

MEDICARE DATA HUB

# COVID-19: Spending

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Commonwealth Fund Analysis of CareJourney Claims Data for  
Traditional Medicare Beneficiaries



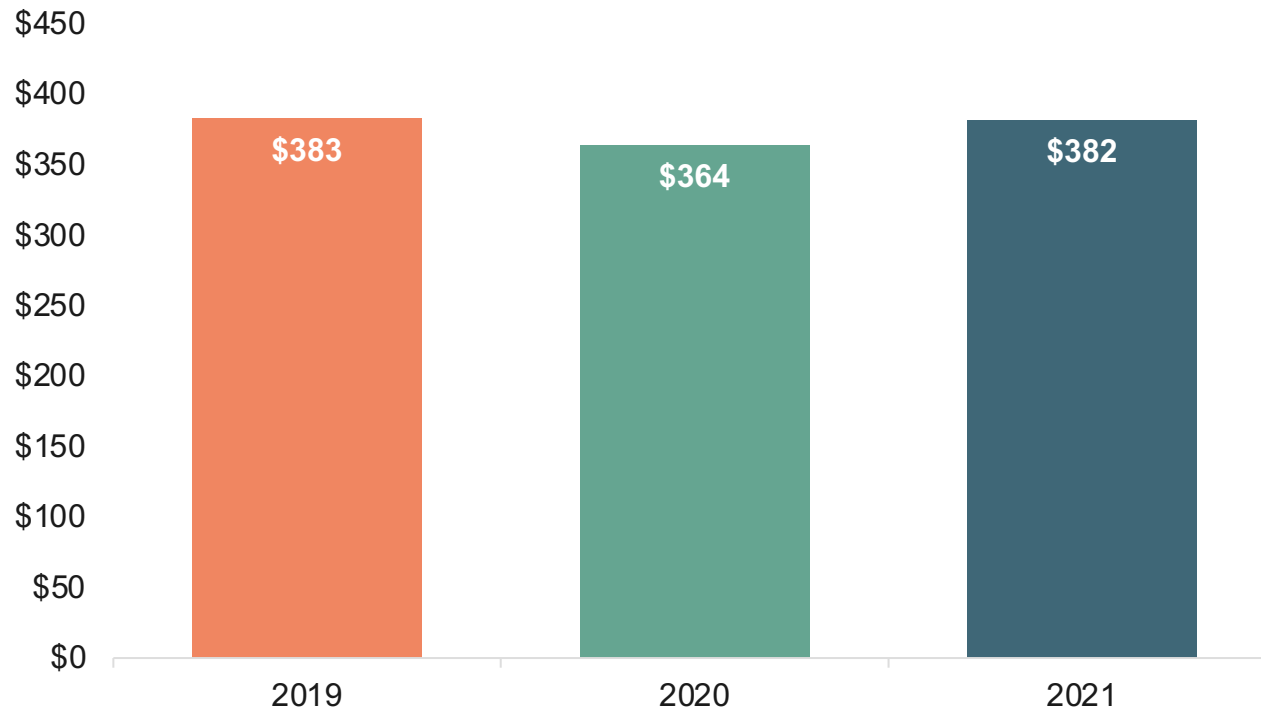
The  
Commonwealth  
Fund

## COVID-19: SPENDING

Total spending in traditional Medicare dipped in 2020 but was back to prepandemic levels by 2021.

