ISSUE BRIEF

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How do Pre-Medicare Adults Aged 55-64 Interact with the Health Care System?

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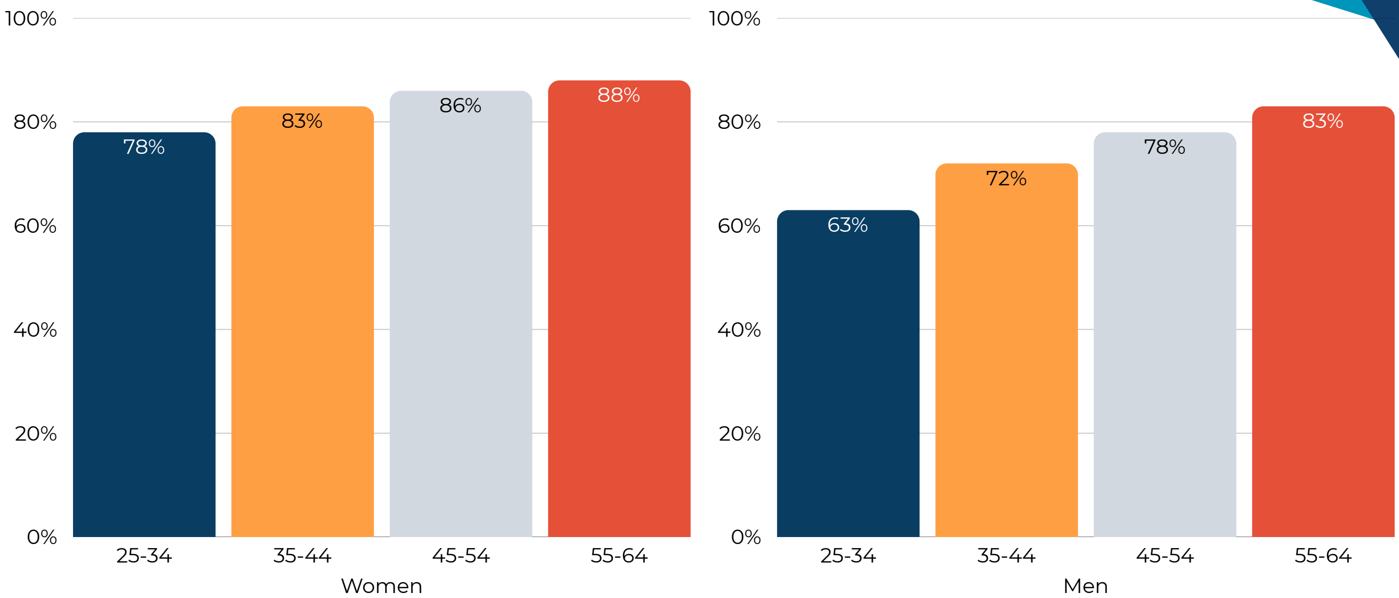
Background

Understanding health care use and spending patterns among older adults with employer sponsored insurance (ESI) is key to anticipating future needs and demands on the health care system as this group approaches Medicare eligibility. In 2022, the 55-64 year age group made up about 12% of the U.S. population, or 1 in 8 people. The exhibits in this brief illustrate how health care use and spending vary by age group, focusing on pre-Medicare adults aged 55-64. They illustrate that people enrolled in ESI aged 55-64 use more services than all other adult age groups across all service categories. Per person spending also is higher for this age group than all other adults.

Use of Health Care Services among ESI Adults Aged 55-64 Compared to other Age Groups

