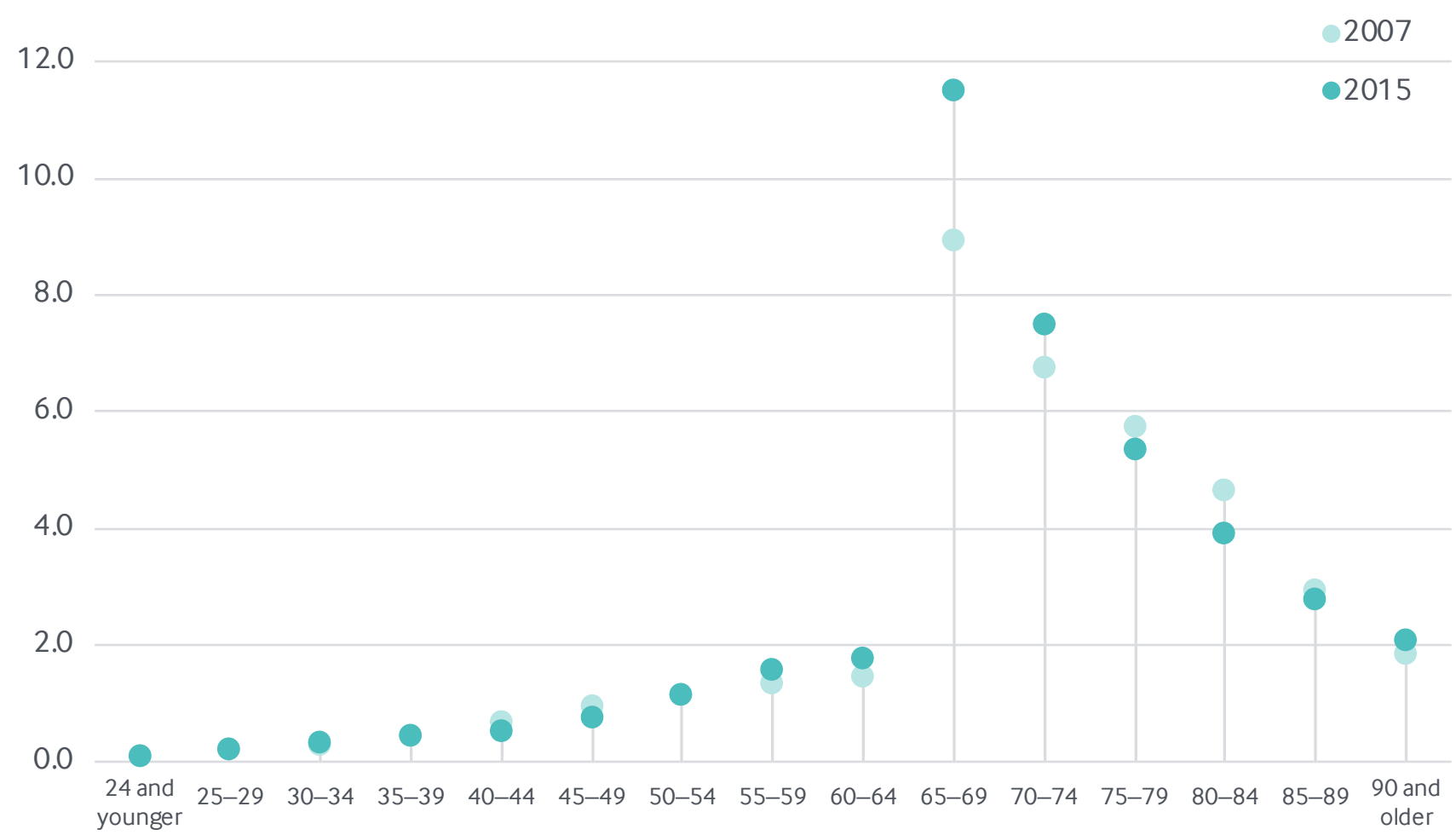


# From 2007 to 2015, the number of beneficiaries ages 65 to 69 increased more than any other age group as baby boomers joined Medicare.

