

# Medicare, Number of Persons Insured, July 1, 1973

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On July 1, 1973, 21.8 million persons aged 65 and over were enrolled for Medicare. Also eligible on that date were disabled persons under age 65 brought under Medicare by the 1972 amendments to the Social Security Act. They included more than 1.6 million persons who for at least 24 months had been entitled to receive social security benefits because of disability and 6,400 insured persons suffering from chronic renal disease. The latter group, though small in number, is important because its medical expenses are very high. The article describes the characteristics of aged and disabled enrollees by age, race, sex, and residence.

TWENTY-THREE AND A HALF million aged and disabled persons were insured under the Medicare program on July 1, 1973. Of this total, 21.8 million were aged 65 and over and 1.7 million were disability beneficiaries under age 65.

Disability beneficiaries first became eligible for Medicare under provisions of the Social Security Amendments of 1972.<sup>1</sup> These amendments extended Medicare coverage, effective July 1, 1973, to persons under age 65 who because of disability were entitled to cash benefits under the social security or railroad retirement programs. This coverage was limited to beneficiaries who were entitled to disability benefits for at least 24 consecutive months. Medicare coverage also was extended to persons under age 65 meeting specified insured-status requirements and "deemed" disabled solely because of chronic renal disease.

About 22.2 million aged and disabled persons, nearly 95 percent of all enrollees, had both hospital insurance (HI) and supplementary medical insurance (SMI) coverage. Nearly 96 percent of the aged HI enrollees had SMI coverage; only 91 percent of the disability beneficiaries had such coverage. The differences in rates probably reflected the aged population's greater familiarity with Medicare and its benefits. The relatively

high proportion of veterans among disability beneficiaries and the availability of free medical care through the Veterans Administration probably explains the lower SMI enrollment rate for that beneficiary group.

In all, 1.1 million persons declined SMI enrollment. On the other hand, nearly one-fourth of a million aged enrollees were entitled only to SMI benefits as seen in the following tabulation.

Type of coverage	Enrollment (in thousands)			
	July 1, 1973			July 1, 1972
	Total all ages	65 and over	Under age 65	65 and over
Hospital insurance and/or supplementary medical insurance.....	23,545	21,815	1,731	21,332
Hospital insurance.....	23,301	21,571	1,731	21,115
Supplementary medical insurance.....	22,491	20,921	1,570	20,351
Hospital insurance and supplementary medical insurance.....	22,246	20,676	1,570	20,134
Hospital insurance only.....	1,055	894	161	981
Supplementary medical insurance only.....	244	244	-----	217

Among the aged, HI enrollment was nearly 460,000 higher on July 1, 1973, than it had been a year earlier. For the same period the increase for SMI enrollees aged 65 and over was even higher—570,000. The rise in SMI enrollment exceeded that for HI coverage mainly because 220,000 persons—an unusually large number—elected SMI coverage during the January–March 1973 general enrollment period. The growth in enrollment in that period was stimulated by the 1972 provision removing the 3-year time limit for enrollment.

## AGED ENROLLEES

### Sex, Race, and Age

The data in table 1 show that, as in previous years, the median age of women covered by HI exceeded that of men by slightly more than a year (73.7, compared with 72.4). The slightly higher median age of women held for both white

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<sup>1</sup> For a description of the amendments, see Robert M. Ball, "Social Security Amendments of 1972: Summary and Legislative History," *Social Security Bulletin*, March 1973.

TABLE 1.—Number, percentage distribution, and median age of persons aged 65 and over enrolled for hospital insurance and for supplementary medical insurance, by race and sex, July 1, 1973

Race and sex	Number (in thousands)	Percentage distribution	Median age (in years)
Hospital insurance			
All persons.....	21,571	100 0	73 1
Men.....	8,911	41 3	72 4
Women.....	12,660	58 7	73 7
Race			
White.....	19,242	89 2	73 1
Men.....	7,915	36 7	72 5
Women.....	11,326	52 5	73 6
All other.....	1,762	8 2	72 7
Men.....	779	3 6	72 1
Women.....	983	4 6	73 2
Unknown.....	567	2 6	74 6
Men.....	216	1 0	71 1
Women.....	350	1 6	77 8
Supplementary medical insurance			
All persons.....	20,921	100 0	73 1
Men.....	8,589	41.0	72 4
Women.....	12,352	59 0	73 6
Race:			
White.....	18,737	89 6	73 1
Men.....	7,653	36 6	72 5
Women.....	11,085	53 0	73 6
All other.....	1,636	7 8	72 6
Men.....	709	3 4	72 1
Women.....	927	4 4	73 1
Unknown.....	548	2 6	74 2
Men.....	207	1 0	70 9
Women.....	340	1 6	77 3

women and those of other races. The distribution of men and women aged 65 and over in table 2 also illustrates the greater longevity of women. In 1973, women represented 58.7 percent of all persons on the HI rolls. The proportion of women increased steadily with age both for white women and those of other races. Among white persons aged 65 and 66, for example, 54 percent were women; for those aged 85 and over the proportion rose to 66 percent.

The number of aged persons of races other than white covered by HI has increased at a

faster rate than that of white persons, but changes in the racial composition of the enrolled population have been small. Specifically, the proportion of persons other than white to the total aged population was 7.6 percent in 1966 and 8.2 percent in 1973. The proportion of enrollees who were white was 89 percent in 1973, and the remaining 3 percent were persons whose race was unknown. The distributions of the SMI and HI populations were nearly the same because most of the aged group were covered by both programs.

### Geographic Variation in HI Enrollment

On the basis of the regional data presented in table 3, the South had the largest HI enrollment (31 percent) and the West had the least (16 percent). Among geographic divisions, the largest proportion of the aged enrollees lived in the Middle Atlantic and East North Central States (20 percent each); only 4 percent lived in the Mountain States. From 1972 to 1973, HI enrollment in the South and West increased by 3 percent while the Northeast and North Central States each gained 1 percent.