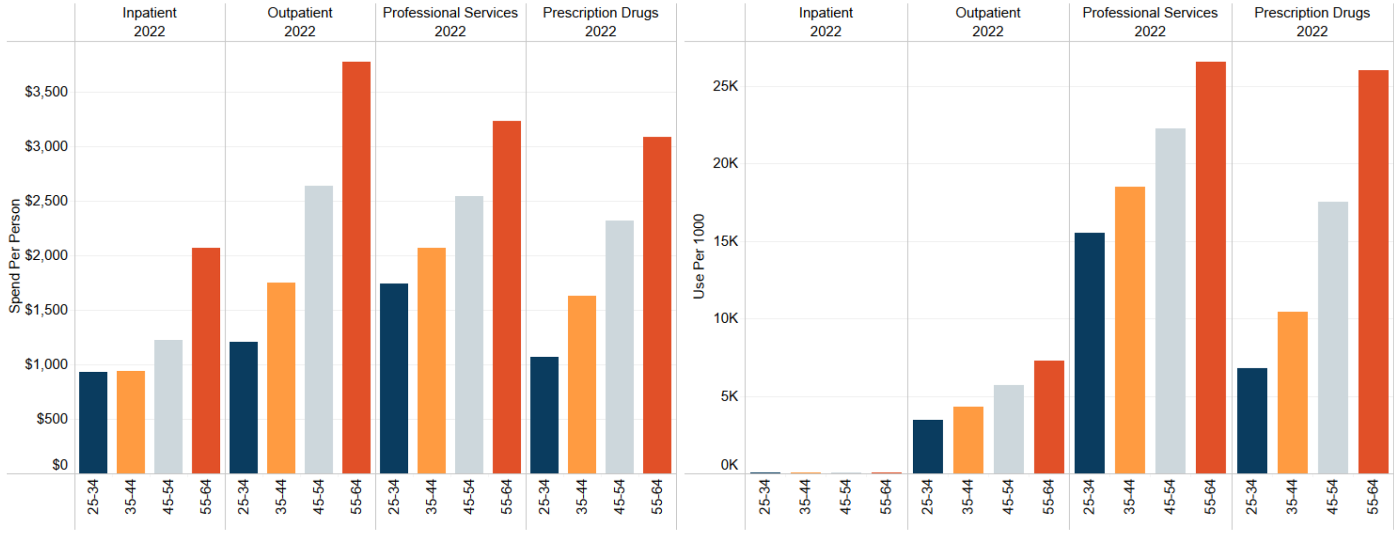
Figure 1 shows the percentage of people who used any health care service in 2022 by age band and sex. Men and women age 55-64 are more likely to use health care than other adult age groups. Among women, 88% of people age 55-64 used any health care service compared to 78% of women age 25-34. Similarly, 83% of men age 55-64 used health care compared to 63% of men age 25-34.

Figure 1: Percent of ESI Population with at Least One Health Care Service by Age Band, 2022