Total traditional Medicare spending, 2019–2021

*\$ billions*



Net change in spending

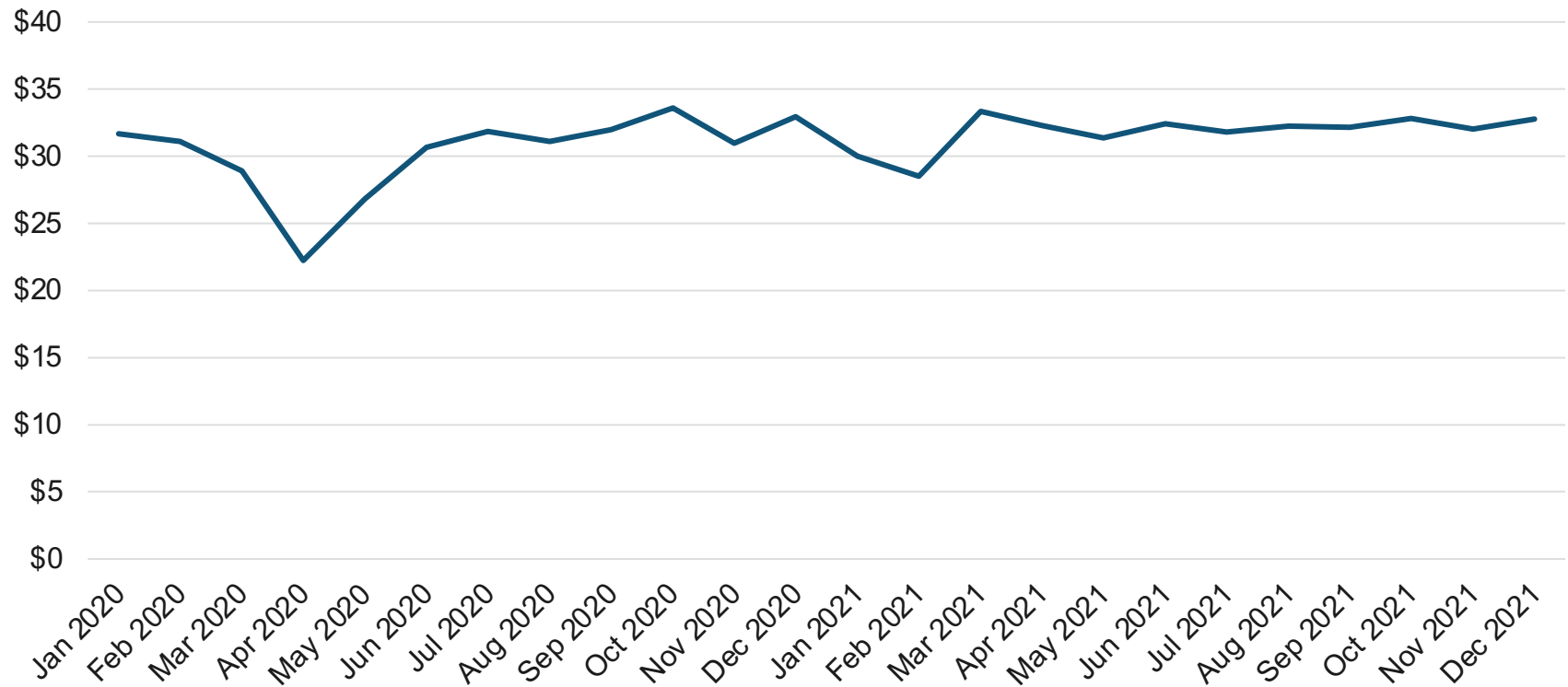
- 2019–2020: **-4.93%**
- 2020–2021: **+4.91%**
- 2019–2021: **-<1%**

## COVID-19: SPENDING

Traditional Medicare spending declined at the start of the COVID-19 pandemic and at the beginning of 2021 but was relatively stable during other periods in the past two years.