The five States with the largest aged enrolled population were led by New York, with nearly 2 million. California, Pennsylvania, Illinois, and Florida followed. Florida's rapid immigration of aged enrollees enabled it to surpass Texas—its closest rival in 1972—and it will probably move ahead of Illinois in 1974.<sup>2</sup> California's growth was

<sup>2</sup> Donald E. Starsenic, "Geographic and Age Differentials in Population Growth, 1960-70," *Proceedings of the Public Health Conference on Records and Statistics*, Public Health Service, Health Resources Administration, National Center for Health Statistics, 1973.

TABLE 2.—Number and percentage distribution of persons aged 65 and over enrolled for hospital insurance, by age, race, and sex, July 1, 1973

Race and sex	65 and over	65-66	67-68	69-70	71-72	73-74	65-69	70-74	75-79	80-84	85 and over
All persons.....											
Number (in thousands).....	21,571	3,080	2,805	2,593	2,341	2,091	7,203	5,707	4,287	2,675	1,699
Percent.....	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
Men.....	41 3	46 4	45 4	44 2	42 4	41 2	45 7	42 3	39 1	36 5	32 9
Women.....	58 7	53 6	54 6	55 8	57 6	58 8	54 3	57 7	60 9	63 5	67 1
Race											
White.....	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
Men.....	41 1	45 8	44 9	43 7	42 1	40 9	45 1	41 9	39 0	36 7	33 7
Women.....	58 9	54 2	55 1	56 3	57 9	59 1	54 9	58 1	61 0	63 3	66 3
All other.....	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0	100 0
Men.....	44 2	48 7	48 5	46 8	44 9	44 5	48 4	45 0	41 4	38 8	36 3
Women.....	55 8	51 3	51 5	53 2	55 1	55 5	51 6	55 0	58 6	61 2	63 7

TABLE 3.—Persons aged 65 and over and disability beneficiaries enrolled for hospital insurance and for supplementary medical insurance, by area and State of residence, July 1, 1973<sup>1</sup>

