403	770,074,616	669,964,916	773,086,491
Medicare Advantage	65-74	Disabled	857,769	16,736	14,561	16,802	14,356,047,815	12,489,761,599	14,412,196,431
Medicare Advantage	65-74	Non-Disabled	7,125,285	10,600	9,222	10,641	75,526,426,710	65,707,991,238	75,821,821,684
Medicare Advantage	75-84	ESRD	18,809	24,795	21,571	24,892	466,356,889	405,730,493	468,180,879
Medicare Advantage	75-84	Disabled	467,518	18,596	16,179	18,669	8,694,016,992	7,563,794,783	8,728,020,573
Medicare Advantage	75-84	Non-Disabled	3,883,563	11,778	10,246	11,824	45,738,774,742	39,792,734,026	45,917,665,824
Medicare Advantage	85+	ESRD	6,490	27,274	23,729	27,381	177,014,488	154,002,604	177,706,818
Medicare Advantage	85+	Disabled	161,323	20,456	17,796	20,536	3,299,976,911	2,870,979,913	3,312,883,607
Medicare Advantage	85+	Non-Disabled	1,340,072	12,955	11,271	13,006	17,361,008,236	15,104,077,165	17,428,909,695
Medicare Medicare Supplement	65-74	ESRD	72,091	33,823	31,793	32,225	2,438,321,673	2,292,022,373	2,323,127,756
Medicare Medicare Supplement	65-74	Disabled	253,760	25,367	23,845	24,169	6,437,151,913	6,050,922,799	6,133,040,789
Medicare Medicare Supplement	65-74	Non-Disabled	8,361,440	16,066	15,102	15,307	134,333,245,313	126,273,250,594	127,986,924,022
Medicare Medicare Supplement	75-84	ESRD	43,666	37,581	35,326	35,805	1,641,004,716	1,542,544,433	1,563,478,537
Medicare Medicare Supplement	75-84	Disabled	153,704	28,186	26,494	26,854	4,332,240,805	4,072,306,356	4,127,572,243
Medicare Medicare Supplement	75-84	Non-Disabled	5,064,568	17,851	16,780	17,008	90,407,058,056	84,982,634,573	86,135,946,791
Medicare Medicare Supplement	85+	ESRD	17,954	41,339	38,859	39,386	742,183,174	697,652,184	707,120,127
Medicare Medicare Supplement	85+	Disabled	63,197	31,004	29,144	29,539	1,959,358,313	1,841,796,814	1,866,792,118
Medicare Medicare Supplement	85+	Non-Disabled	2,082,337	19,636	18,458	18,708	40,888,729,115	38,435,405,368	38,957,018,081
Medicare Employer	65-74	ESRD	77,546	30,689	29,155	29,550	2,379,805,486	2,260,815,211	2,291,497,077
Medicare Employer	65-74	Disabled	947,563	23,017	21,866	22,163	21,809,838,732	20,719,346,796	21,000,532,192
Medicare Employer	65-74	Non-Disabled	10,221,606	14,577	13,848	14,036	149,003,205,182	141,553,044,923	143,474,082,757
Medicare Employer	75-84	ESRD	41,556	34,099	32,394	32,834	1,417,020,039	1,346,169,037	1,364,438,101
Medicare Employer	75-84	Disabled	507,791	25,574	24,295	24,625	12,986,346,453	12,337,029,130	12,504,456,823
Medicare Employer	75-84	Non-Disabled	5,477,674	16,197	15,387	15,596	88,721,758,507	84,285,670,581	85,429,524,195
Medicare Employer	85+	ESRD	14,917	37,509	35,633	36,117	559,526,024	531,549,723	538,763,465
Medicare Employer	85+	Disabled	182,279	28,132	26,725	27,088	5,127,802,433	4,871,412,311	4,937,522,986
Medicare Employer	85+	Non-Disabled	1,966,291	17,817	16,926	17,156	35,032,766,972	33,281,128,624	33,732,791,866
Medicare Dual-Eligible	65-74	ESRD	35,033	35,828	34,932	36,807	1,255,169,262	1,223,790,030	1,289,466,793
Medicare Dual-Eligible	65-74	Disabled	1,270,137	26,871	26,199	27,605	34,129,950,345	33,276,701,586	35,062,552,066
Medicare Dual-Eligible	65-74	Non-Disabled	1,689,467	17,018	16,593	17,483	28,751,932,777	28,033,134,458	29,537,580,038
Medicare Dual-Eligible	75-84	ESRD	17,951	39,809	38,814	40,897	714,601,282	696,736,250	734,127,779
Medicare Dual-Eligible	75-84	Disabled	651,676	29,857	29,110	30,673	19,456,912,935	18,970,490,112	19,988,573,553
Medicare Dual-Eligible	75-84	Non-Disabled	870,762	18,909	18,437	19,426	16,465,472,058	16,053,835,256	16,915,391,481
Medicare Dual-Eligible	85+	ESRD	7,772	43,790	42,695	44,986	340,327,260	331,819,078	349,626,711
Medicare Dual-Eligible	85+	Disabled	280,898	32,842	32,021	33,740	9,225,381,236	8,994,746,705	9,477,465,002
Medicare Dual-Eligible	85+	Non-Disabled	369,666	20,800	20,280	21,369	7,689,118,447	7,496,890,485	7,899,223,795
Composite			58,407,890	15,928	14,773	15,400	930,306,785,961	862,835,153,371	899,475,828,796

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

Market	Age Group	Health Status Group	Year	Population	2010			2016		
					PMPY			Aggregate		
					Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD		28,537	20,813	16,234	16,454	593,919,897	463,257,520	469,544,458
Medicare FFS	65-74	Disabled		936,914	15,609	12,175	12,341	14,624,644,228	11,407,222,498	11,562,031,644
Medicare FFS	65-74	Non-Disabled		1,740,872	9,886	7,711	7,816	17,210,150,999	13,423,917,779	13,606,095,802
Medicare FFS	75-84	ESRD		10,089	23,125	18,038	18,282	233,313,799	181,984,763	184,454,506
Medicare FFS	75-84	Disabled		331,249	17,344	13,528	13,712	5,745,103,545	4,481,180,765	4,541,995,549
Medicare FFS	75-84	Non-Disabled		615,491	10,984	8,568	8,684	6,760,786,653	5,273,413,590	5,344,979,885
Medicare FFS	85+	ESRD		3,622	25,438	19,841	20,111	92,130,158	71,861,524	72,836,767
Medicare FFS	85+	Disabled		118,911	19,078	14,881	15,083	2,268,606,923	1,769,513,400	1,793,527,734
Medicare FFS	85+	Non-Disabled		220,948	12,083	9,425	9,552	2,669,676,410	2,082,347,600	2,110,607,455
Medicare Advantage	65-74	ESRD		36,765	23,081	20,081	23,171	848,572,973	738,258,486	851,891,867
Medicare Advantage	65-74	Disabled		913,849	17,311	15,060	17,378	15,819,446,485	13,762,918,442	15,881,318,669
Medicare Advantage	65-74	Non-Disabled		7,591,122	10,964	9,538	11,006	83,225,291,599	72,406,003,691	83,550,797,966
Medicare Advantage	75-84	ESRD		19,970	25,646	22,312	25,746	512,134,058	445,556,631	514,137,090
Medicare Advantage	75-84	Disabled		496,377	19,234	16,734	19,309	9,547,413,822	8,306,250,025	9,584,755,163
Medicare Advantage	75-84	Non-Disabled		4,123,281	12,182	10,598	12,229	50,228,451,424	43,698,752,739	50,424,902,292
Medicare Advantage	85+	ESRD		6,801	28,210	24,543	28,321	191,846,731	166,906,656	192,597,072
Medicare Advantage	85+	Disabled		169,040	21,158	18,407	21,240	3,576,485,685	3,111,542,546	3,590,473,847
Medicare Advantage	85+	Non-Disabled		1,404,174	13,400	11,658	13,452	18,815,706,625	16,369,664,764	18,889,297,624
Medicare Medicare Supplement	65-74	ESRD		76,804	34,983	32,884	33,331	2,686,874,530	2,525,662,058	2,559,938,201
Medicare Medicare Supplement	65-74	Disabled		270,351	26,238	24,663	24,998	7,093,329,691	6,667,729,910	6,758,218,683
Medicare Medicare Supplement	65-74	Non-Disabled		8,908,095	16,617	15,620	15,832	148,026,644,442	139,145,045,775	141,033,404,287
Medicare Medicare Supplement	75-84	ESRD		46,361	38,870	36,538	37,034	1,802,084,252	1,693,959,197	1,716,948,174
Medicare Medicare Supplement	75-84	Disabled		163,192	29,153	27,404	27,776	4,757,489,636	4,472,400,258	4,532,730,994
Medicare Medicare Supplement	75-84	Non-Disabled		5,377,186	18,463	17,356	17,591	99,281,332,951	93,324,452,974	94,590,973,274
Medicare Medicare Supplement	85+	ESRD		18,812	42,757	40,192	40,737	804,371,536	756,109,244	766,370,517
Medicare Medicare Supplement	85+	Disabled		66,220	32,068	30,144	30,553	2,123,535,147	1,996,123,039	2,023,212,727
Medicare Medicare Supplement	85+	Non-Disabled		2,181,946	20,310	19,091	19,350	44,314,841,676	41,655,951,176	42,221,270,404
Medicare Employer	65-74	ESRD		82,616	31,742	30,155	30,564	2,622,393,434	2,491,273,762	2,525,083,216
Medicare Employer	65-74	Disabled		1,009,513	23,807	22,616	22,923	24,033,047,336	22,831,394,969	23,141,243,291
Medicare Employer	65-74	Non-Disabled		10,889,874	15,077	14,324	14,518	164,192,001,934	155,982,401,837	158,099,262,661
Medicare Employer	75-84	ESRD		44,121	35,269	33,506	33,960	1,556,113,442	1,478,307,770	1,498,370,109
Medicare Employer	75-84	Disabled		539,136	26,452	25,129	25,470	14,261,074,453	13,548,020,730	13,731,882,973
Medicare Employer	75-84	Non-Disabled		5,815,791	16,753	15,915	16,131	97,430,605,925	92,559,075,629	93,815,208,877
Medicare Employer	85+	ESRD		15,631	38,796	36,856	37,356	606,409,339	576,088,872	583,907,061
Medicare Employer	85+	Disabled		190,998	29,097	27,642	28,017	5,557,466,761	5,279,593,423	5,351,243,586
Medicare Employer	85+	Non-Disabled		2,060,349	18,428	17,507	17,744	37,968,201,885	36,069,791,791	36,559,300,404
Medicare Dual-Eligible	65-74	ESRD		37,323	37,058	36,131	38,070	1,383,116,247	1,348,538,341	1,420,909,932
Medicare Dual-Eligible	65-74	Disabled		1,353,176	27,793	27,098	28,553	37,609,022,344	36,668,796,785	38,636,689,791
Medicare Dual-Eligible	65-74	Non-Disabled		1,799,921	17,602	17,162	18,083	31,682,790,960	30,890,721,186	32,548,523,991
Medicare Dual-Eligible	75-84	ESRD		19,059	41,175	40,146	42,300	784,745,896	765,127,249	806,189,097
Medicare Dual-Eligible	75-84	Disabled		691,901	30,881	30,109	31,725	21,366,785,878	20,832,616,231	21,950,633,820
Medicare Dual-Eligible	75-84	Non-Disabled		924,511	19,558	19,069	20,093	18,081,707,875	17,629,665,178	18,575,790,981
Medicare Dual-Eligible	85+	ESRD		8,144	45,293	44,160	46,530	368,843,664	359,622,572	378,922,326
Medicare Dual-Eligible	85+	Disabled		294,335	33,969	33,120	34,898	9,998,386,297	9,748,426,639	10,271,592,445
Medicare Dual-Eligible	85+	Non-Disabled		387,349	21,514	20,976	22,102	8,333,398,322	8,125,063,364	8,561,108,633
Composite				62,040,725	16,468	15,274	15,922	1,021,690,297,868	947,582,153,377	987,825,175,847