Total traditional Medicare spending, by month

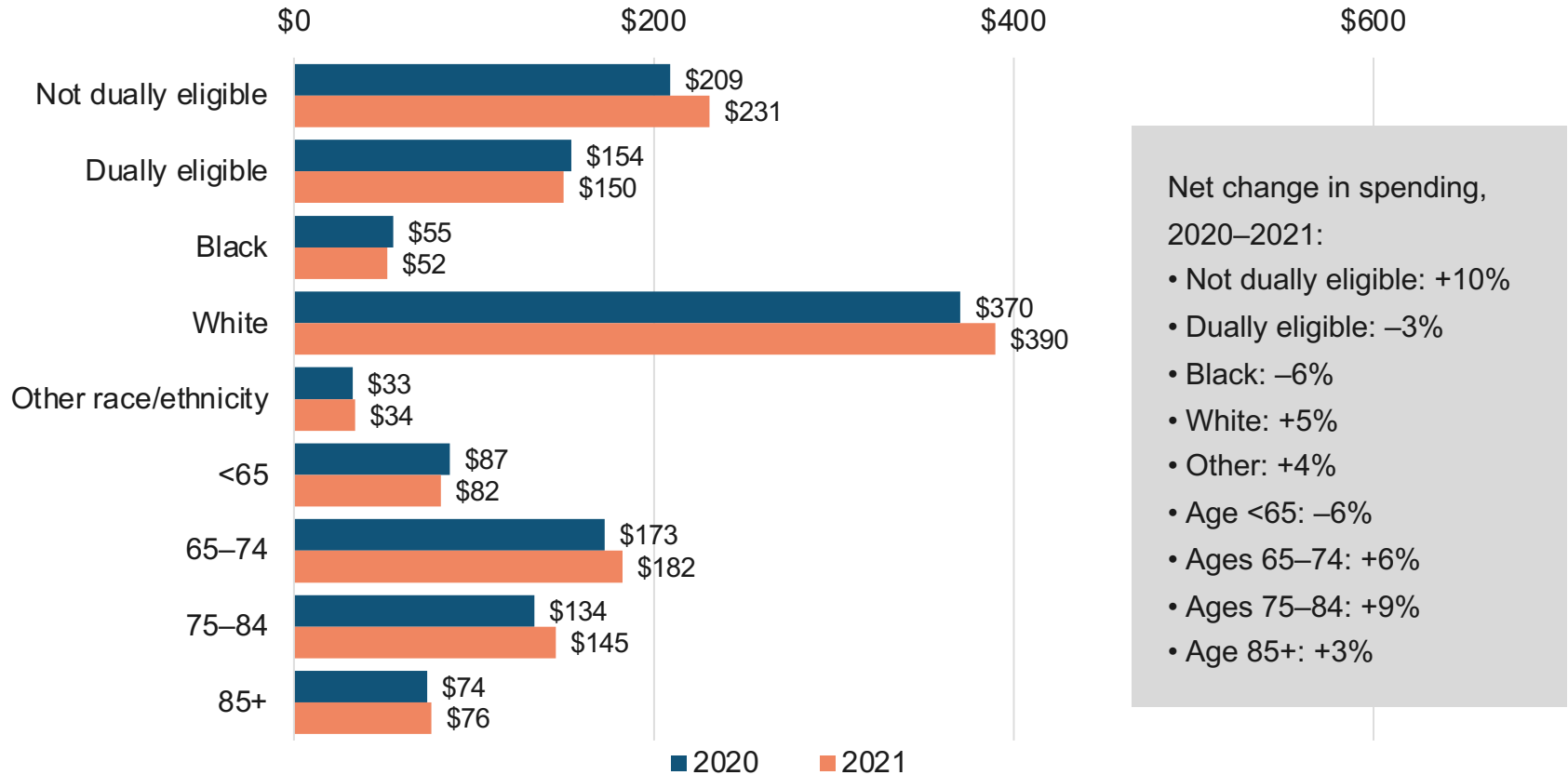
\$ billions



## COVID-19: SPENDING

Between 2020 and 2021, the largest declines in traditional Medicare spending were among beneficiaries who were Black or under age 65.

Total traditional Medicare spending by dual eligibility, age, and race/ethnicity, 2020 vs. 2021 (in \$ billions)