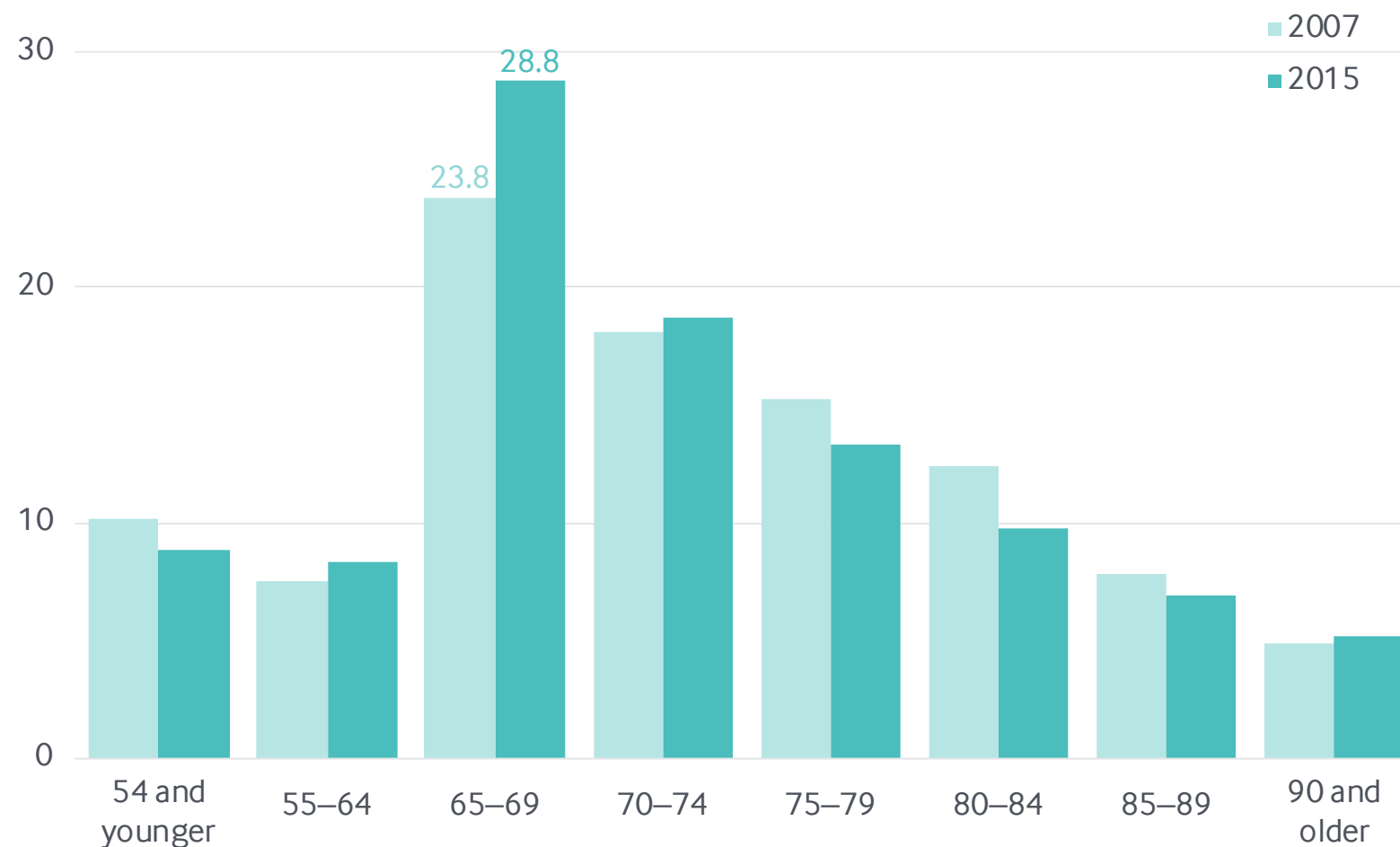
Change in number of Medicare beneficiaries (in millions) by age group, 2007–2015



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015.

# Even before baby boomers began aging into Medicare, beneficiaries ages 65 to 69 were the largest age group in traditional Medicare.