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2017					
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	29,476	21,604	16,851	17,080	636,799,560	496,703,656	503,444,497
Medicare FFS	65-74	Disabled	967,753	16,203	12,638	12,810	15,680,510,204	12,230,797,959	12,396,783,973
Medicare FFS	65-74	Non-Disabled	1,798,174	10,262	8,004	8,113	18,452,684,670	14,393,094,043	14,588,424,904
Medicare FFS	75-84	ESRD	10,337	24,004	18,723	18,978	248,143,660	193,552,055	196,178,779
Medicare FFS	75-84	Disabled	339,397	18,003	14,043	14,233	6,110,273,054	4,766,012,982	4,830,693,267
Medicare FFS	75-84	Non-Disabled	630,630	11,402	8,894	9,014	7,190,514,878	5,608,601,605	5,684,716,787
Medicare FFS	85+	ESRD	3,631	26,405	20,596	20,875	95,866,737	74,776,055	75,790,852
Medicare FFS	85+	Disabled	119,201	19,804	15,447	15,656	2,360,616,178	1,841,280,619	1,866,268,917
Medicare FFS	85+	Non-Disabled	221,486	12,542	9,783	9,916	2,777,952,082	2,166,802,624	2,196,208,631
Medicare Advantage	65-74	ESRD	37,975	23,959	20,844	24,053	909,838,007	791,559,066	913,396,518
Medicare Advantage	65-74	Disabled	943,929	17,969	15,633	18,039	16,961,574,461	14,756,569,781	17,027,913,675
Medicare Advantage	65-74	Non-Disabled	7,840,991	11,380	9,901	11,425	89,233,967,938	77,633,552,106	89,582,975,123
Medicare Advantage	75-84	ESRD	20,461	26,621	23,160	26,725	544,686,255	473,877,042	546,816,604
Medicare Advantage	75-84	Disabled	508,586	19,966	17,370	20,044	10,154,265,273	8,834,210,787	10,193,980,099
Medicare Advantage	75-84	Non-Disabled	4,224,699	12,645	11,001	12,694	53,421,065,591	46,476,327,064	53,630,003,243
Medicare Advantage	85+	ESRD	6,817	29,283	25,476	29,398	199,627,574	173,675,989	200,408,347
Medicare Advantage	85+	Disabled	169,452	21,962	19,107	22,048	3,721,539,366	3,237,739,249	3,736,094,855
Medicare Advantage	85+	Non-Disabled	1,407,593	13,909	12,101	13,964	19,578,826,556	17,033,579,104	19,655,402,229
Medicare Medicare Supplement	65-74	ESRD	79,332	36,314	34,135	34,598	2,880,860,746	2,708,009,101	2,744,759,903
Medicare Medicare Supplement	65-74	Disabled	279,249	27,235	25,601	25,949	7,605,451,926	7,149,124,810	7,246,146,667
Medicare Medicare Supplement	65-74	Non-Disabled	9,201,312	17,249	16,214	16,434	158,713,830,740	149,191,000,895	151,215,694,587
Medicare Medicare Supplement	75-84	ESRD	47,502	40,349	37,928	38,442	1,916,628,092	1,801,630,406	1,826,080,606
Medicare Medicare Supplement	75-84	Disabled	167,205	30,261	28,446	28,832	5,059,884,561	4,756,291,488	4,820,839,841
Medicare Medicare Supplement	75-84	Non-Disabled	5,509,445	19,166	18,016	18,260	105,591,839,867	99,256,329,475	100,603,352,170
Medicare Medicare Supplement	85+	ESRD	18,858	44,384	41,720	42,287	836,994,916	786,775,221	797,452,667
Medicare Medicare Supplement	85+	Disabled	66,381	33,288	31,290	31,715	2,209,660,640	2,077,081,001	2,105,269,382
Medicare Medicare Supplement	85+	Non-Disabled	2,187,259	21,082	19,817	20,086	46,112,145,364	43,345,416,643	43,933,663,863
Medicare Employer	65-74	ESRD	85,335	32,949	31,302	31,727	2,811,724,262	2,671,138,049	2,707,388,468
Medicare Employer	65-74	Disabled	1,042,742	24,712	23,476	23,795	25,768,178,569	24,479,769,641	24,811,988,306
Medicare Employer	65-74	Non-Disabled	11,248,324	15,651	14,868	15,070	176,046,290,194	167,243,975,684	169,513,669,034
Medicare Employer	75-84	ESRD	45,207	36,610	34,780	35,252	1,655,022,918	1,572,271,772	1,593,609,311
Medicare Employer	75-84	Disabled	552,396	27,458	26,085	26,439	15,167,534,975	14,409,158,227	14,604,707,098
Medicare Employer	75-84	Non-Disabled	5,958,838	17,390	16,520	16,745	103,623,477,175	98,442,303,316	99,778,278,739
Medicare Employer	85+	ESRD	15,669	40,271	38,258	38,777	631,003,847	599,453,655	607,588,931
Medicare Employer	85+	Disabled	191,464	30,203	28,693	29,083	5,782,864,283	5,493,721,069	5,568,277,190
Medicare Employer	85+	Non-Disabled	2,065,365	19,129	18,172	18,419	39,508,101,086	37,532,696,032	38,042,057,940
Medicare Dual-Eligible	65-74	ESRD	38,552	38,467	37,505	39,518	1,448,974,087	1,445,899,735	1,523,496,390
Medicare Dual-Eligible	65-74	Disabled	1,397,717	28,850	28,129	29,638	40,324,308,026	39,316,200,326	41,426,170,721
Medicare Dual-Eligible	65-74	Non-Disabled	1,859,167	18,272	17,815	18,771	33,970,216,246	33,120,960,840	34,898,453,228
Medicare Dual-Eligible	75-84	ESRD	19,528	42,741	41,672	43,909	834,625,811	813,760,166	857,431,981
Medicare Dual-Eligible	75-84	Disabled	708,919	32,056	31,254	32,932	22,724,898,688	22,156,776,220	23,345,857,095
Medicare Dual-Eligible	75-84	Non-Disabled	947,250	20,302	19,794	20,857	19,231,014,992	18,750,239,617	19,756,502,943
Medicare Dual-Eligible	85+	ESRD	8,163	47,015	45,840	48,300	383,803,078	374,208,001	394,290,506
Medicare Dual-Eligible	85+	Disabled	295,052	35,261	34,380	36,225	10,403,896,864	10,143,799,442	10,688,183,598
Medicare Dual-Eligible	85+	Non-Disabled	388,292	22,332	21,774	22,942	8,671,380,970	8,454,596,446	8,908,326,665
		Composite	63,705,113	17,082	15,843	16,516	1,088,227,364,967	1,009,275,299,063	1,052,145,039,131