Source: HCCI commercial claims data

Figure 2: Spend and Use by Service Category, Across Age Bands, 2022

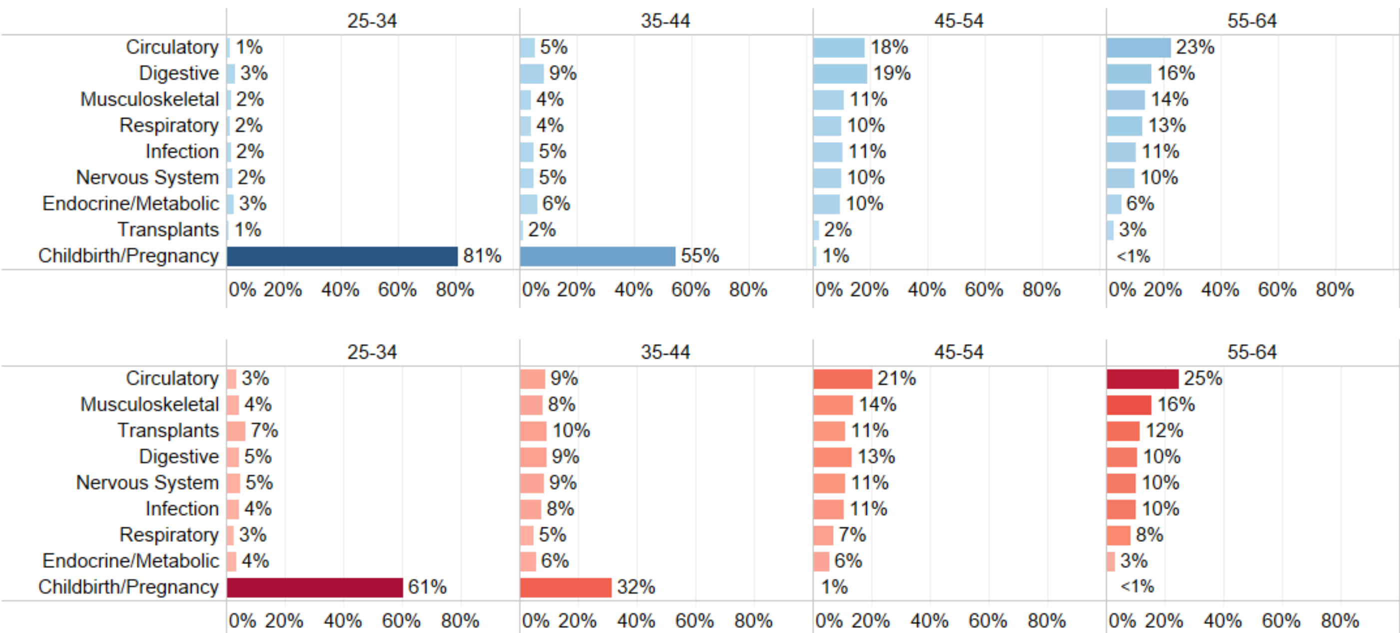


Source: HCCI commercial claims data

Higher spending on health care services amongst people aged 55-64 is consistent across types of care (inpatient, outpatient, physician, and prescription drugs). As shown in **Figure 2**, this higher spending is driven in part by higher utilization of services.

People aged 55-64 spend the most on outpatient services (31% of per person spending), followed by professional services and prescription drugs. Other age groups spend a larger proportion of their health care dollars on professional services.