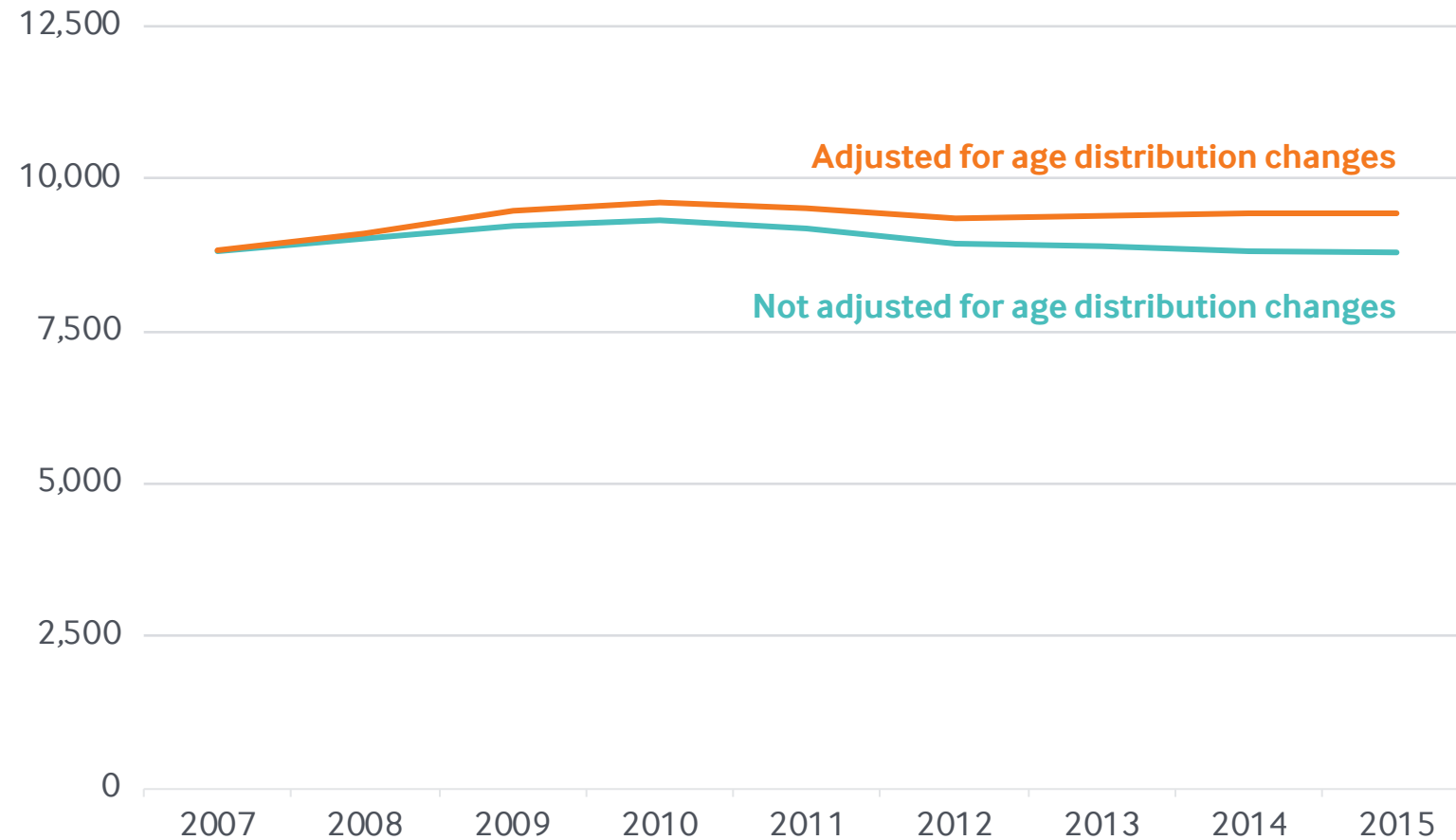
Medicare population, share of beneficiaries by age group (%), 2007–2015



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015.

# The increased number of younger Medicare beneficiaries only slightly lowered how much Medicare spends on average per beneficiary.