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2018			2018		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	30,500	22,503	17,552	17,791	686,344,476	535,348,691	542,613,990
Medicare FFS	65-74	Disabled	1,001,372	16,877	13,164	13,343	16,900,500,950	13,182,390,741	13,361,290,964
Medicare FFS	65-74	Non-Disabled	1,860,640	10,689	8,337	8,451	19,888,358,907	15,512,919,947	15,723,448,136
Medicare FFS	75-84	ESRD	10,562	25,003	19,503	19,767	264,094,946	205,994,058	208,789,634
Medicare FFS	75-84	Disabled	346,781	18,753	14,627	14,826	6,503,056,466	5,072,384,044	5,141,222,137
Medicare FFS	75-84	Non-Disabled	644,352	11,877	9,264	9,390	7,652,738,897	5,969,136,339	6,050,144,394
Medicare FFS	85+	ESRD	3,608	27,504	21,453	21,744	99,241,129	77,408,081	78,458,598
Medicare FFS	85+	Disabled	118,466	20,628	16,090	16,308	2,443,706,996	1,906,091,457	1,931,959,313
Medicare FFS	85+	Non-Disabled	220,121	13,064	10,190	10,328	2,875,732,616	2,243,071,440	2,273,512,503
Medicare Advantage	65-74	ESRD	39,294	24,956	21,712	25,054	980,626,134	853,144,737	984,461,507
Medicare Advantage	65-74	Disabled	976,720	18,717	16,284	18,790	18,281,235,849	15,904,675,189	18,352,736,454
Medicare Advantage	65-74	Non-Disabled	8,113,376	11,854	10,313	11,900	96,176,638,402	83,673,675,410	96,552,799,393
Medicare Advantage	75-84	ESRD	20,906	27,729	24,124	27,837	579,700,030	504,339,027	581,967,323
Medicare Advantage	75-84	Disabled	519,652	20,797	18,093	20,878	10,807,006,472	9,402,095,630	10,849,274,265
Medicare Advantage	75-84	Non-Disabled	4,316,621	13,171	11,459	13,223	56,855,103,354	49,463,939,918	57,077,472,033
Medicare Advantage	85+	ESRD	6,775	30,502	26,537	30,621	206,654,222	179,789,173	207,462,477
Medicare Advantage	85+	Disabled	168,407	22,876	19,902	22,966	3,852,533,025	3,351,703,732	3,867,600,849
Medicare Advantage	85+	Non-Disabled	1,398,918	14,488	12,605	14,545	20,267,977,436	17,633,140,369	20,347,248,479
Medicare Medicare Supplement	65-74	ESRD	82,088	37,825	35,556	36,038	3,105,000,357	2,918,700,335	2,958,310,460
Medicare Medicare Supplement	65-74	Disabled	288,950	28,369	26,667	27,029	8,197,178,907	7,705,348,172	7,809,918,620
Medicare Medicare Supplement	65-74	Non-Disabled	9,520,953	17,967	16,889	17,118	171,062,243,012	160,798,508,431	162,980,729,368
Medicare Medicare Supplement	75-84	ESRD	48,535	42,028	39,506	40,042	2,039,833,670	1,917,443,649	1,943,465,568
Medicare Medicare Supplement	75-84	Disabled	170,844	31,521	29,630	30,032	5,385,146,412	5,062,037,627	5,130,735,307
Medicare Medicare Supplement	75-84	Non-Disabled	5,629,321	19,963	18,765	19,020	112,379,543,585	105,636,770,970	107,070,383,604
Medicare Medicare Supplement	85+	ESRD	18,742	46,231	43,457	44,047	866,456,119	814,468,752	825,522,031
Medicare Medicare Supplement	85+	Disabled	65,972	34,673	32,593	33,035	2,287,438,006	2,150,191,726	2,179,372,304
Medicare Medicare Supplement	85+	Non-Disabled	2,173,778	21,960	20,642	20,922	47,735,236,791	44,871,122,584	45,480,075,391
Medicare Employer	65-74	ESRD	88,299	34,321	32,605	33,047	3,030,484,847	2,878,960,604	2,918,031,415
Medicare Employer	65-74	Disabled	1,078,966	25,740	24,453	24,785	27,773,020,183	26,384,369,173	26,742,435,448
Medicare Employer	65-74	Non-Disabled	11,639,074	16,302	15,487	15,697	189,743,219,820	180,256,058,829	182,702,341,132
Medicare Employer	75-84	ESRD	46,190	38,134	36,227	36,719	1,761,411,870	1,673,341,277	1,696,050,445
Medicare Employer	75-84	Disabled	564,416	28,600	27,170	27,539	16,142,541,507	15,335,414,432	15,543,533,666
Medicare Employer	75-84	Non-Disabled	6,088,492	18,114	17,208	17,441	110,284,649,688	104,770,417,204	106,192,272,420
Medicare Employer	85+	ESRD	15,572	41,947	39,850	40,391	653,214,415	620,553,694	628,975,322
Medicare Employer	85+	Disabled	190,283	31,461	29,887	30,293	5,986,414,072	5,687,093,368	5,764,273,774
Medicare Employer	85+	Non-Disabled	2,052,636	19,925	18,929	19,186	40,898,738,187	38,853,801,278	39,381,092,106
Medicare Dual-Eligible	65-74	ESRD	39,891	40,068	39,066	41,163	1,598,353,921	1,558,395,073	1,642,028,980
Medicare Dual-Eligible	65-74	Disabled	1,446,272	30,051	29,300	30,872	43,461,660,189	42,375,118,684	44,649,251,108
Medicare Dual-Eligible	65-74	Non-Disabled	1,923,752	19,032	18,556	19,552	36,613,201,001	35,697,870,976	37,613,657,607
Medicare Dual-Eligible	75-84	ESRD	19,952	44,520	43,407	45,736	888,277,615	866,070,675	912,549,822
Medicare Dual-Eligible	75-84	Disabled	724,344	33,390	32,555	34,302	24,185,711,185	23,581,068,405	24,846,586,330
Medicare Dual-Eligible	75-84	Non-Disabled	967,861	21,147	20,618	21,725	20,467,232,034	19,955,551,233	21,026,499,646
Medicare Dual-Eligible	85+	ESRD	8,113	48,972	47,747	50,310	397,312,479	387,379,667	408,169,052
Medicare Dual-Eligible	85+	Disabled	293,233	36,729	35,811	37,732	10,770,101,378	10,500,848,844	11,064,394,659
Medicare Dual-Eligible	85+	Non-Disabled	385,899	23,262	22,680	23,897	8,976,603,032	8,752,187,957	9,221,888,928
Composite			65,369,500	17,776	16,486	17,186	1,162,011,474,588	1,077,680,341,602	1,123,465,006,960