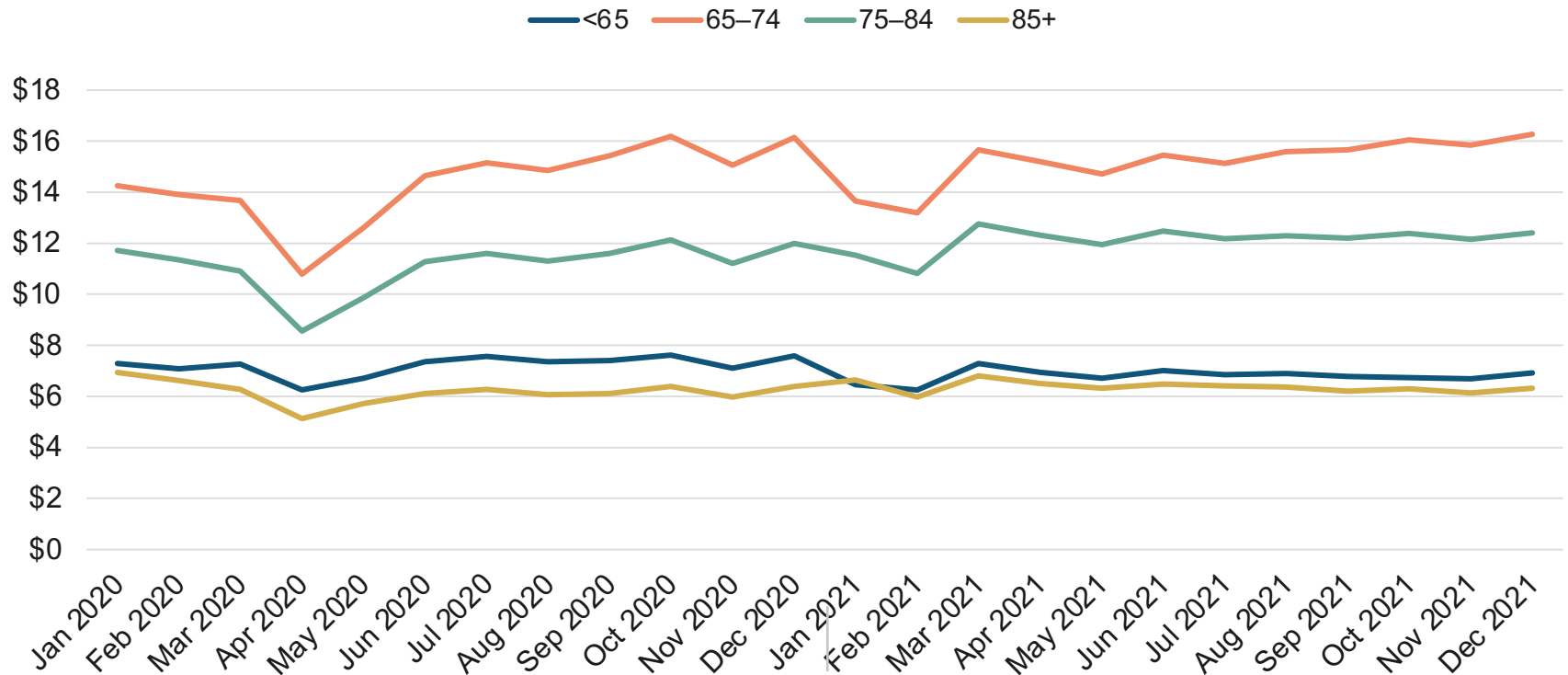


## COVID-19: SPENDING

Spending for most age groups in traditional Medicare declined at the end of 2020 but then increased for the rest of 2021, particularly for beneficiaries ages 65 to 84.

Total traditional Medicare spending, by age, 2020–2021

\$ billions

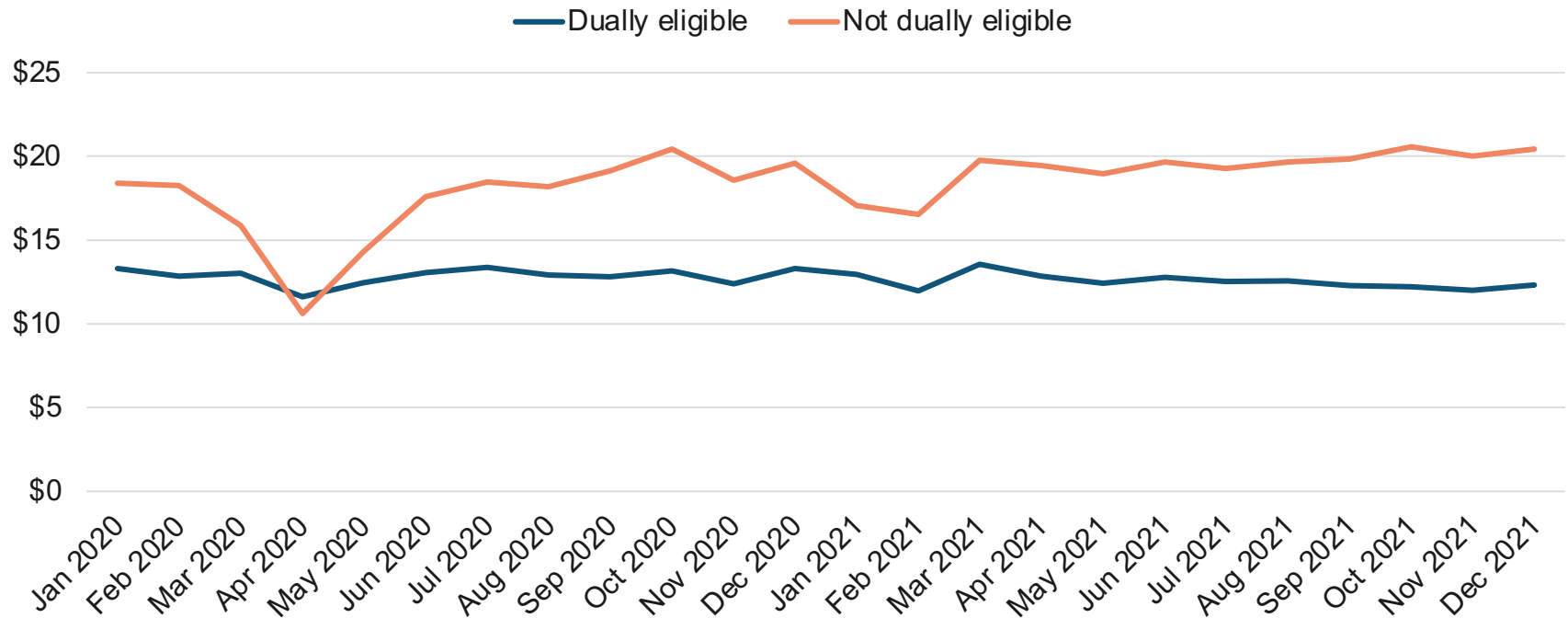


## COVID-19: SPENDING

Medicare spending for dually eligible beneficiaries in traditional Medicare remained stable throughout 2020 and 2021, while spending for other traditional Medicare beneficiaries dropped in March 2020 before rising to prepandemic levels throughout 2021.