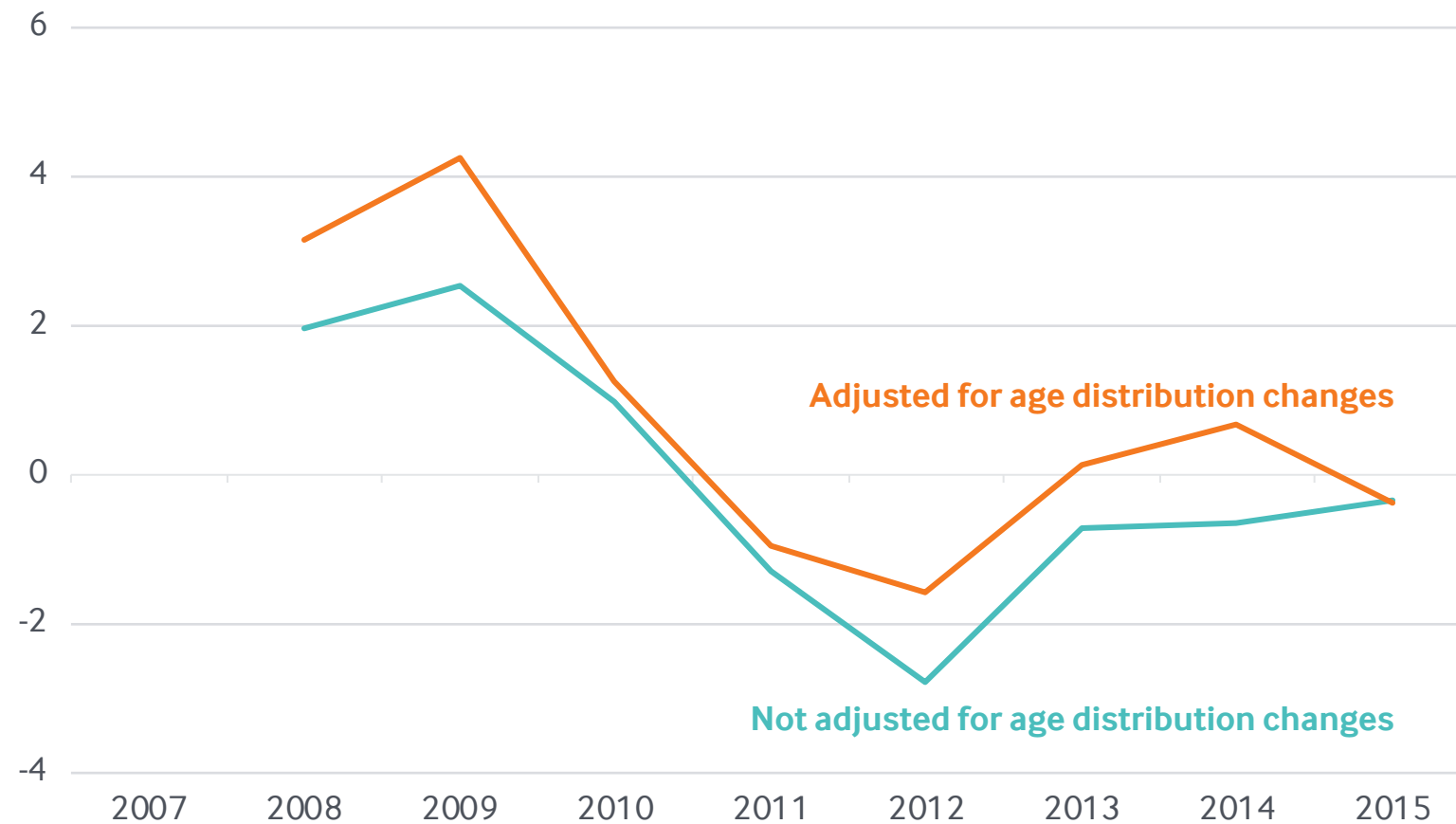
*Annual Medicare spending levels per beneficiary with and without adjusting for changes in age distribution (\$), 2007–2015*



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015, and information on annual payment rate changes from the Federal Register and the Centers for Medicare and Medicaid Services. Spending levels adjusted to reflect payment rates in effect in 2015.

# Even if the age distribution of the Medicare population had remained the same, annual growth in Medicare spending per beneficiary would have been low.

