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## CMS NEWS: Trump Administration Issues Call to Action Based on New Data Detailing COVID-19 Impacts on Medicare Beneficiaries

Today, under the leadership of President Trump, the Centers for Medicare & Medicaid Services (CMS) is calling for a renewed national commitment to value-based care based on Medicare claims data that provides an early snapshot of the impact of the coronavirus disease 2019 (COVID-19) pandemic on the Medicare population. The data shows that older Americans and those with chronic health conditions are at the highest risk for COVID-19 and confirms long-understood disparities in health outcomes for racial and ethnic minority groups and among low-income populations.

“The disparities in the data reflect longstanding challenges facing minority communities and low income older adults, many of whom face structural challenges to their health that go far beyond what is traditionally considered ‘medical,’” said CMS Administrator Seema Verma. “Now more than ever, it is clear that our fee-for-service system is insufficient for the most vulnerable Americans because it limits payment to what goes on inside a doctor’s office. The transition to a value-based system has never been so urgent. When implemented effectively, it encourages clinicians to care for the whole person and address the social risk factors that are so critical for our beneficiaries’ quality of life.”

The data released today includes the total number of reported COVID-19 cases and hospitalizations among Medicare beneficiaries between January 1 and May 16, 2020. The snapshot breaks down COVID-19 cases and hospitalizations for Medicare beneficiaries by state, race/ethnicity, age, gender, dual eligibility for Medicare and Medicaid, and urban/rural locations. The new data show that more than 325,000 Medicare beneficiaries had a diagnosis of COVID-19 between January 1 and May 16, 2020. This translates to 518 COVID-19 cases per 100,000 Medicare beneficiaries. The data also indicate that nearly 110,000 Medicare beneficiaries were hospitalized for COVID-19-related treatment, which equals 175 COVID-19 hospitalizations per 100,000 Medicare beneficiaries.

Blacks were hospitalized with COVID-19 at a rate nearly four times higher than whites. The disparities presented in the snapshot go beyond race/ethnicity and suggest the impact of social determinants of health, particularly socio-economic status.

Other key data points:

- End-stage renal disease (ESRD) patients (individuals with chronic kidney disease undergoing dialysis) had the highest rate of hospitalization among all Medicare beneficiaries, with 1,341 hospitalizations per 100,000 beneficiaries. Patients with ESRD are also more likely to have chronic comorbidities associated with increased COVID-19 complications and hospitalization, such as diabetes and heart failure.
- The second highest rate was among beneficiaries enrolled in both Medicare and Medicaid (also known as “dual eligible”), with 473 hospitalizations per 100,000 beneficiaries.
- Among racial/ethnic groups, Blacks had the highest hospitalization rate, with 465 per 100,000. Hispanics had 258 hospitalizations per 100,000. Asians had 187 per 100,000 and whites had 123 per 100,000.
- Beneficiaries living in rural areas have fewer cases and were hospitalized at a lower rate than those living in urban/suburban areas (57 versus 205 hospitalizations per 100,000).

The snapshot also shows that besides higher hospitalization rates, beneficiaries enrolled in both Medicaid and Medicare have a higher infection rate of COVID-19, with 1,406 cases per 100,000 beneficiaries. By comparison, the coronavirus infection rate for beneficiaries enrolled only in Medicare is 325 cases per 100,000. The rate of COVID-19 cases for dual eligible individuals is higher across all age, sex, and race/ethnicity groups. Previous research has shown that these individuals experience high rates of chronic illness, with many having long-term care needs and social risk factors that can lead to poor health outcomes.



Given the complexity of these disparities, any solution requires a multi-sectoral approach that includes federal, state, and local governments, community based organizations, and private industry. One piece of this is the increased implementation of a value-based system that rewards providers for keeping patients healthy and gives consumers the information about disease prevention and outcomes needed to help make healthcare choices on the basis of quality. Additionally, CMS is encouraging states to double down on efforts to protect low income seniors and look at the data and determine what resources are available, both locally and federally, to improve this disparity of health outcomes. CMS has identified a range of operational opportunities for states to improve care for dually eligible individuals and a variety of models that states can participate in that focus on improving the quality and cost of care for individuals who are concurrently enrolled in Medicaid and Medicare.

The Center for Medicaid and Children's Health Insurance Program (CHIP) Services is developing guidance for states on new opportunities to adopt innovative, value-based payment design and implement strategies to address social determinants of health for their beneficiaries, including those who are dually eligible for Medicare and Medicaid. In addition to these ongoing efforts and programs, the CMS Office of Minority Health will be holding a series of listening sessions with key stakeholders responsible for providing care to racial and ethnic minorities. These listening sessions are intended to help refine the ongoing outreach and work by CMS to improve future efforts on this issue.

CMS typically releases Medicare claims information on an annual basis when there are more complete claims and encounter data. However, as part of the agency's efforts to provide data transparency during the pandemic and ensure the public has this vital information as soon as it is available, CMS is releasing this preliminary data now. The data will be updated on a monthly basis as more claims and encounter records are received. CMS anticipates releasing similar information on Medicaid beneficiaries in the future.

For more information on the Medicare COVID-19 data, visit: <https://www.cms.gov/research-statistics-data-systems/preliminary-medicare-covid-19-data-snapshot>

For a FAQ on this data release, visit: <https://www.cms.gov/files/document/medicare-covid-19-data-snapshot-faqs.pdf>