Area and State of residence	Persons aged 65 and over					Disability beneficiaries		
	Hospital and/or supplementary medical insurance	Hospital insurance	Supplementary medical insurance	HI and SMI		Hospital insurance	Supplementary medical insurance	SMI as a percent of HI
				Number	As a percent of HI			
All areas.....	21,814,825	21,570,544	20,926,660	20,676,379	95.9	1,730,538	1,669,874	90.7
United States <sup>2</sup> .....	21,417,128	21,173,670	20,775,766	20,532,308	97.0	1,687,266	1,663,939	92.7
Northeast.....	5,402,874	5,360,345	5,250,258	5,207,729	97.2	373,419	341,006	91.3
North Central.....	5,993,502	5,943,419	5,832,079	5,781,996	97.3	404,529	373,858	92.4
South.....	6,631,219	6,402,988	6,519,941	6,291,710	96.5	632,968	591,295	93.4
West.....	3,371,418	3,332,661	3,274,488	3,235,731	97.1	273,334	255,072	93.3
New England.....	1,336,473	1,323,232	1,304,859	1,291,618	97.6	84,397	76,320	90.4
Middle Atlantic.....	4,066,401	4,037,113	3,945,399	3,916,111	97.0	289,022	264,686	91.6
East North Central.....	3,987,987	3,954,590	3,876,338	3,843,241	97.2	288,873	266,053	92.1
West North Central.....	2,005,515	1,988,529	1,955,741	1,938,755	97.5	115,656	107,805	93.2
South Atlantic.....	3,256,054	3,204,842	3,144,716	3,093,504	96.5	310,827	290,390	93.4
East South Central.....	1,380,981	1,354,183	1,335,914	1,309,116	96.7	149,177	140,279	94.0
West South Central.....	1,994,184	1,960,916	1,922,358	1,889,090	96.3	172,964	160,629	92.9
Mountain.....	785,937	777,403	757,862	749,318	96.4	61,358	56,515	92.1
Pacific.....	2,585,481	2,555,258	2,516,636	2,486,413	97.3	211,976	198,557	93.7
New England.....								
Maine.....	126,391	124,984	123,504	122,097	97.7	9,366	8,580	91.6
New Hampshire.....	87,745	87,182	84,779	84,216	96.6	5,212	4,712	90.4
Vermont.....	52,137	51,615	50,897	50,375	97.6	3,652	3,370	92.3
Massachusetts.....	653,992	646,641	638,131	630,780	97.5	39,004	35,134	90.1
Rhode Island.....	109,649	108,803	106,913	106,067	97.5	8,281	7,906	88.2
Connecticut.....	306,559	304,007	300,635	298,083	98.1	18,882	17,218	91.2
Middle Atlantic.....								
New York.....	2,000,636	1,985,865	1,938,208	1,923,437	96.9	137,546	124,080	90.2
New Jersey.....	732,925	727,870	717,061	712,006	97.8	50,013	46,732	93.4
Pennsylvania.....	1,332,840	1,323,378	1,290,130	1,280,668	96.8	101,463	93,874	92.5
East North Central.....								
Ohio.....	1,040,066	1,028,677	1,004,694	993,305	96.6	79,468	72,917	91.8
Indiana.....	516,129	513,847	500,603	498,321	97.0	36,692	33,973	92.6
Illinois.....	1,131,180	1,119,823	1,099,529	1,088,172	97.2	71,324	65,926	92.4
Michigan.....	800,103	794,826	781,252	775,975	97.6	70,011	64,200	91.7
Wisconsin.....	500,509	497,717	490,260	487,468	97.9	31,378	29,037	92.5
West North Central.....								
Minnesota.....	431,339	427,793	422,856	419,310	98.0	22,132	20,760	93.8
Iowa.....	362,432	360,282	354,511	352,361	97.8	19,100	17,726	92.8
Missouri.....	585,479	578,792	568,646	561,959	97.1	41,516	38,783	93.4
North Dakota.....	71,929	71,814	70,073	69,458	97.4	4,357	4,053	93.0
South Dakota.....	84,174	83,687	81,659	81,072	97.0	4,238	4,473	92.5
Nebraska.....	190,289	188,974	185,531	184,216	97.5	9,422	8,720	92.5
Kansas.....	279,873	277,787	272,465	270,379	97.3	14,292	13,290	93.0
South Atlantic.....								
Delaware.....	48,518	48,212	47,084	46,778	97.0	3,985	3,691	92.6
Maryland.....	319,045	313,297	306,288	300,540	95.9	23,371	21,482	91.9
District of Columbia.....	69,202	65,562	63,557	59,917	91.4	5,823	5,276	90.6
Virginia.....	398,976	392,926	381,059	375,009	95.4	42,107	38,836	92.2
West Virginia.....	208,508	206,039	201,936	199,467	96.8	30,504	28,729	94.2
North Carolina.....	460,388	454,162	445,607	439,381	96.7	53,470	50,571	94.6
South Carolina.....	214,650	211,261	203,829	200,440	94.9	30,771	28,877	93.8
Georgia.....	402,389	393,421	387,435	378,467	96.2	49,826	46,919	94.2
Florida.....	1,134,378	1,119,962	1,107,921	1,093,505	97.6	70,970	66,009	93.0
East South Central.....								
Kentucky.....	359,822	353,550	349,967	343,695	97.2	38,093	35,565	93.4
Tennessee.....	419,645	412,757	406,367	399,479	96.8	43,077	40,306	93.6
Alabama.....	357,613	349,880	346,048	338,315	96.7	40,159	38,153	95.0
Mississippi.....	243,901	237,996	233,532	227,627	95.6	27,848	26,255	94.3
West South Central.....								
Arkansas.....	258,621	254,264	250,274	245,917	96.7	27,437	25,554	93.1
Louisiana.....	329,473	324,191	302,977	297,695	91.8	37,756	34,499	91.4
Oklahoma.....	319,542	314,002	310,088	304,548	97.0	26,489	24,709	93.3
Texas.....	1,086,548	1,068,459	1,059,019	1,040,930	97.4	81,282	75,864	93.3
Mountain.....								
Montana.....	72,992	72,463	70,964	70,435	97.2	5,682	5,340	94.0
Idaho.....	75,395	74,910	73,210	72,725	97.1	5,877	5,464	93.0
Wyoming.....	32,727	32,541	31,588	31,402	96.5	2,055	1,887	91.8
Colorado.....	202,404	199,661	196,629	193,886	97.1	13,298	12,176	91.6
New Mexico.....	84,511	82,859	79,935	78,283	94.5	8,679	8,026	92.5
Arizona.....	194,090	192,123	186,920	184,953	96.3	16,408	15,031	91.6
Utah.....	85,131	84,627	81,452	80,948	95.7	5,806	5,309	91.4
Nevada.....	38,687	38,219	37,154	36,686	96.0	3,553	3,282	92.4
Pacific.....								
Washington.....	347,335	344,506	337,898	335,069	97.3	24,309	22,517	92.6
Oregon.....	244,843	243,825	235,512	234,494	96.2	19,146	17,451	91.1
California.....	1,933,935	1,908,524	1,886,765	1,861,354	97.5	163,491	153,916	94.1
Alaska.....	7,531	7,463	6,139	6,071	81.3	786	712	90.6
Hawaii.....	51,837	50,940	50,322	49,425	97.0	4,244	3,961	93.3
Residence unknown.....	18,115	17,304	15,953	15,142	87.5	3,016	2,708	89.8
Other areas.....								
Guam.....	1,728	1,522	1,386	1,180	77.5	74	67	90.5
Puerto Rico.....	198,249	197,710	106,928	106,389	53.8	35,200	5,142	14.6
Virgin Islands.....	3,140	3,104	2,753	2,717	87.5	202	190	94.1
All other.....	624	623	233	232	37.2	59	37	62.7
Foreign countries.....	193,956	193,915	33,594	33,553	17.3	7,647	499	6.6

<sup>1</sup> Based on data recorded as of Apr. 1, 1974.

<sup>2</sup> In the 50 States, the District of Columbia, and with residence unknown.

nearly as impressive; in 1966 it had 269,000 fewer aged enrollees than New York State, but in 1973 the gap had narrowed to 77,000.

### HI Enrollees Covered by SMI

The proportion of the HI population enrolled in SMI rose slowly between 1966 and 1969 and then leveled off until 1973.<sup>3</sup> The 1973 general enrollment period response rate noted earlier led to a SMI participation rate that was half a percentage point higher on July 1, 1973, than it had been a year earlier for all enrollees in all areas and in the United States. Among residents of the United States, the proportion of HI enrollees also participating in SMI reached 97.0 percent.<sup>4</sup> The proportion for all areas was 95.9 percent. The lower rate was caused by the inclusion of two groups with low participation—persons living in foreign countries and those in outlying areas (where the average participation rate was only 55 percent). Such factors as lower income and differing arrangements for medical care may account for the lower enrollment.

The increase in the proportion of persons with HI and SMI coverage from 1972 to 1973<sup>5</sup> occurred despite rising SMI premium costs.<sup>6</sup> In addition, most persons who signed up during the general enrollment period paid a premium surcharge because they did not enroll at the first opportunity or because they had previously terminated their enrollment. The surcharge ranged from 10–60 percent of the monthly premium depending on how long they had delayed enrollment.