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

Market	Age Group	Health Status Group	Population	2019			2019		
				PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	31,600	23,501	18,331	18,579	742,634,984	579,255,288	587,116,449
Medicare FFS	65-74	Disabled	1,037,497	17,626	13,748	13,935	18,286,594,699	14,263,543,865	14,457,116,581
Medicare FFS	65-74	Non-Disabled	1,927,763	11,163	8,707	8,825	21,519,501,679	16,785,211,309	17,013,005,957
Medicare FFS	75-84	ESRD	10,762	26,112	20,367	20,644	281,011,325	219,188,834	222,163,479
Medicare FFS	75-84	Disabled	353,328	19,584	15,276	15,483	6,919,604,277	5,397,291,336	5,470,538,795
Medicare FFS	75-84	Non-Disabled	656,515	12,403	9,675	9,806	8,142,928,648	6,351,484,346	6,437,681,303
Medicare FFS	85+	ESRD	3,562	28,723	22,404	22,708	102,317,678	79,807,789	80,890,872
Medicare FFS	85+	Disabled	116,953	21,543	16,803	17,031	2,519,463,722	1,965,181,703	1,991,851,482
Medicare FFS	85+	Non-Disabled	217,310	13,644	10,642	10,786	2,964,882,456	2,312,608,316	2,343,993,074
Medicare Advantage	65-74	ESRD	40,712	26,063	22,674	26,164	1,061,052,138	923,115,360	1,065,202,069
Medicare Advantage	65-74	Disabled	1,011,955	19,547	17,006	19,623	19,780,570,503	17,209,096,337	19,857,935,226
Medicare Advantage	65-74	Non-Disabled	8,406,068	12,380	10,770	12,428	104,064,560,641	90,536,167,758	104,471,572,458
Medicare Advantage	75-84	ESRD	21,301	28,958	25,194	29,072	616,832,228	536,644,039	619,244,750
Medicare Advantage	75-84	Disabled	529,461	21,719	18,895	21,804	11,499,240,179	10,004,338,956	11,544,215,400
Medicare Advantage	75-84	Non-Disabled	4,398,106	13,755	11,967	13,809	60,496,909,165	52,632,310,974	60,733,521,483
Medicare Advantage	85+	ESRD	6,689	31,854	27,713	31,979	213,060,656	185,362,770	213,893,967
Medicare Advantage	85+	Disabled	166,256	23,891	20,785	23,984	3,971,964,401	3,455,609,029	3,987,499,338
Medicare Advantage	85+	Non-Disabled	1,381,049	15,131	13,164	15,190	20,896,299,741	18,179,780,775	20,978,028,245
Medicare Medicare Supplement	65-74	ESRD	85,050	39,502	37,132	37,636	3,359,656,807	3,158,077,399	3,200,936,146
Medicare Medicare Supplement	65-74	Disabled	299,374	29,627	27,849	28,227	8,869,470,129	8,337,301,921	8,450,448,710
Medicare Medicare Supplement	65-74	Non-Disabled	9,864,424	18,764	17,638	17,877	185,091,904,408	173,986,390,144	176,347,585,822
Medicare Medicare Supplement	75-84	ESRD	49,451	43,891	41,258	41,818	2,170,493,499	2,040,263,889	2,067,952,620
Medicare Medicare Supplement	75-84	Disabled	174,069	32,919	30,943	31,363	5,730,087,435	5,386,282,189	5,459,380,241
Medicare Medicare Supplement	75-84	Non-Disabled	5,735,586	20,848	19,598	19,863	119,577,920,701	112,403,245,459	113,928,686,944
Medicare Medicare Supplement	85+	ESRD	18,503	48,281	45,384	46,000	893,316,901	839,717,887	851,113,825
Medicare Medicare Supplement	85+	Disabled	65,129	36,210	34,038	34,500	2,358,350,278	2,216,849,261	2,246,934,459
Medicare Medicare Supplement	85+	Non-Disabled	2,146,012	22,933	21,557	21,850	49,215,064,471	46,262,160,603	46,889,991,398
Medicare Employer	65-74	ESRD	91,485	35,842	34,050	34,512	3,279,029,911	3,115,078,416	3,157,353,617
Medicare Employer	65-74	Disabled	1,117,890	26,882	25,538	25,884	30,050,823,059	28,548,281,906	28,935,714,968
Medicare Employer	65-74	Non-Disabled	12,058,957	17,025	16,174	16,393	205,305,000,605	195,039,750,574	197,686,664,599
Medicare Employer	75-84	ESRD	47,062	39,825	37,834	38,347	1,874,237,626	1,780,525,744	1,804,689,529
Medicare Employer	75-84	Disabled	575,070	29,869	28,375	28,760	17,176,538,422	16,317,711,501	16,539,161,638
Medicare Employer	75-84	Non-Disabled	6,203,425	18,917	17,971	18,215	117,348,840,138	111,481,398,131	112,994,329,087
Medicare Employer	85+	ESRD	15,373	43,807	41,617	42,182	673,464,545	639,791,318	648,474,023
Medicare Employer	85+	Disabled	187,853	32,855	31,213	31,636	6,171,997,340	5,863,397,473	5,942,970,529
Medicare Employer	85+	Non-Disabled	2,026,417	20,808	19,768	20,036	42,166,629,349	40,058,297,882	40,601,935,116
Medicare Dual-Eligible	65-74	ESRD	41,330	41,844	40,798	42,988	1,729,442,838	1,686,206,767	1,776,699,906
Medicare Dual-Eligible	65-74	Disabled	1,498,446	31,383	30,599	32,241	47,026,166,099	45,850,511,946	48,311,157,228
Medicare Dual-Eligible	65-74	Non-Disabled	1,993,151	19,876	19,379	20,419	39,616,030,870	38,625,630,098	40,698,539,874
Medicare Dual-Eligible	75-84	ESRD	20,329	46,494	45,331	47,764	945,175,490	921,546,103	971,002,434
Medicare Dual-Eligible	75-84	Disabled	738,018	34,870	33,999	35,823	25,734,906,567	25,091,533,903	26,438,113,513
Medicare Dual-Eligible	75-84	Non-Disabled	986,131	22,085	21,532	22,688	21,778,243,362	21,233,787,278	22,373,334,390
Medicare Dual-Eligible	85+	ESRD	8,009	51,143	49,865	52,541	409,629,460	399,388,724	420,822,595
Medicare Dual-Eligible	85+	Disabled	289,488	38,357	37,398	39,405	11,103,982,494	10,826,382,932	11,407,399,085
Medicare Dual-Eligible	85+	Non-Disabled	380,969	24,293	23,686	24,957	9,254,884,372	9,023,512,263	9,507,774,312
Composite			67,033,887	18,543	17,197	17,927	1,242,990,716,297	1,152,749,020,493	1,201,734,637,535

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2010			2020		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	32,762	24,481	19,095	19,354	802,058,767	625,605,839	634,096,030
Medicare FFS	65-74	Disabled	1,075,649	18,361	14,321	14,516	19,749,841,998	15,404,876,759	15,613,938,677
Medicare FFS	65-74	Non-Disabled	1,998,655	11,629	9,070	9,193	23,241,438,061	18,128,321,687	18,374,343,889
Medicare FFS	75-84	ESRD	10,938	27,201	21,217	21,505	297,521,216	232,066,549	235,215,959
Medicare FFS	75-84	Disabled	359,108	20,401	15,913	16,129	7,326,142,737	5,714,391,335	5,791,942,206
Medicare FFS	75-84	Non-Disabled	667,255	12,921	10,078	10,215	8,621,339,485	6,724,644,798	6,815,905,972
Medicare FFS	85+	ESRD	3,499	29,921	23,339	23,655	104,709,066	81,673,071	82,781,469
Medicare FFS	85+	Disabled	114,894	22,441	17,504	17,742	2,578,349,103	2,011,112,300	2,038,405,410
Medicare FFS	85+	Non-Disabled	213,484	14,213	11,086	11,236	3,034,178,247	2,366,659,032	2,398,777,321
Medicare Advantage	65-74	ESRD	42,209	27,150	23,620	27,256	1,145,954,861	996,980,729	1,150,436,859
Medicare Advantage	65-74	Disabled	1,049,169	20,362	17,715	20,442	21,363,361,987	18,586,124,929	21,446,917,241
Medicare Advantage	65-74	Non-Disabled	8,715,192	12,896	11,220	12,946	112,391,544,961	97,780,644,116	112,831,124,839
Medicare Advantage	75-84	ESRD	21,649	30,166	26,245	30,284	653,072,165	568,172,784	655,626,427
Medicare Advantage	75-84	Disabled	538,123	22,625	19,683	22,713	12,174,839,997	10,592,110,797	12,222,457,589
Medicare Advantage	75-84	Non-Disabled	4,470,058	14,329	12,466	14,385	64,051,204,943	55,724,548,301	64,301,718,635
Medicare Advantage	85+	ESRD	6,571	33,183	28,869	33,313	218,040,349	189,695,104	218,893,137
Medicare Advantage	85+	Disabled	163,329	24,887	21,652	24,984	4,064,797,901	3,536,374,174	4,080,695,924
Medicare Advantage	85+	Non-Disabled	1,356,738	15,762	13,713	15,823	21,384,691,992	18,604,682,033	21,468,330,670
Medicare Medicare Supplement	65-74	ESRD	88,177	41,150	38,681	39,206	3,628,488,092	3,410,778,807	3,457,067,003
Medicare Medicare Supplement	65-74	Disabled	310,383	30,862	29,011	29,404	9,579,182,813	9,004,431,845	9,126,632,354
Medicare Medicare Supplement	65-74	Non-Disabled	10,227,177	19,546	18,373	18,623	199,902,492,914	187,908,343,339	190,458,475,955
Medicare Medicare Supplement	75-84	ESRD	50,260	45,722	42,979	43,562	2,298,013,665	2,160,132,845	2,189,448,335
Medicare Medicare Supplement	75-84	Disabled	176,916	34,292	32,234	32,672	6,066,739,767	5,702,735,381	5,780,128,068
Medicare Medicare Supplement	75-84	Non-Disabled	5,829,418	21,718	20,415	20,692	126,603,325,876	119,007,126,324	120,622,190,078
Medicare Medicare Supplement	85+	ESRD	18,177	50,294	47,277	47,918	914,195,671	859,343,931	871,006,218
Medicare Medicare Supplement	85+	Disabled	63,983	37,721	35,457	35,939	2,413,470,085	2,268,661,880	2,299,450,234
Medicare Medicare Supplement	85+	Non-Disabled	2,108,235	23,890	22,456	22,761	50,365,328,222	47,343,408,529	47,985,913,104
Medicare Employer	65-74	ESRD	94,849	37,337	35,470	35,952	3,541,409,635	3,364,339,153	3,409,997,110
Medicare Employer	65-74	Disabled	1,158,999	28,003	26,603	26,964	32,455,414,313	30,832,643,597	31,251,078,078
Medicare Employer	65-74	Non-Disabled	12,502,412	17,735	16,848	17,077	221,732,990,213	210,646,340,702	213,505,054,128
Medicare Employer	75-84	ESRD	47,832	41,486	39,412	39,946	1,984,352,257	1,885,134,645	1,910,718,093
Medicare Employer	75-84	Disabled	584,478	31,114	29,559	29,960	18,185,689,118	17,276,404,662	17,510,865,369
Medicare Employer	75-84	Non-Disabled	6,304,911	19,706	18,721	18,975	124,243,283,059	118,031,118,906	119,632,937,115
Medicare Employer	85+	ESRD	15,103	45,634	43,353	43,941	689,204,885	654,744,641	663,630,280
Medicare Employer	85+	Disabled	184,546	34,226	32,515	32,956	6,316,250,423	6,000,437,902	6,081,870,755
Medicare Employer	85+	Non-Disabled	1,990,746	21,676	20,593	20,872	43,152,155,748	40,994,547,961	41,550,891,186
Medicare Dual-Eligible	65-74	ESRD	42,850	43,590	42,500	44,781	1,867,828,503	1,821,132,791	1,918,866,962
Medicare Dual-Eligible	65-74	Disabled	1,553,550	32,692	31,875	33,586	50,789,081,594	49,519,354,554	52,176,894,480
Medicare Dual-Eligible	65-74	Non-Disabled	2,066,447	20,705	20,187	21,271	42,786,005,988	41,716,355,838	43,955,134,639
Medicare Dual-Eligible	75-84	ESRD	20,662	48,433	47,222	49,756	1,000,706,150	975,688,496	1,028,050,470
Medicare Dual-Eligible	75-84	Disabled	750,091	36,325	35,417	37,317	27,246,875,873	26,565,703,976	27,991,397,417
Medicare Dual-Eligible	75-84	Non-Disabled	1,002,264	23,006	22,431	23,634	23,057,752,010	22,481,308,210	23,687,805,643
Medicare Dual-Eligible	85+	ESRD	7,868	53,276	51,944	54,732	419,203,397	408,723,312	430,658,140
Medicare Dual-Eligible	85+	Disabled	284,392	39,957	38,958	41,049	11,363,506,863	11,079,419,192	11,674,014,964
Medicare Dual-Eligible	85+	Non-Disabled	374,263	25,306	24,674	25,998	9,471,191,272	9,234,411,490	9,729,991,803
Composite			68,698,275	19,291	17,890	18,651	1,325,277,226,243	1,229,021,457,243	1,281,261,776,232