Figure 3: Share of Inpatient Use and Spend, 2022

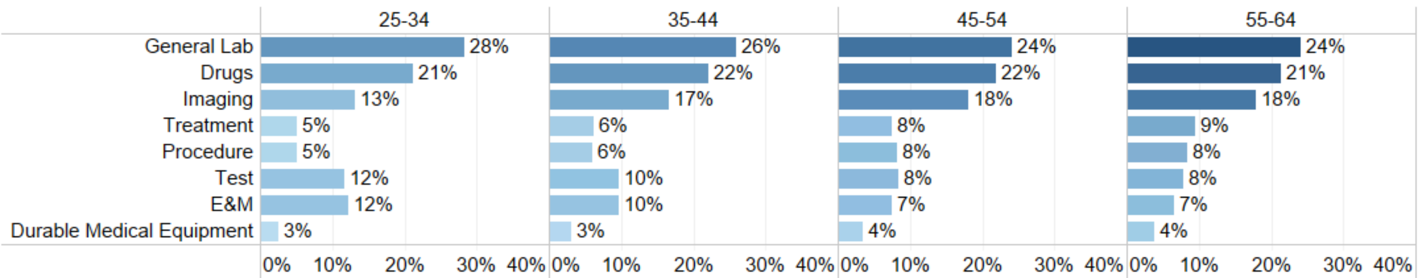


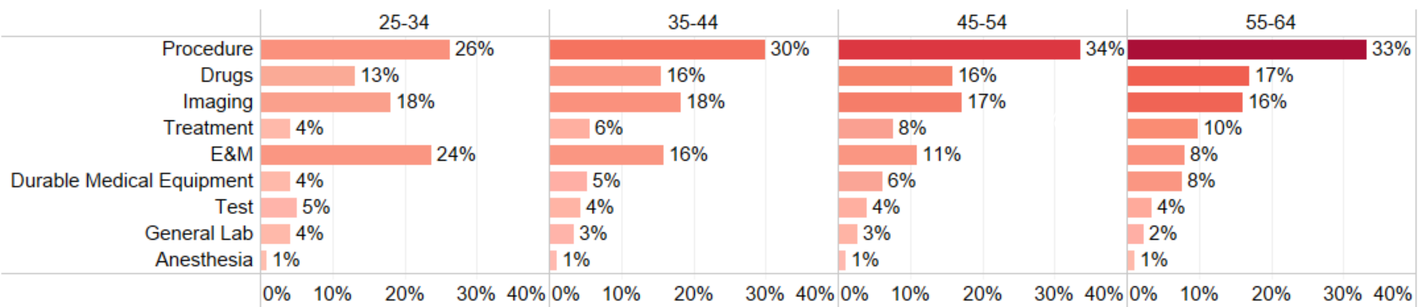
Source: HCCI commercial claims data

The most common reason people aged 55-64 have a hospital stay is for issues related to the circulatory system (23%), followed by digestive system (16%) and musculoskeletal (14%). In contrast, among adults aged 35-44, childbirth and pregnancy is the most common reason for a hospital admission (55%), followed by digestive system (9%) and endocrine/metabolic admissions (6%).

For people ages 55-64, the largest share of spending on inpatient hospital stays is for circulatory admissions (25%). Spending on musculoskeletal admissions is the second highest (16%). In contrast, among people aged 25-44 most spending on inpatient hospital stays is for childbirth and pregnancy admissions (32%).

Figure 4: Share of Outpatient Use and Spend, 2022



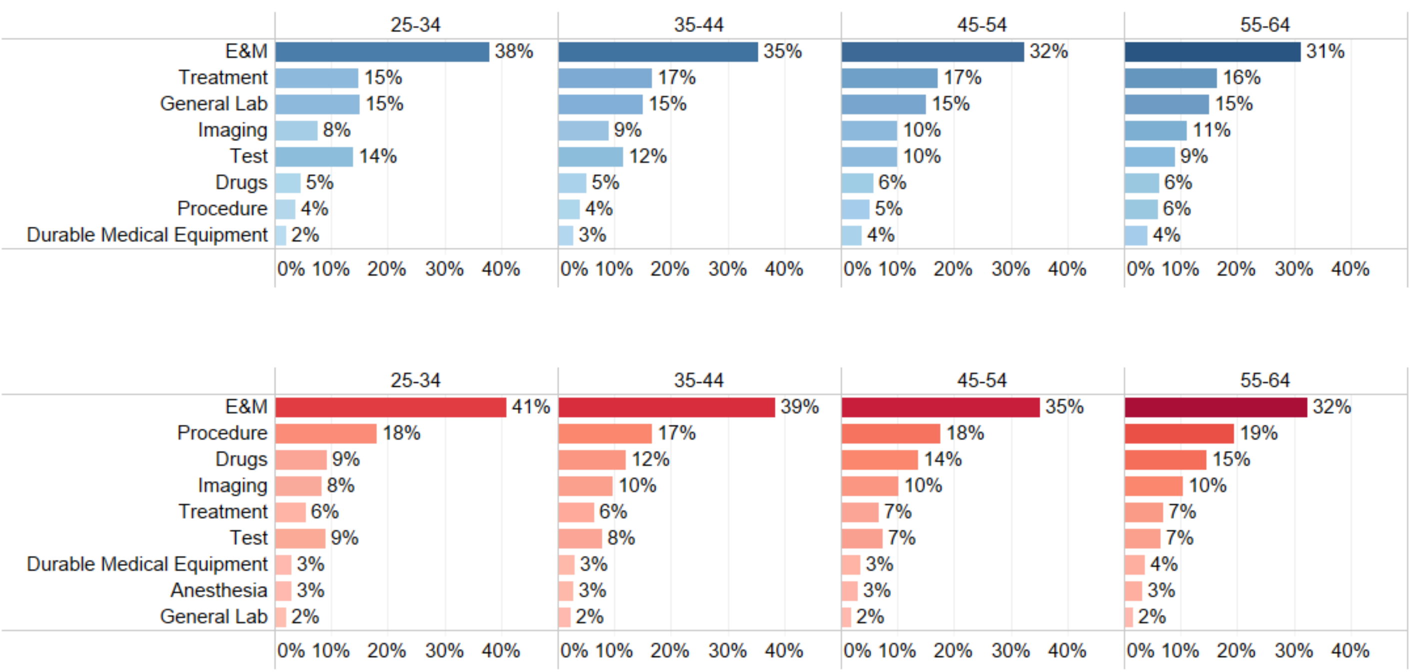


Source: HCCI commercial claims data

Among people aged 55-64, the most common service rendered during a hospital outpatient visit is general lab (15%), followed by administered drugs (13%) and imaging (11%). This trend is consistent across the other age groups.