White men and women in every age group had a higher SMI participation rate than minority race members, although both racial groups had

higher rates than in 1972 (table 4). The difference in rates for the two racial categories was greatest in the 2-year groups for those aged 65–66 and in the 5-year groups for those aged 65–69. In both 1972 and 1973 the range in participation rates was only 1 percentage point among whites for 5-year age groups, but for all other races the range increased from 3 to 5 percentage points. Enrollment rates for women in both years were only 1 percentage point higher than those for men.

TABLE 4.—Percent of persons aged 65 and over and disability beneficiaries enrolled for hospital insurance and participating in supplementary medical insurance, by age, race, and sex, July 1, 1973

Age	All persons			White			All other races		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Persons aged 65 and over									
Aged 65 and over.....	95.9	95.3	96.2	96.4	96.0	96.7	90.6	89.5	91.5
65-66.....	93.2	92.7	93.6	94.2	93.8	94.6	83.1	81.9	84.8
67-68.....	96.2	95.9	96.4	96.7	96.6	96.9	90.7	89.9	91.4
69-70.....	96.8	96.6	96.9	97.2	97.1	97.3	92.6	92.4	92.8
71-72.....	96.4	96.3	96.5	96.9	96.8	96.9	92.3	92.2	92.5
73-74.....	96.5	96.3	96.7	96.9	96.6	97.1	93.2	93.1	93.3
65-69.....	95.0	94.7	95.3	95.8	95.4	96.0	87.9	87.0	88.7
70-74.....	96.5	96.4	96.6	97.0	96.8	97.1	92.8	92.6	92.9
75-79.....	96.4	95.5	96.9	96.8	96.1	97.3	92.3	90.4	93.7
80-84.....	96.4	95.4	97.0	96.8	95.9	97.3	92.3	89.8	93.8
85 and over.....	95.1	94.3	95.4	95.8	95.1	96.1	89.0	88.4	89.4
Disability beneficiaries									
Under age 65.....	90.7	89.7	92.6	90.5	89.3	92.6	92.2	91.5	93.6
Under 25.....	91.5	90.6	93.0	91.3	90.3	92.9	93.7	93.2	94.6
25-29.....	90.2	88.9	92.7	90.1	88.6	92.6	92.5	91.8	94.1
30-34.....	91.2	90.8	92.8	91.1	90.1	92.8	92.9	92.3	94.3
35-39.....	90.3	89.3	92.1	90.2	89.1	92.1	91.8	91.4	93.1
40-44.....	88.6	87.5	91.1	88.4	87.1	91.0	90.4	89.6	92.4
45-49.....	88.8	87.8	91.0	88.5	87.2	90.9	90.8	90.2	92.3
50-54.....	89.0	87.7	91.7	88.6	87.0	91.5	91.3	90.3	93.2
55-59.....	90.7	89.7	92.3	90.3	89.2	92.2	92.5	91.9	93.5
60-64.....	92.7	92.0	94.1	92.8	92.0	94.1	93.2	92.6	94.2

In all geographic divisions of the United States, SMI participation rates of both whites and persons of all other races increased slightly from 1972 to 1973. These gains left unchanged the higher participation rates of whites in every geographic area (table 5). The differences in participation rates by race varied slightly among geographic divisions (4–7 percentage points) except in the West where they ranged from 12 percentage points in the Mountain States to 2 percentage points in the Pacific States. Among geographic divisions, the proportion of total HI enrollees also enrolled for SMI varied by only

<sup>3</sup> Computed by dividing the number of persons enrolled in both HI and SMI by the number enrolled in HI.

<sup>4</sup> Section 206 of the 1972 amendments, effective July 1, 1973, established automatic enrollment for persons living in the United States. When aged and disabled persons first become entitled to HI they are automatically enrolled for SMI unless they decline such coverage.

<sup>5</sup> See Martin Ruther, "Medicare: Number of Persons Insured, July 1, 1972," *Health Insurance Statistics*, Health Insurance Note No. 59, Office of Research and Statistics, 1974.

<sup>6</sup> The premium increased from \$5.80 a month for the 12 months ending June 1973 to \$6.30 a month beginning July 1, 1973. Because of price freeze legislation this rate did not go into effect until September 1973.

TABLE 5.—Percent of persons aged 65 and over and disability beneficiaries enrolled for hospital insurance and participating in supplementary medical insurance, by area of residence, race, and sex, July 1, 1973