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2021			2021		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	33,249	26,170	20,413	20,690	870,131,672	678,702,704	687,913,481
Medicare FFS	65-74	Disabled	1,091,621	19,628	15,310	15,517	21,426,064,692	16,712,330,460	16,939,136,030
Medicare FFS	65-74	Non-Disabled	2,028,331	12,431	9,696	9,828	25,214,001,989	19,666,921,551	19,933,824,325
Medicare FFS	75-84	ESRD	11,427	29,078	22,681	22,989	332,264,069	259,165,974	262,683,155
Medicare FFS	75-84	Disabled	375,157	21,809	17,011	17,242	8,181,648,454	6,381,685,794	6,468,292,620
Medicare FFS	75-84	Non-Disabled	697,075	13,812	10,773	10,920	9,628,090,989	7,509,910,971	7,611,829,112
Medicare FFS	85+	ESRD	3,563	31,986	24,949	25,288	113,962,394	88,890,667	90,097,016
Medicare FFS	85+	Disabled	116,976	23,989	18,712	18,966	2,806,202,442	2,188,837,905	2,218,542,956
Medicare FFS	85+	Non-Disabled	217,353	15,193	11,851	12,012	3,302,314,026	2,575,804,940	2,610,761,580
Medicare Advantage	65-74	ESRD	42,836	29,023	25,250	29,136	1,243,215,160	1,081,597,189	1,248,077,557
Medicare Advantage	65-74	Disabled	1,064,747	21,767	18,937	21,852	23,176,528,502	20,163,579,797	23,267,175,317
Medicare Advantage	65-74	Non-Disabled	8,844,597	13,786	11,994	13,840	121,930,520,426	106,079,552,721	122,407,408,641
Medicare Advantage	75-84	ESRD	22,617	32,248	28,055	32,374	729,334,257	634,520,804	732,186,791
Medicare Advantage	75-84	Disabled	562,172	24,186	21,042	24,280	13,596,549,292	11,828,997,884	13,649,727,398
Medicare Advantage	75-84	Non-Disabled	4,669,828	15,318	13,326	15,378	71,530,744,177	62,231,747,434	71,810,511,448
Medicare Advantage	85+	ESRD	6,690	35,472	30,861	35,611	237,308,967	206,458,801	238,237,117
Medicare Advantage	85+	Disabled	166,289	26,604	23,146	26,708	4,424,011,389	3,848,889,909	4,441,314,349
Medicare Advantage	85+	Non-Disabled	1,381,324	16,849	14,659	16,915	23,274,495,618	20,248,811,188	23,365,525,597
Medicare Medicare Supplement	65-74	ESRD	89,487	43,989	41,350	41,911	3,936,447,725	3,700,260,861	3,750,477,662
Medicare Medicare Supplement	65-74	Disabled	314,992	32,992	31,012	31,433	10,392,194,058	9,768,662,414	9,901,234,413
Medicare Medicare Supplement	65-74	Non-Disabled	10,379,033	20,895	19,641	19,908	216,868,760,047	203,856,634,444	206,623,203,737
Medicare Medicare Supplement	75-84	ESRD	52,507	48,877	45,944	46,568	2,566,362,767	2,412,381,001	2,445,119,790
Medicare Medicare Supplement	75-84	Disabled	184,823	36,658	34,458	34,926	6,775,179,494	6,368,668,724	6,455,098,893
Medicare Medicare Supplement	75-84	Non-Disabled	6,089,939	23,217	21,824	22,120	141,387,349,750	132,904,108,765	134,707,770,575
Medicare Medicare Supplement	85+	ESRD	18,506	53,765	50,539	51,225	994,984,784	935,285,697	947,978,601
Medicare Medicare Supplement	85+	Disabled	65,142	40,323	37,904	38,418	2,626,752,769	2,469,147,603	2,502,656,780
Medicare Medicare Supplement	85+	Non-Disabled	2,146,439	25,538	24,006	24,332	54,816,202,705	51,527,230,542	52,226,514,400
Medicare Employer	65-74	ESRD	96,257	39,914	37,918	38,432	3,841,978,682	3,649,879,748	3,699,412,820
Medicare Employer	65-74	Disabled	1,176,208	29,935	28,438	28,824	35,209,993,414	33,449,493,743	33,903,441,894
Medicare Employer	65-74	Non-Disabled	12,688,050	18,959	18,011	18,255	240,552,070,902	228,524,467,357	231,625,807,550
Medicare Employer	75-84	ESRD	49,970	44,348	42,131	42,703	2,216,073,746	2,105,270,059	2,133,840,998
Medicare Employer	75-84	Disabled	610,599	33,261	31,598	32,027	20,309,311,545	19,293,845,967	19,555,685,676
Medicare Employer	75-84	Non-Disabled	6,586,682	21,065	20,012	20,284	138,751,714,415	131,814,128,694	133,602,998,219
Medicare Employer	85+	ESRD	15,376	48,783	46,344	46,973	750,111,159	712,605,601	722,276,479
Medicare Employer	85+	Disabled	187,890	36,587	34,758	35,230	6,874,428,814	6,530,707,373	6,619,336,593
Medicare Employer	85+	Non-Disabled	2,026,821	23,172	22,013	22,312	46,965,589,228	44,617,309,767	45,222,818,042
Medicare Dual-Eligible	65-74	ESRD	43,486	46,597	45,432	47,871	2,026,356,178	1,975,697,273	2,081,726,409
Medicare Dual-Eligible	65-74	Disabled	1,576,618	34,948	34,074	35,903	55,099,688,796	53,722,196,576	56,605,289,129
Medicare Dual-Eligible	65-74	Non-Disabled	2,097,130	22,134	21,580	22,739	46,417,370,442	45,256,936,181	47,685,726,215
Medicare Dual-Eligible	75-84	ESRD	21,585	51,775	50,480	53,190	1,117,562,982	1,089,623,907	1,148,100,418
Medicare Dual-Eligible	75-84	Disabled	783,614	38,831	37,860	39,892	30,428,612,692	29,667,897,375	31,260,075,272
Medicare Dual-Eligible	75-84	Non-Disabled	1,047,056	24,593	23,978	25,265	25,750,306,521	25,106,548,858	26,453,934,271
Medicare Dual-Eligible	85+	ESRD	8,011	56,952	55,529	58,509	456,249,154	444,842,925	468,716,173
Medicare Dual-Eligible	85+	Disabled	289,545	42,714	41,646	43,881	12,367,720,367	12,058,527,358	12,705,668,626
Medicare Dual-Eligible	85+	Non-Disabled	381,045	27,052	26,376	27,792	10,308,177,449	10,050,473,013	10,589,848,648
Composite			70,362,662	20,633	19,135	19,948	1,451,824,939,100	1,346,399,238,572	1,403,628,002,771