The largest share of spending on outpatient hospital stays among people aged 55-64 is for procedures (21%), which include services such as joint replacements and colonoscopies. This is followed by administered drugs (11%) and imaging (10%).

Figure 5: Share of Professional Use and Spend, 2022

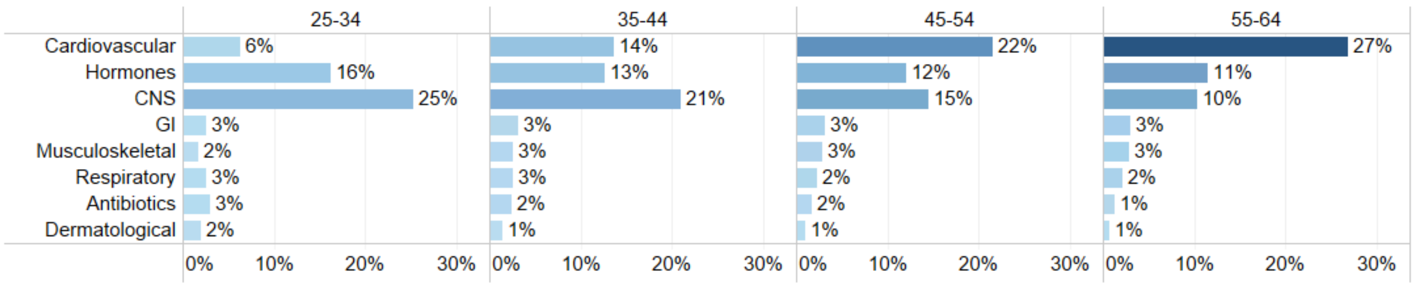


Source: HCCI commercial claims data

The most common reason for a visit with a physician among people aged 55-64 is evaluation and management (E&M) (20%), followed by treatments (10%) and general labs (9%). This trend is consistent across the other age groups.

The highest share of physician spending among people ages 55-64 is on E&M visits (21%). This is followed by procedures (13%) and drugs (10%). This trend is consistent across the other age groups.

Figure 6: Share of Prescription Drug Use, 2022



Source: HCCI commercial claims data

The largest share of prescription drug use among people aged 55-64 is on cardiovascular drugs (27%), followed by hormones (11%) and central nervous system (CNS) drugs (10%). In contrast, the largest share of prescription drug use among ages 25-44 is CNS drugs, at 25% and 21%, respectively.

Conclusion

These charts highlight health care use and spending by age in 2022. Adults aged 55–64 with ESI spend more on and use more health care services than any other adult age group. The trends reflected here are indicative of increased health care use and spending among Americans as they age. With that comes greater burden on individuals and families as they navigate the health care system and the potential for higher costs and affordability challenges.

About

HEALTH CARE COST INSTITUTE

ABOUT HCCI

The Health Care Cost Institute is an independent, non-profit research institute. HCCI's mission is to get to the heart of the key issues impacting the U.S. health care system by using the best data to get the best answers. HCCI stands for truth and consensus around the most important trends in health care, particularly those economic issues that are critical to a sustainable, high-performing health system. Our values are simple: health care claims data should be accessible to all those who have important questions to ask of it. Health care information should be transparent and easy to understand. All stakeholders in the health care system can drive improvements in quality and value with robust analytics.

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Solely funded by philanthropists Gary and Mary West, West Health is a family of nonprofit and nonpartisan organizations, including the Gary and Mary West Foundation and Gary and Mary West Health Institute in San Diego and the Gary and Mary West Health Policy Center in Washington, D.C. West Health is dedicated to lowering healthcare costs to enable seniors to successfully age in places with access to high-quality, affordable health and support services that preserve and protect their dignity, quality of life and independence.

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