Area of residence	All persons			White			All other races		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Persons aged 65 and over									
United States.....	97.0	96.5	97.3	97.5	97.1	97.7	92.4	91.4	93.1
Northeast.....	97.2	97.0	97.3	97.5	97.3	97.7	91.5	91.1	91.8
New England.....	97.6	97.4	97.8	97.7	97.5	97.9	93.1	92.8	93.3
Middle Atlantic.....	97.0	96.8	97.1	97.4	97.3	97.6	91.4	91.0	91.7
North Central.....	97.3	96.9	97.6	97.6	97.2	97.8	92.7	91.4	93.8
East North Central.....	97.2	96.8	97.4	97.5	97.2	97.7	92.8	91.5	93.8
West North Central.....	97.5	97.0	97.9	97.7	97.2	98.0	92.6	90.8	94.0
South.....	96.5	95.9	97.0	97.3	96.8	97.7	92.2	91.0	93.1
South Atlantic.....	96.5	96.0	96.9	97.3	96.9	97.6	92.5	91.2	93.4
East South Central.....	96.7	95.9	97.2	97.5	96.8	97.9	93.7	92.3	94.7
West South Central.....	96.3	95.6	96.9	97.4	96.7	97.8	90.3	89.6	90.9
West.....	97.1	96.6	97.4	97.3	96.9	97.6	94.0	93.4	94.7
Mountain.....	96.4	95.6	97.0	96.8	96.1	97.3	84.9	84.4	85.6
Pacific.....	97.3	97.0	97.5	97.5	97.2	97.7	95.3	94.7	95.9
Disability beneficiaries									
United States.....	92.7	91.9	94.1	92.5	91.6	94.1	93.5	93.0	94.4
Northeast.....	91.3	90.9	92.0	91.1	90.5	91.9	92.2	92.3	92.1
New England.....	90.4	89.6	91.7	90.4	89.4	91.7	90.5	90.1	91.2
Middle Atlantic.....	91.6	91.3	92.0	91.4	90.9	92.0	92.4	92.5	92.2
North Central.....	92.4	91.6	93.9	92.3	91.4	93.9	92.3	91.8	93.2
East North Central.....	92.1	91.4	93.2	92.0	91.2	93.3	92.2	91.9	92.7
West North Central.....	93.2	92.0	95.5	93.2	91.8	95.5	92.6	91.1	95.1
South.....	93.4	92.5	95.4	93.2	92.1	95.4	94.0	93.4	95.4
South Atlantic.....	93.4	92.5	95.2	93.0	91.9	95.1	94.5	94.1	95.5
East South Central.....	94.0	93.2	95.9	93.8	93.0	95.7	94.6	93.6	96.6
West South Central.....	92.9	91.8	95.4	92.9	91.7	95.7	92.5	91.8	94.1
West.....	93.3	92.3	95.2	93.1	92.0	95.2	94.5	93.8	95.8
Mountain.....	92.1	91.0	94.5	92.0	90.8	94.5	91.4	90.8	93.1
Pacific.....	93.7	92.7	95.4	93.4	92.4	95.3	94.9	94.3	96.1

1.3 percentage points. The rates ranged from 96.3 percent in the West South Central States to 97.6 percent in the New England States.

### Persons Enrolled Only for SMI

Enrollment only for SMI totaled 244,000 on July 1, 1973, or 27,000 more than a year earlier. Of those persons ineligible for hospital insurance because of insufficient quarters of coverage, 28,000 were covered by the Federal Employees Health Benefits Act of 1959. Active or retired Federal employees eligible for or covered by this act were ineligible for HI benefits but could have enrolled for SMI coverage.

Automatic HI protection is provided to persons aged 65 and over who establish entitlement for monthly cash benefits under the social security or railroad retirement programs. A special temporary provision for the uninsured may provide

HI coverage to those who do not qualify under these two programs. For such persons who attained age 65 before 1968 there is no quarter-of-coverage requirement. For each year after 1968, the required number of quarters of coverage is increased. Persons attaining age 65 in 1973, for example, must have 18 quarters of coverage.<sup>7</sup>

### HI Coverage Through Payment of Premium

The 1972 legislation permits aged persons who are ineligible for HI coverage to enroll voluntarily by paying a monthly premium, effective July 1, 1973. To be eligible for such coverage, persons aged 65 and over must be citizens or aliens admitted for permanent residence and residing in the United States continuously for

<sup>7</sup> For definitions of quarters of coverage and further explanations of eligibility, see *OASDI DIGEST*, Office of Research and Statistics and Office of the Actuary, 1974.

the past 5 years. The HI premium amount was set at \$33 a month for a 12-month period beginning July 1973. This amount represents the full premium cost of hospital coverage. These HI enrollees must also enroll for SMI if they have not already done so. The requirement is intended to reduce excess use of the more costly HI services by enrollees without SMI coverage.

More than 12,000 individuals had elected to pay premiums for this coverage by the end of 1973. Seventy-eight percent of those enrolled were women. Nearly 84 percent of the enrollees were white persons, 5 percent were of other races, and for 12 percent race was not known. Nearly half (46 percent) of these enrollees were aged 65 and 66.

## DISABILITY ENROLLEES

Of the 1.7 million disability beneficiaries eligible for Medicare on July 1, 1973, SMI coverage was held by 1.5 million. In the following tabulation the race and sex of disability beneficiaries are shown by type of coverage. To re-

Race and sex	Hospital insurance		Supplementary medical insurance	
	Number (in thousands)	Percentage distribution	Number (in thousands)	Percentage distribution
All persons.....	1,731	100 0	1,570	100 0
Men.....	1,119	64 6	1,003	63 9
Women.....	612	35 4	567	36 1
Race				
White.....	1,445	83 5	1,308	83 3
Men.....	923	53 3	825	52 5
Women.....	522	30 2	483	30 8
All other.....	253	14 6	233	14 9
Men.....	167	9 7	153	9 7
Women.....	86	5 0	80	5 1
Unknown.....	32	1 9	29	1 8
Men.....	29	1 6	26	1 6
Women.....	4	.2	3	.2

ceive disability benefits under the social security program, a person must be unable to do any substantial gainful work because of medically determinable physical or mental impairments that can be expected to result in death or that have lasted or can be expected to last for a continuous period of at least 12 months. There are three types of disability beneficiaries entitled to Medicare benefits: (1) disabled workers with sufficient quarters of coverage to be currently or fully in-

TABLE 6—Percentage distribution of disability beneficiaries enrolled for hospital insurance, by type of entitlement, race, and sex, July 1, 1973

Race and sex	All disability beneficiaries	Type of entitlement			
		Workers	Children	Widows and widowers	Chronic renal disease only <sup>1</sup>
All persons.....	1,730,543	1,372,257	284,231	67,684	6,371
Total percent....	100 0	100 0	100 0	100 0	100 0
Men.....	64 6	70 0	53 3	2	53 6
Women.....	35 4	30 0	46 7	99 8	46 4
Race					
White.....	83 5	82 8	87 8	80 6	72 2
Men.....	53 3	57 5	46 0	2	38 5
Women.....	30 2	25 3	41 8	80 3	33 7
All other.....	14 6	15 6	10 1	13 5	19 3
Men.....	9 7	11 0	5 4	(?)	10 5
Women.....	5 0	4 6	4 7	13 5	8 7

<sup>1</sup> Represents persons eligible solely because of chronic renal disease under the 1972 social security amendments.