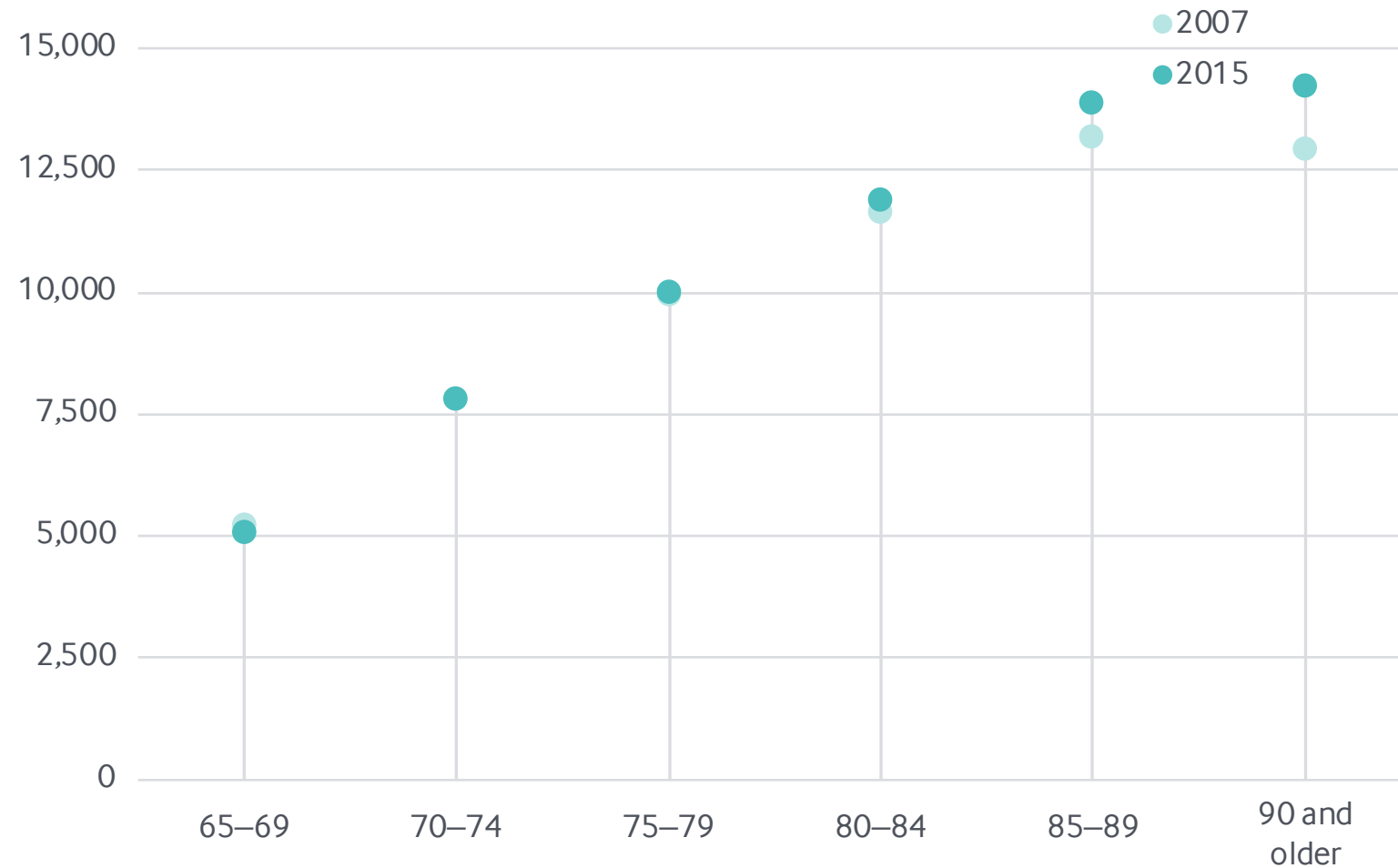
Annual growth in Medicare spending per beneficiary with and without adjusting for changes in age distribution (%), 2007–2015



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015, and information on annual payment rate changes from the Federal Register and the Centers for Medicare and Medicaid Services. Spending growth rates adjusted to reflect annual payment rate changes.