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2022			2022		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	33,835	27,976	21,821	22,117	946,577,504	738,330,453	748,350,447
Medicare FFS	65-74	Disabled	1,110,875	20,982	16,366	16,588	23,308,461,794	18,180,600,199	18,427,331,881
Medicare FFS	65-74	Non-Disabled	2,064,108	13,289	10,365	10,506	27,429,190,123	21,394,768,296	21,685,119,940
Medicare FFS	75-84	ESRD	11,882	31,085	24,246	24,575	369,358,640	288,099,739	292,009,584
Medicare FFS	75-84	Disabled	390,122	23,313	18,184	18,431	9,095,062,694	7,094,148,901	7,190,424,672
Medicare FFS	75-84	Non-Disabled	724,881	14,765	11,517	11,673	10,702,988,727	8,348,331,207	8,461,627,675
Medicare FFS	85+	ESRD	3,595	34,193	26,671	27,032	122,917,770	95,875,861	97,177,006
Medicare FFS	85+	Disabled	118,025	25,645	20,003	20,274	3,026,719,031	2,360,840,845	2,392,880,174
Medicare FFS	85+	Non-Disabled	219,301	16,242	12,669	12,840	3,561,815,983	2,778,216,467	2,815,920,064
Medicare Advantage	65-74	ESRD	43,591	31,025	26,992	31,147	1,352,438,419	1,176,621,424	1,357,728,005
Medicare Advantage	65-74	Disabled	1,083,527	23,269	20,244	23,360	25,212,713,434	21,935,060,687	25,311,324,068
Medicare Advantage	65-74	Non-Disabled	9,000,601	14,737	12,821	14,795	132,642,784,276	115,399,222,320	133,161,569,732
Medicare Advantage	75-84	ESRD	23,519	34,473	29,991	34,608	810,758,472	705,359,870	813,929,467
Medicare Advantage	75-84	Disabled	584,597	25,855	22,493	25,956	15,114,492,994	13,149,608,904	15,173,608,001
Medicare Advantage	75-84	Non-Disabled	4,856,105	16,375	14,246	16,439	79,516,567,658	69,179,413,862	79,827,568,660
Medicare Advantage	85+	ESRD	6,750	37,920	32,990	38,068	255,957,145	222,682,716	256,958,231
Medicare Advantage	85+	Disabled	167,780	28,440	24,743	28,551	4,771,658,404	4,151,342,812	4,790,321,063
Medicare Advantage	85+	Non-Disabled	1,393,706	18,012	15,670	18,082	25,103,448,625	21,840,000,303	25,201,631,908
Medicare Medicare Supplement	65-74	ESRD	91,065	47,025	44,203	44,803	4,282,286,211	4,025,349,039	4,079,977,661
Medicare Medicare Supplement	65-74	Disabled	320,548	35,268	33,152	33,602	11,305,205,208	10,626,892,896	10,771,112,070
Medicare Medicare Supplement	65-74	Non-Disabled	10,562,102	22,337	20,996	21,281	235,921,868,082	221,766,555,997	224,776,183,550
Medicare Medicare Supplement	75-84	ESRD	54,601	52,249	49,114	49,781	2,852,876,214	2,681,703,641	2,718,097,448
Medicare Medicare Supplement	75-84	Disabled	192,195	39,187	36,836	37,336	7,531,572,959	7,079,678,582	7,175,757,973
Medicare Medicare Supplement	75-84	Non-Disabled	6,332,863	24,818	23,329	23,646	157,172,092,807	147,741,767,239	149,746,793,161
Medicare Medicare Supplement	85+	ESRD	18,672	57,474	54,026	54,759	1,073,172,533	1,008,782,181	1,022,472,517
Medicare Medicare Supplement	85+	Disabled	65,726	43,106	40,519	41,069	2,833,167,871	2,663,177,798	2,699,320,188
Medicare Medicare Supplement	85+	Non-Disabled	2,165,679	27,300	25,662	26,011	59,123,761,519	55,576,335,827	56,330,570,707
Medicare Employer	65-74	ESRD	97,955	42,668	40,534	41,084	4,179,517,546	3,970,541,669	4,024,426,492
Medicare Employer	65-74	Disabled	1,196,954	32,001	30,401	30,813	38,303,384,127	36,388,214,921	36,882,044,902
Medicare Employer	65-74	Non-Disabled	12,911,848	20,267	19,254	19,515	261,685,887,473	248,601,593,100	251,975,403,010
Medicare Employer	75-84	ESRD	51,963	47,408	45,038	45,649	2,463,480,284	2,340,306,270	2,372,066,921
Medicare Employer	75-84	Disabled	634,955	35,556	33,779	34,237	22,576,680,336	21,447,846,320	21,738,918,294
Medicare Employer	75-84	Non-Disabled	6,849,421	22,519	21,393	21,683	154,242,210,308	146,530,099,793	148,518,681,992
Medicare Employer	85+	ESRD	15,514	52,149	49,542	50,214	809,056,284	768,603,470	779,034,304
Medicare Employer	85+	Disabled	189,575	39,112	37,156	37,661	7,414,634,172	7,043,902,463	7,139,496,332
Medicare Employer	85+	Non-Disabled	2,044,988	24,771	23,532	23,852	50,656,232,284	48,123,420,669	48,776,510,907
Medicare Dual-Eligible	65-74	ESRD	44,254	49,813	48,567	51,174	2,204,382,663	2,149,273,097	2,264,617,473
Medicare Dual-Eligible	65-74	Disabled	1,604,427	37,359	36,425	38,380	59,940,498,155	58,441,985,702	61,578,373,721
Medicare Dual-Eligible	65-74	Non-Disabled	2,134,120	23,661	23,069	24,308	50,495,390,594	49,233,005,829	51,875,178,366
Medicare Dual-Eligible	75-84	ESRD	22,446	55,347	53,964	56,860	1,242,329,763	1,211,271,519	1,276,276,454
Medicare Dual-Eligible	75-84	Disabled	814,871	41,510	40,473	42,645	33,825,718,825	32,980,075,854	34,750,007,412
Medicare Dual-Eligible	75-84	Non-Disabled	1,088,822	26,290	25,633	27,008	28,625,117,972	27,909,490,023	29,407,300,015
Medicare Dual-Eligible	85+	ESRD	8,083	60,882	59,360	62,546	492,102,058	479,799,507	505,548,759
Medicare Dual-Eligible	85+	Disabled	292,141	45,662	44,520	46,909	13,339,598,758	13,006,108,789	13,704,103,617
Medicare Dual-Eligible	85+	Non-Disabled	384,461	28,919	28,196	29,709	11,118,213,140	10,840,257,812	11,422,018,584
Composite			72,027,049	22,062	20,460	21,330	1,589,054,349,838	1,473,674,564,871	1,536,315,773,406