<sup>2</sup> Less than 0 05 percent.

sured under social security;<sup>8</sup> (2) persons disabled in childhood—before age 22—who are dependents of retired, disabled, or deceased insured workers; and (3) disabled widows or widowers of deceased insured workers.

In addition, persons under age 65 with chronic renal disease (end-stage renal disease)<sup>9</sup> requiring dialysis or kidney transplantation are “deemed” disabled and thus entitled to Medicare if they are currently or fully insured, they are entitled to monthly social security or railroad retirement benefits, or they are spouses or dependent children of such insured or entitled persons.

## Age, Race, and Sex

Disabled workers, accounting for 79 percent of all enrollees, were the largest group of disability beneficiaries enrolled for HI coverage (table 6). The distribution of these four groups differed significantly for men and women. Seventy percent of all disabled workers were men—a reflection of their greater participation in the labor force. About half the number of persons disabled in childhood and of those entitled be-

<sup>8</sup> *Ibid.*

<sup>9</sup> End-stage renal disease is defined as that stage of renal impairment that cannot be favorably influenced by conservative management alone, and requires dialysis and/or kidney transplantation to maintain life or health, in “Facilities Providing Treatment for End-Stage Renal Disease; Interim Period Qualification and Exception Criteria,” *Federal Register*, October 4, 1974, page 35819.

TABLE 7—Number of disability beneficiaries eligible for hospital insurance, by age, and percentage distribution by age, race, and sex, July 1, 1973

Race and sex	Under 65	Under 25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
All persons										
Number (in thousands).....	1,731	47	71	75	92	126	183	256	367	515
Percent.....	100 0	2 7	4 1	4 3	5 3	7 3	10 6	14 8	21 2	29 7
Men.....	100 0	2 6	4 1	4 3	5 5	7 7	11 1	15 2	20 4	29 1
Women.....	100 0	2 9	4 0	4 3	5 0	6 6	9 6	14 2	22 6	30 8
Race										
White.....	100 0	2 7	4 1	4 3	5 3	7 3	10 6	14 7	21 2	29 9
Men.....	100 0	2 6	4 1	4 3	5 4	7 6	11 1	15 1	20 4	29 4
Women.....	100 0	2 8	4 0	4 4	5 2	6 7	9 7	14 0	22 5	30 6
All other.....	100 0	3 3	4 3	4 4	5 5	7 6	10 9	15 5	20 7	27 8
Men.....	100 0	3 1	4 6	4 7	6 1	8 5	11 7	15 8	19 4	28 1
Women.....	100 0	3 7	3 9	3 6	4 3	5 9	9 2	15 0	23 4	31.1

cause of chronic renal disease were men. Among disabled widows and widowers less than 1 percent were men. A relatively higher proportion of disability beneficiaries eligible for Medicare were not white than was true in the general population aged 20-64.<sup>10</sup>

The age of the four types of beneficiaries differed markedly. Under the Medicare program, disabled workers, children, and widows are no longer classified as disability beneficiaries but are transferred to the retirement rolls upon attaining age 65. Beneficiaries with chronic renal disease continue under Medicare entitlement after attaining age 65 because of their earlier eligibility. The highest median age, 60.3, was for disabled widows and widowers because Medicare coverage for this group is limited to persons aged 52-64. The lowest median age, 38.7, was for those disabled in childhood.

The median age for all disabled men was 1 year less than that for women. The greatest difference in median age for men and women was 1.7 among those disabled in childhood. Differences in median age by race were small among disabled workers, widows, and enrollees with chronic renal disease. White persons disabled in childhood, however, were 6.3 years older on the average than beneficiaries of all other races. The median age of all disability beneficiaries covered by Medicare—55—was much greater than the median age (39) for the United States population aged 20-64.<sup>11</sup> For disability beneficiaries the median age, by type of entitlement, race, and sex, is seen in the following tabulation.

<sup>10</sup> Bureau of the Census, *Current Population Reports*, "Estimates of the Population of the United States, by Age, Sex, and Race: April 1, 1960 to July 1, 1973," P-25, No. 519, April 1974.

<sup>11</sup> *Ibid.*

Race and sex	All disability beneficiaries	Workers	Children	Widows and widowers	Chronic renal disease only
All persons.....	55 2	56 6	38 7	60 3	42 7
Men.....	54 8	56 3	37 9	60 8	42 2
Women.....	55 8	57 3	39 6	60 3	43 3
Race:					
White.....	55 3	56 7	39 2	60 3	43 5
Men.....	54 9	56 5	38 2	61 0	42 7
Women.....	55 7	57 3	40 3	60 3	44 4
All other races.....	54 6	55 6	32 9	59 9	41 2
Men.....	53 6	54 9	32 5	60 1	40 9
Women.....	56 0	57 0	33 4	59 9	41.4

The proportion of all disability beneficiaries increased in each successive age group (table 7). This was true for men and women and for both racial groups. Among all disabled persons, there were many more men than women in every age group—a reflection, again, of the higher participation of men in the labor force.<sup>12</sup>

Nearly half the disability beneficiaries—men and women, white persons and those of all other races—were aged 55-64, the age span during which the prevalence of chronic diseases increases sharply.<sup>13</sup> The large proportion of persons in this age group has important implications for the Medicare program, in terms of both quantity of medical services used and related costs.