# Across most older groups, average Medicare spending levels per beneficiary changed little from 2007 to 2015.

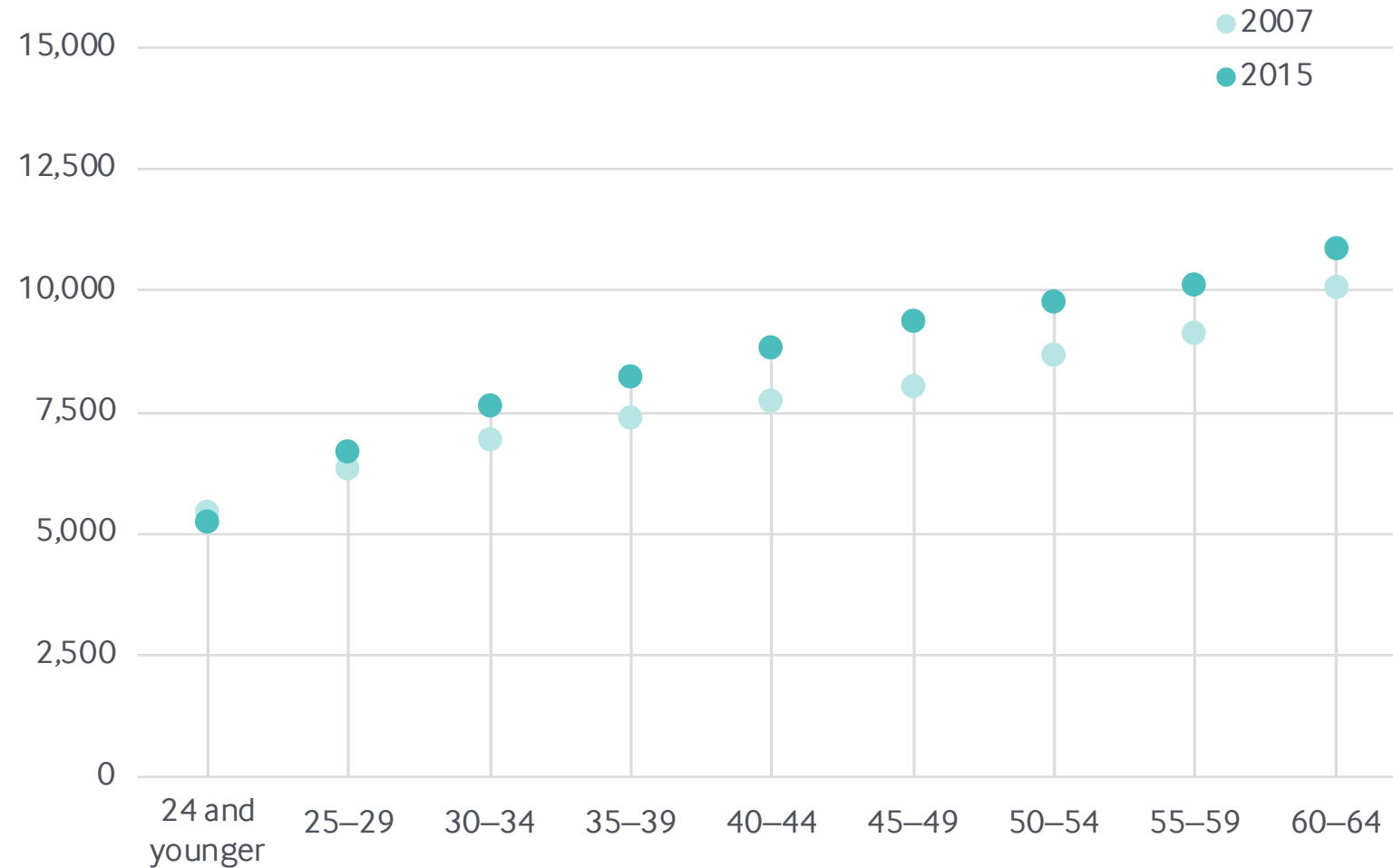
Change in average Medicare spending per beneficiary by age group (\$), 2007–2015



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015, and information on annual payment rate changes from the Federal Register and the Centers for Medicare and Medicaid Services. Spending levels adjusted to reflect payment rates in effect in 2015.

# Average Medicare spending levels per beneficiary increased from 2007 to 2015 for most age groups of Medicare beneficiaries who qualify because of disability.

Change in average Medicare spending per beneficiary by age group (\$), 2007–2015



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015, and information on annual payment rate changes from the Federal Register and the Centers for Medicare and Medicaid Services. Spending levels adjusted to reflect payment rates in effect in 2015.

# All age groups of older Medicare beneficiaries had similar patterns of declining or low annual growth in spending per beneficiary from 2007 to 2015.

Annual growth in Medicare spending per beneficiary by age group (%), 2007–2015



Data: Authors' calculations using data from the Medicare Master Beneficiary Summary File and its Cost and Use segment for all traditional Medicare beneficiaries, 2007–2015, and information on annual payment rate changes from the Federal Register and the Centers for Medicare and Medicaid Services. Spending growth rates adjusted to reflect annual payment rate changes.