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2023			Aggregate		
Market	Age Group	Health Status Group	Population	PMPY			Allowed Cost*	Net Cost	Premium
				Allowed Cost*	Net Cost	Premium			
Medicare FFS	65-74	ESRD	34,506	29,906	23,327	23,644	1,031,964,877	804,932,604	815,856,466
Medicare FFS	65-74	Disabled	1,132,912	22,430	17,495	17,733	25,411,034,817	19,820,607,157	20,089,595,622
Medicare FFS	65-74	Non-Disabled	2,105,055	14,206	11,080	11,231	29,903,479,319	23,324,713,869	23,641,257,097
Medicare FFS	75-84	ESRD	12,307	33,229	25,919	26,271	408,969,128	318,995,920	323,325,062
Medicare FFS	75-84	Disabled	404,077	24,922	19,439	19,703	10,070,428,741	7,854,934,418	7,961,534,924
Medicare FFS	75-84	Non-Disabled	750,813	15,784	12,311	12,479	11,850,790,799	9,243,616,823	9,369,063,349
Medicare FFS	85+	ESRD	3,603	36,552	28,511	28,898	131,688,083	102,716,704	104,110,688
Medicare FFS	85+	Disabled	118,284	27,414	21,383	21,673	3,242,678,631	2,529,289,332	2,563,614,701
Medicare FFS	85+	Non-Disabled	219,783	17,362	13,543	13,726	3,815,955,315	2,976,445,146	3,016,838,934
Medicare Advantage	65-74	ESRD	44,456	33,166	28,855	33,296	1,474,437,054	1,282,760,237	1,480,203,795
Medicare Advantage	65-74	Disabled	1,105,022	24,875	21,641	24,972	27,487,062,190	23,913,744,106	27,594,568,137
Medicare Advantage	65-74	Non-Disabled	9,179,152	15,754	13,706	15,816	144,608,015,718	125,808,973,675	145,173,598,955
Medicare Advantage	75-84	ESRD	24,360	36,851	32,061	36,996	897,705,237	781,003,556	901,216,295
Medicare Advantage	75-84	Disabled	605,509	27,639	24,046	27,747	16,735,390,373	14,559,789,625	16,800,844,949
Medicare Advantage	75-84	Non-Disabled	5,029,822	17,504	15,229	17,573	88,044,025,127	76,598,301,860	88,388,378,270
Medicare Advantage	85+	ESRD	6,765	40,537	35,267	40,695	274,219,958	238,571,363	275,292,472
Medicare Advantage	85+	Disabled	168,149	30,402	26,450	30,521	5,112,121,271	4,447,545,506	5,132,115,530
Medicare Advantage	85+	Non-Disabled	1,396,771	19,255	16,752	19,330	26,894,606,195	23,398,307,390	26,999,794,959
Medicare Medicare Supplement	65-74	ESRD	92,872	50,269	47,253	47,894	4,668,575,943	4,388,461,387	4,448,017,862
Medicare Medicare Supplement	65-74	Disabled	326,907	37,702	35,440	35,921	12,325,007,360	11,585,506,918	11,742,735,589
Medicare Medicare Supplement	65-74	Non-Disabled	10,771,629	23,878	22,445	22,750	257,203,536,506	241,771,324,316	245,052,439,613
Medicare Medicare Supplement	75-84	ESRD	56,554	55,855	52,503	53,216	3,158,822,274	2,969,292,938	3,009,589,662
Medicare Medicare Supplement	75-84	Disabled	199,071	41,891	39,378	39,912	8,339,268,387	7,838,912,283	7,945,295,351
Medicare Medicare Supplement	75-84	Non-Disabled	6,559,408	26,531	24,939	25,278	174,027,427,188	163,585,781,557	165,805,828,999
Medicare Medicare Supplement	85+	ESRD	18,713	61,440	57,754	58,538	1,149,744,526	1,080,759,855	1,095,427,011
Medicare Medicare Supplement	85+	Disabled	65,870	46,080	43,315	43,903	3,035,317,390	2,853,198,347	2,891,919,534
Medicare Medicare Supplement	85+	Non-Disabled	2,170,442	29,184	27,433	27,805	63,342,304,343	59,541,766,082	60,349,816,417
Medicare Employer	65-74	ESRD	99,898	45,612	43,331	43,919	4,556,536,885	4,328,710,040	4,387,455,621
Medicare Employer	65-74	Disabled	1,220,699	34,209	32,498	32,939	41,758,595,495	39,670,665,720	40,209,042,339
Medicare Employer	65-74	Non-Disabled	13,167,988	21,666	20,582	20,862	285,291,635,994	271,027,054,195	274,705,203,437
Medicare Employer	75-84	ESRD	53,822	50,680	48,146	48,799	2,727,667,031	2,591,283,679	2,626,450,383
Medicare Employer	75-84	Disabled	657,669	38,010	36,109	36,599	24,997,832,142	23,747,940,535	24,070,227,436
Medicare Employer	75-84	Non-Disabled	7,094,445	24,073	22,869	23,180	170,783,340,377	162,244,173,358	164,446,013,633
Medicare Employer	85+	ESRD	15,548	55,748	52,960	53,679	866,783,304	823,444,139	834,619,224
Medicare Employer	85+	Disabled	189,991	41,811	39,720	40,259	7,943,676,151	7,546,492,343	7,648,906,935
Medicare Employer	85+	Non-Disabled	2,049,486	26,480	25,156	25,498	54,270,607,954	51,557,077,556	52,256,766,473
Medicare Dual-Eligible	65-74	ESRD	45,131	53,250	51,918	54,705	2,403,232,144	2,343,151,340	2,468,900,520
Medicare Dual-Eligible	65-74	Disabled	1,636,255	39,937	38,939	41,029	65,347,516,239	63,713,828,333	67,133,138,704
Medicare Dual-Eligible	65-74	Non-Disabled	2,176,456	25,294	24,661	25,985	55,050,399,285	53,674,139,303	56,554,652,780
Medicare Dual-Eligible	75-84	ESRD	23,249	59,166	57,687	60,783	1,375,558,781	1,341,169,811	1,413,145,958
Medicare Dual-Eligible	75-84	Disabled	844,022	44,375	43,265	45,587	37,453,231,771	36,516,900,977	38,476,642,238
Medicare Dual-Eligible	75-84	Non-Disabled	1,127,773	28,104	27,401	28,872	31,694,911,894	30,902,539,096	32,560,976,130
Medicare Dual-Eligible	85+	ESRD	8,101	65,083	63,456	66,861	527,214,060	514,033,708	541,620,197
Medicare Dual-Eligible	85+	Disabled	292,783	48,812	47,592	50,146	14,291,393,217	13,934,108,387	14,681,905,883
Medicare Dual-Eligible	85+	Non-Disabled	385,306	30,914	30,142	31,759	11,911,509,389	11,613,721,655	12,236,991,672
Composite			73,691,437	23,583	21,871	22,801	1,737,896,218,864	1,611,710,687,150	1,680,224,939,806

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

			Year	2024			2024		
Market	Age Group	Health Status Group	Population	PMPY			Aggregate		
				Allowed Cost*	Net Cost	Premium	Allowed Cost*	Net Cost	Premium
Medicare FFS	65-74	ESRD	35,250	31,970	24,937	25,275	1,126,936,339	879,010,344	890,939,527
Medicare FFS	65-74	Disabled	1,157,319	23,977	18,702	18,956	27,749,605,809	21,644,692,531	21,938,435,935
Medicare FFS	65-74	Non-Disabled	2,150,404	15,186	11,845	12,006	32,655,488,822	25,471,281,282	25,816,955,901
Medicare FFS	75-84	ESRD	12,704	35,522	27,707	28,083	451,268,287	351,989,264	356,766,163
Medicare FFS	75-84	Disabled	417,091	26,642	20,780	21,063	11,112,000,428	8,667,360,334	8,784,986,395
Medicare FFS	75-84	Non-Disabled	774,994	16,873	13,161	13,340	13,076,503,078	10,199,672,401	10,338,093,701
Medicare FFS	85+	ESRD	3,593	39,074	30,478	30,892	140,378,956	109,495,585	110,981,567
Medicare FFS	85+	Disabled	117,952	29,306	22,859	23,169	3,456,682,114	2,696,212,049	2,732,802,752
Medicare FFS	85+	Non-Disabled	219,166	18,560	14,477	14,674	4,067,792,708	3,172,878,312	3,215,937,924
Medicare Advantage	65-74	ESRD	45,414	35,455	30,846	35,593	1,610,129,117	1,400,812,332	1,616,426,569
Medicare Advantage	65-74	Disabled	1,128,828	26,591	23,134	26,695	30,016,689,448	26,114,519,820	30,134,089,139
Medicare Advantage	65-74	Non-Disabled	9,376,901	16,841	14,652	16,907	157,916,254,177	137,387,141,134	158,533,887,895
Medicare Advantage	75-84	ESRD	25,145	39,394	34,273	39,548	990,553,753	861,781,765	994,427,954
Medicare Advantage	75-84	Disabled	625,011	29,546	25,705	29,661	18,466,310,598	16,065,690,220	18,538,535,057
Medicare Advantage	75-84	Non-Disabled	5,191,815	18,712	16,280	18,785	97,150,307,104	84,520,767,180	97,530,276,256
Medicare Advantage	85+	ESRD	6,746	43,334	37,700	43,503	292,317,350	254,316,094	293,460,646
Medicare Advantage	85+	Disabled	167,676	32,500	28,275	32,627	5,449,500,297	4,741,065,259	5,470,814,095
Medicare Advantage	85+	Non-Disabled	1,392,846	20,583	17,908	20,664	28,669,539,844	24,942,499,664	28,781,670,634
Medicare Medicare Supplement	65-74	ESRD	94,872	53,738	50,514	51,199	5,098,223,786	4,792,330,359	4,857,367,800
Medicare Medicare Supplement	65-74	Disabled	333,949	40,303	37,885	38,399	13,459,274,614	12,651,718,138	12,823,416,523
Medicare Medicare Supplement	65-74	Non-Disabled	11,003,685	25,525	23,994	24,320	280,873,911,758	264,021,477,053	267,604,552,546
Medicare Medicare Supplement	75-84	ESRD	58,376	59,709	56,126	56,888	3,485,535,260	3,276,403,144	3,320,867,708
Medicare Medicare Supplement	75-84	Disabled	205,482	44,781	42,095	42,666	9,201,788,351	8,649,681,050	8,767,067,183
Medicare Medicare Supplement	75-84	Non-Disabled	6,770,664	28,362	26,660	27,022	192,026,863,508	180,505,251,698	182,954,915,835
Medicare Medicare Supplement	85+	ESRD	18,661	65,679	61,739	62,577	1,225,622,947	1,152,085,570	1,167,720,698
Medicare Medicare Supplement	85+	Disabled	65,685	49,260	46,304	46,932	3,235,635,883	3,041,497,730	3,082,774,357
Medicare Medicare Supplement	85+	Non-Disabled	2,164,342	31,198	29,326	29,724	67,522,636,508	63,471,278,317	64,332,656,658
Medicare Employer	65-74	ESRD	102,051	48,759	46,321	46,950	4,975,873,801	4,727,080,111	4,791,232,032
Medicare Employer	65-74	Disabled	1,246,997	36,569	34,741	35,212	45,601,628,288	43,321,546,874	43,909,470,155
Medicare Employer	65-74	Non-Disabled	13,451,670	23,160	22,002	22,301	311,546,951,811	295,969,604,221	299,986,252,591
Medicare Employer	75-84	ESRD	55,555	54,177	51,468	52,166	3,009,786,176	2,859,296,867	2,898,100,819
Medicare Employer	75-84	Disabled	678,851	40,632	38,601	39,125	27,583,326,251	26,204,159,938	26,559,780,566
Medicare Employer	75-84	Non-Disabled	7,322,932	25,734	24,447	24,779	188,447,244,909	179,024,882,664	181,454,456,488
Medicare Employer	85+	ESRD	15,505	59,594	56,614	57,383	923,987,445	877,788,073	889,700,668
Medicare Employer	85+	Disabled	189,458	44,696	42,461	43,037	8,467,926,180	8,044,529,871	8,153,703,406
Medicare Employer	85+	Non-Disabled	2,043,726	28,307	26,892	27,257	57,852,245,383	54,959,633,114	55,705,498,627
Medicare Dual-Eligible	65-74	ESRD	46,104	56,924	55,501	58,479	2,624,400,979	2,558,790,955	2,696,112,800
Medicare Dual-Eligible	65-74	Disabled	1,671,505	42,693	41,626	43,860	71,361,431,335	69,577,395,552	73,311,384,177
Medicare Dual-Eligible	65-74	Non-Disabled	2,223,344	27,039	26,363	27,778	60,116,673,359	58,613,756,525	61,759,362,917
Medicare Dual-Eligible	75-84	ESRD	23,998	63,249	61,668	64,977	1,517,831,083	1,479,885,306	1,559,305,854
Medicare Dual-Eligible	75-84	Disabled	871,205	47,437	46,251	48,733	41,326,972,084	40,293,797,782	42,456,232,599
Medicare Dual-Eligible	75-84	Non-Disabled	1,164,094	30,043	29,292	30,864	34,973,076,477	34,098,749,565	35,928,716,640
Medicare Dual-Eligible	85+	ESRD	8,078	69,574	67,834	71,475	562,008,024	547,957,824	577,364,907
Medicare Dual-Eligible	85+	Disabled	291,960	52,180	50,876	53,606	15,234,566,525	14,853,702,362	15,650,851,425
Medicare Dual-Eligible	85+	Non-Disabled	384,224	33,047	32,221	33,951	12,697,620,131	12,380,179,628	13,044,582,909
Composite			75,355,824	25,205	23,375	24,369	1,899,351,301,087	1,761,435,645,860	1,836,322,936,998