### Geographic Distribution

The distribution of disability beneficiaries covered by HI varied, by region, from 16 percent in the West to 38 percent in the South. Only 31

<sup>12</sup> Bureau of the Census, *Statistical Abstract of the United States: 1973, 1974*, page 336.

<sup>13</sup> Philip R. Lerner, *Social Security Disability Applicant Statistics, 1969*, Office of Research and Statistics, 1973.

**TABLE 8.—Persons enrolled for hospital insurance and supplementary medical insurance solely because of chronic renal disease by age, race, and sex, July 1, 1973**

Age	All persons			White			All other races		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
<b>Hospital insurance</b>									
Under age 65.....	6,371	3,413	2,958	4,602	2,455	2,147	1,227	672	556
Under age 15.....	176	65	111	133	53	80	17	6	11
15-24.....	861	499	362	599	348	251	158	97	61
25-34.....	1,133	644	489	809	463	346	242	132	110
35-44.....	1,355	719	636	915	489	426	328	171	157
45-54.....	1,747	864	883	1,289	624	665	325	167	158
55-64.....	1,099	622	477	857	478	379	157	99	68
<b>Supplementary medical insurance</b>									
Under age 65.....	6,265	3,347	2,918	4,636	2,413	2,123	1,209	664	545
Under age 15.....	171	64	107	129	52	77	17	6	11
15-24.....	849	491	358	593	343	250	156	96	60
25-34.....	1,120	638	482	800	458	342	240	132	108
35-44.....	1,327	700	627	897	477	420	321	167	154
45-54.....	1,708	837	871	1,267	609	658	319	164	155
55-64.....	1,090	617	473	850	474	376	156	99	67
<b>SMI as a percent of HI</b>									
Under age 65.....	98.3	98.1	98.6	98.6	98.3	98.9	98.5	98.8	98.2
Under age 15.....	97.2	98.5	96.4	97.0	98.1	96.3	100.0	100.0	100.0
15-24.....	98.6	98.4	98.9	99.0	98.6	99.6	98.7	99.0	98.4
25-34.....	98.9	99.1	98.6	98.9	98.9	98.8	99.2	100.0	98.2
35-44.....	97.9	97.4	98.6	98.0	97.5	98.6	97.9	97.7	98.1
45-54.....	97.8	96.9	98.6	98.3	97.6	98.0	98.2	98.2	98.1
55-64.....	99.2	99.2	99.2	99.2	99.2	99.2	99.4	100.0	98.3

percent of the total United States population aged 20-64 lived in the South.<sup>14</sup> Three geographic divisions had nearly the same proportion of disability beneficiaries (17-18 percent): the South Atlantic, Middle Atlantic, and East North Central States. Three States had more than 100,000 disabled persons enrolled for HI: California, New York, and Pennsylvania. Among disabled beneficiaries of minority races, 53 percent lived in the South. The lowest proportion, 13 percent, lived in the West.

### Enrollees With Chronic Renal Disease

On July 1, 1973, there were 6,371 persons with chronic renal disease whose entitlement to Medicare was based solely on the determination that they had this disease and had met the insured-status requirement—according to Social Security Administration central records as of April 1, 1974 (table 8). For such persons, eligibility for Medicare coverage begins with the third month

after the month in which a course of dialysis begins. For persons receiving kidney transplants without starting dialysis or receiving dialysis in preparation for transplantation, eligibility may begin before this qualifying dialysis period is completed. Excluded from the count of those solely eligible because of renal disease were 3,235 persons who were “dually” entitled to Medicare on July 1, 1973—that is, they had met the insured-status requirements and they had been entitled to receive cash disability benefits for at least 24 consecutive months.

Some persons who are eligible for Medicare because they are receiving renal dialysis do not qualify for the cash disability benefits since they are able to work despite their condition. It is because the cost of treatment for that condition is catastrophically high that they have the protection of Medicare. Yet not all persons with chronic renal disease can qualify for Medicare coverage since some of them cannot meet the insured-status requirements. By June 28, 1974, about a year after chronic renal disease eligibility began, 1,063 persons suffering from renal disease had their claims for Medicare coverage

<sup>14</sup> Bureau of the Census, *Census of Population: 1970, General Population Characteristics (Final Report), United States Summary* (PC (1)-B1), 1972, table 57.



denied because they failed to meet the insured-status requirements.

### Age, Race, and Sex

The median age of enrollees with chronic renal disease was 42.7. The median age of women in this group was 1.1 year higher than that of men. The average age of white enrollees was 43.5—2.3 years greater than that of persons of all other races. For both men and women, the number increased in each successive age group and reached a peak at ages 45–54.

White enrollees constituted 72 percent of all enrollees with chronic renal disease; 19 percent were members of all other races; and race was unknown for 9 percent. There were slightly more men than women in both racial groups.

### HI Enrollees Participating in SMI

About 9 out of 10 of the disabled HI beneficiaries were enrolled in SMI on July 1, 1973. On that same date the comparable rate among aged HI enrollees was 5 percentage points higher—95.9 percent. When Medicare for the aged began operations on July 1, 1966, the proportion enrolling for SMI (92.9 percent) was also somewhat higher than the initial proportion of SMI enrollment among disabled HI beneficiaries.

The increase in the proportion of the aged beneficiaries electing SMI coverage may be related to greater familiarity with the Medicare program and its benefits. As noted earlier, the relatively high proportion of veterans of World War II and the Korean conflict among disability beneficiaries may help to explain the lower SMI participation rate. Unpublished data from the Social Security Administration's 1966 Survey of the Disabled show that 26 percent of disabled-worker beneficiaries were veterans.<sup>15</sup> Veterans, especially those with severe disabilities, may have declined SMI enrollment because that program requires premium payments and they may have been entitled to free medical care through the Veterans Administration.