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix C
National Center for Policy Analysis
Medicare Aged Cost Projections by Market (2010 - 2025)

Market	Age Group	Health Status Group	Year	Population	2025			Aggregate		
					PMPY			Allowed Cost*	Net Cost	Premium
					Allowed Cost*	Net Cost	Premium			
Medicare FFS	65-74	ESRD		36,055	34,176	26,657	27,019	1,232,211,687	961,125,116	974,168,691
Medicare FFS	65-74	Disabled		1,183,754	25,632	19,993	20,264	30,341,899,026	23,666,681,240	23,987,865,359
Medicare FFS	65-74	Non-Disabled		2,199,522	16,234	12,662	12,834	35,706,076,378	27,850,739,575	28,228,706,184
Medicare FFS	75-84	ESRD		13,073	37,973	29,619	30,021	496,438,502	387,222,032	392,477,081
Medicare FFS	75-84	Disabled		429,224	28,480	22,214	22,516	12,224,268,821	9,534,929,681	9,664,329,657
Medicare FFS	75-84	Non-Disabled		797,537	18,037	14,069	14,260	14,385,410,611	11,220,620,277	11,372,897,016
Medicare FFS	85+	ESRD		3,569	41,771	32,581	33,023	149,089,716	116,289,979	117,868,167
Medicare FFS	85+	Disabled		117,185	31,328	24,436	24,767	3,671,175,299	2,863,516,733	2,902,377,953
Medicare FFS	85+	Non-Disabled		217,741	19,841	15,476	15,686	4,320,206,376	3,369,760,973	3,415,492,510
Medicare Advantage	65-74	ESRD		46,451	37,901	32,974	38,049	1,760,543,030	1,531,672,436	1,767,428,773
Medicare Advantage	65-74	Disabled		1,154,611	28,426	24,730	28,537	32,820,767,494	28,554,067,720	32,949,134,347
Medicare Advantage	65-74	Non-Disabled		9,591,081	18,003	15,663	18,073	172,668,364,075	150,221,476,745	173,343,695,466
Medicare Advantage	75-84	ESRD		25,876	42,112	36,638	42,277	1,089,704,364	948,042,796	1,093,966,358
Medicare Advantage	75-84	Disabled		643,192	31,584	27,478	31,708	20,314,717,080	17,673,803,859	20,394,170,929
Medicare Advantage	75-84	Non-Disabled		5,342,839	20,003	17,403	20,082	106,874,678,218	92,980,970,050	107,292,680,818
Medicare Advantage	85+	ESRD		6,702	46,324	40,301	46,505	310,456,154	270,096,854	311,670,393
Medicare Advantage	85+	Disabled		166,586	34,743	30,226	34,879	5,787,651,344	5,035,256,669	5,810,287,700
Medicare Advantage	85+	Non-Disabled		1,383,793	22,004	19,143	22,090	30,448,535,049	26,490,225,493	30,567,623,752
Medicare Medicare Supplement	65-74	ESRD		97,039	57,446	53,999	54,732	5,574,486,080	5,240,016,915	5,311,129,979
Medicare Medicare Supplement	65-74	Disabled		341,577	43,084	40,499	41,049	14,716,603,692	13,833,607,471	14,021,345,455
Medicare Medicare Supplement	65-74	Non-Disabled		11,255,023	27,287	25,649	25,998	307,112,393,890	288,685,650,257	292,603,446,984
Medicare Medicare Supplement	75-84	ESRD		60,074	63,829	59,999	60,813	3,834,423,899	3,604,358,465	3,653,273,760
Medicare Medicare Supplement	75-84	Disabled		211,459	47,871	44,999	45,610	10,122,851,881	9,515,480,769	9,644,616,801
Medicare Medicare Supplement	75-84	Non-Disabled		6,967,616	30,319	28,499	28,886	211,248,012,061	198,573,131,337	201,267,997,408
Medicare Medicare Supplement	85+	ESRD		18,539	70,211	65,999	66,894	1,301,675,000	1,223,574,500	1,240,179,815
Medicare Medicare Supplement	85+	Disabled		65,258	52,659	49,499	50,171	3,436,412,762	3,230,227,996	3,274,065,910
Medicare Medicare Supplement	85+	Non-Disabled		2,150,275	33,350	31,349	31,775	71,712,534,471	67,409,782,403	68,324,610,780
Medicare Employer	65-74	ESRD		104,382	52,123	49,517	50,189	5,440,706,491	5,168,671,166	5,238,815,986
Medicare Employer	65-74	Disabled		1,275,480	39,092	37,138	37,642	49,861,609,223	47,368,528,762	48,011,374,247
Medicare Employer	65-74	Non-Disabled		13,758,922	24,759	23,521	23,840	340,650,826,490	323,618,285,166	328,010,157,977
Medicare Employer	75-84	ESRD		57,171	57,915	55,019	55,766	3,311,054,166	3,145,501,458	3,188,189,535
Medicare Employer	75-84	Disabled		698,598	43,436	41,264	41,824	30,344,310,843	28,827,095,301	29,218,312,182
Medicare Employer	75-84	Non-Disabled		7,535,948	27,509	26,134	26,489	207,310,087,443	196,944,583,071	199,617,347,867
Medicare Employer	85+	ESRD		15,404	63,706	60,521	61,342	981,322,486	932,256,362	944,908,154
Medicare Employer	85+	Disabled		188,226	47,780	45,391	46,007	8,993,375,844	8,543,707,052	8,659,654,996
Medicare Employer	85+	Non-Disabled		2,030,443	30,260	28,747	29,138	61,442,078,625	58,369,974,694	59,162,122,469
Medicare Dual-Eligible	65-74	ESRD		47,157	60,852	59,330	62,514	2,869,565,430	2,797,826,294	2,947,976,375
Medicare Dual-Eligible	65-74	Disabled		1,709,684	45,639	44,498	46,886	78,027,823,487	76,077,127,900	80,159,935,656
Medicare Dual-Eligible	65-74	Non-Disabled		2,274,128	28,905	28,182	29,694	65,732,610,596	64,089,295,331	67,528,755,774
Medicare Dual-Eligible	75-84	ESRD		24,696	67,613	65,923	69,460	1,669,760,121	1,628,016,118	1,715,386,357
Medicare Dual-Eligible	75-84	Disabled		896,547	50,710	49,442	52,095	45,463,642,627	44,327,051,561	46,705,937,764
Medicare Dual-Eligible	75-84	Non-Disabled		1,197,957	32,116	31,313	32,994	38,473,746,571	37,511,902,906	39,525,042,629
Medicare Dual-Eligible	85+	ESRD		8,025	74,374	72,515	76,407	596,881,608	581,959,567	613,191,412
Medicare Dual-Eligible	85+	Disabled		290,063	55,781	54,386	57,305	16,179,898,085	15,775,400,633	16,622,014,192
Medicare Dual-Eligible	85+	Non-Disabled		381,726	35,328	34,445	36,293	13,485,529,719	13,148,391,476	13,854,022,146
Composite				77,020,212	26,934	24,978	26,041	2,074,496,416,817	1,923,847,903,159	2,005,650,653,766

* Cost projections are based upon the Trustees' Report's "Alternative Projection"

Appendix D
National Center for Policy Analysis
Population Distribution Under Status Quo and Reform Projections
Scenario: 100% Enrollment in \$5,000 Deductible Accounts

<i>Status Quo</i> ¹	Year				
	2013	2023	2033	2043	2053
Medicare Fee-for-Service population (Millions)	3.262	4.781	5.364	5.485	5.500
Medicare Advantage population (Millions)	12.159	17.560	19.699	20.143	20.200
Medicare Medicare Supplement population (Millions)	14.167	20.261	22.730	23.241	23.308
Medicare Employer population (Millions)	17.007	24.550	27.540	28.160	28.241
Medicare Dual-Eligible population (Millions)	4.547	6.539	7.336	7.501	7.522
<i>Reform</i>					
\$5,000 Deductible population (Millions)	51.142	73.691	82.668	84.529	84.771

¹ We assumed the population distribution between Medicare Status Quo markets would be largely consistent in future years.