Further evidence of the number of disabled

<sup>15</sup> See Lawrence D. Haber, "Identifying the Disabled: Concepts and Methods in the Measurement of Disability," *Social Security Bulletin*, December 1967.

TABLE 9—Percent of disability beneficiaries enrolled for hospital insurance and participating in supplementary medical insurance, by type of entitlement, sex, race, and age, July 1, 1973

Sex, race, and age	Type of entitlement		
	Workers	Children	Widows and widowers
All persons.....	89 8	94 0	94 2
Men.....	89 0	93 8	94 5
Women.....	91 8	94 2	94.2
Race			
White.....	89 5	94 0	93 9
All other races.....	91 6	95 1	95 2
Unknown.....	86 8	90 7	96.3
Age			
Under 25.....	87 0	92 7	0
25-29.....	85 6	93 5	0
30-34.....	87 7	94 3	0
35-39.....	87 3	94 4	0
40-44.....	86 4	93 6	0
45-49.....	87 3	94 5	0
50-54.....	88 1	94 8	94 9
55-59.....	90 2	94 5	93 7
60-64.....	92 6	94 5	94.4

veterans covered by Medicare may be found in the Current Medicare Survey of the disabled. This survey reported on the utilization of medical services in the second half of 1971 by disability beneficiaries who would have met the eligibility requirements of the 1972 amendments. Of the estimated 16.6 million covered medical services used by those disabled persons, 3.9 million—or nearly 25 percent—were provided by the Veterans Administration and the Armed Forces.<sup>16</sup>

In the disabled population enrolled for HI and SMI, the largest variation was by type of entitlement. The lowest rate (89.8 percent) was among disabled workers (table 9). The highest rate (98.3 percent), as expected, was among those with chronic renal disease. The SMI enrollment was particularly high for the latter group because most of the expenses for maintenance dialysis are expected to be covered by SMI rather than HI.

Disabled workers aged 25–29 had the lowest rate of SMI coverage (86.6 percent); the rates increased steadily beginning at age 45 and were highest (92.6 percent) at ages 60–64. In every age group, beneficiaries disabled in childhood had higher participation rates than disabled workers.

Possible reasons for lower enrollment rates among disabled workers, compared with those disabled in childhood, can be found in data from

<sup>16</sup> Helen C. Chase, "Use of Medical Services by Disability Beneficiaries, July–December 1971," *Health Insurance Statistics (CMS-29)*, Office of Research and Statistics, 1974.

the 1966 disability survey mentioned earlier. That study reported that, among disability beneficiaries not in institutions, 46 percent of the disabled workers had some type of health insurance, compared with only 23 percent among the childhood disabled.<sup>17</sup> Apparently, disabled workers obtained health insurance policies paid for or provided by an employer. Only 15 percent of the childhood disability beneficiaries had ever worked. In addition, disabled workers were more likely to obtain coverage through their spouses: 71 percent of the disabled workers were married but 98 percent of those disabled in childhood had never married.<sup>18</sup>

The rates varied little with age for persons eligible for Medicare because of chronic renal disease. The rates ranged from 97.2 percent for those under age 15 to 99.2 at ages 55-64.

Among disabled women the SMI enrollment rate was 92.6 percent or nearly 3 percentage points higher than that of disabled men (table 4).

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<sup>17</sup> Mildred E. Cinsky, "Health Insurance Coverage of the Disabled," *Social Security Survey of the Disabled: 1966*, Report No. 4, Office of Research and Statistics, August 1968, table 3.

<sup>18</sup> Lawrence D. Haber, "The Disabled Beneficiary—A Comparison of Factors Related to Benefit Entitlement," *Social Security Survey of the Disabled: 1966*, Report No. 7, Office of Research and Statistics, June 1969, tables 1 and 2.

Higher rates for women were found in every age group with somewhat larger differences in those groups that were likely to have relatively large numbers of veterans. The higher participation rate of women beneficiaries occurred mainly among disabled workers. There was almost no difference in rates by sex among childhood disability beneficiaries and enrollees with chronic renal disease.

Persons of races other than white had slightly higher participation rates than whites in every age and sex group. The slightly higher rates of persons other than white were also found among disabled workers, persons disabled in childhood, and disabled widows.

In every geographic division the SMI enrollment rate of white women exceeded that of white men, as the data in table 5 indicate. This was also true for both men and women of all other races except in the Middle Atlantic States. Differences in enrollment rates by race and geographic division were small.

The rate of HI enrollees with SMI coverage was lowest in New England (90.4 percent) and highest in the East South Central States (94.0 percent). The greatest variation in participation rates was among States—ranging from 88.2 percent in Rhode Island to 95.0 in Alabama.

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## Notes and Brief Reports

### Unemployment Insurance Benefits Temporarily Expanded\*

Two acts that provide financial assistance to the unemployed were passed by the 93d Congress and were signed into law by the President on December 31, 1974. They are the Emergency Unemployment Compensation Act of 1974 (Public Law 93-572), and the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93-567).

P.L. 93-572 deals exclusively with the un-

employment insurance program and is intended to augment the benefits and protection provided by existing Federal and State statutes. P.L. 93-567 is much broader in scope, with a two-part approach to meeting current unemployment problems. The first part authorizes an expanded federally financed public service employment and public works program to provide emergency jobs. The second is a cash-assistance program for unemployed persons not otherwise eligible for benefits under State or Federal unemployment compensation laws.

#### EMERGENCY UNEMPLOYMENT COMPENSATION

Public Law 93-572 creates a temporary emergency unemployment compensation program modeled to some extent after the Emergency Un-

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