Total traditional Medicare spending, by dual eligibility, 2020–2021

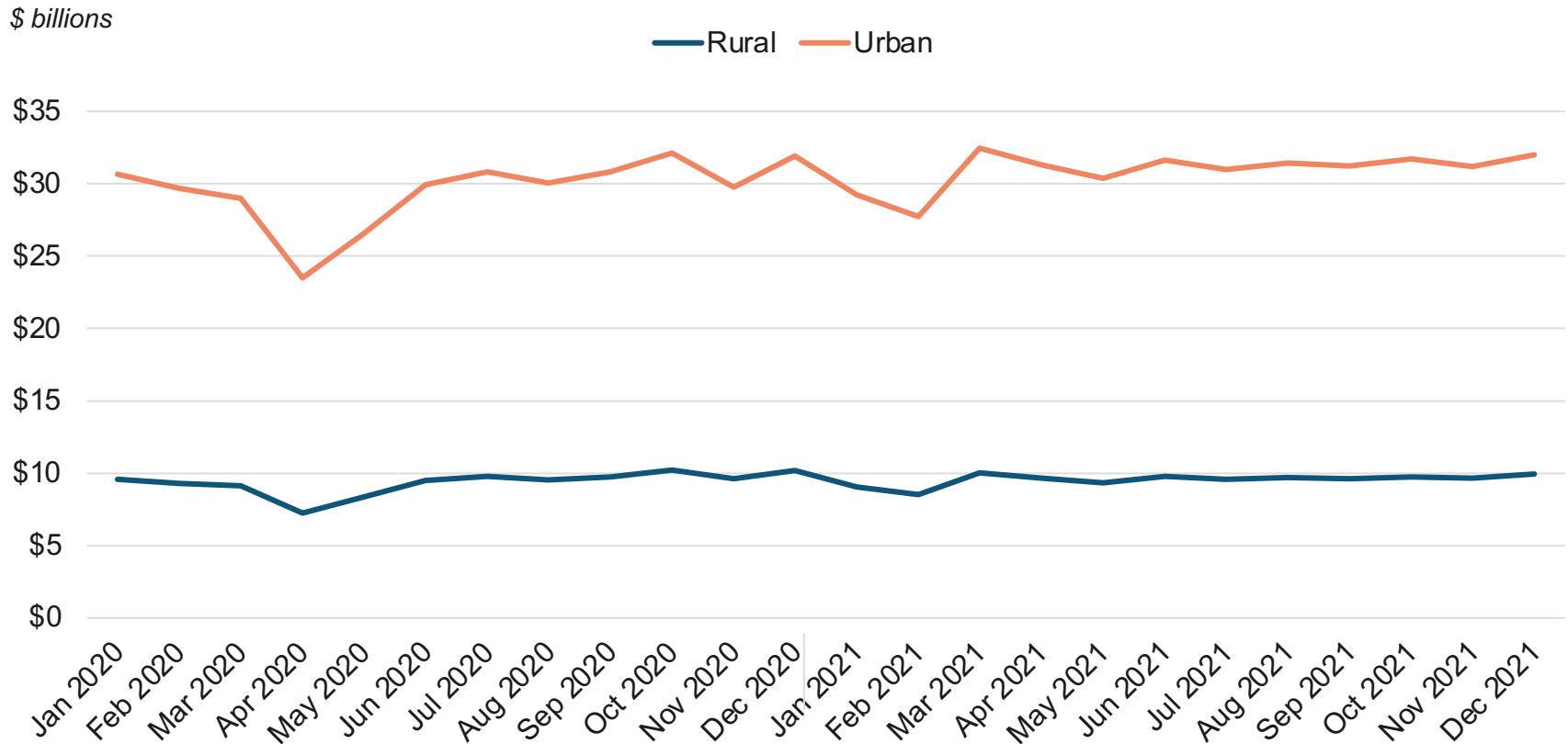
\$ billions



## COVID-19: SPENDING

Medicare spending for traditional Medicare beneficiaries in urban areas decreased sharply at the start of the COVID-19 pandemic and at the start of 2021, while spending in rural areas was more stable throughout 2020 and 2021.

Total traditional Medicare spending, by rural/urban area, 2020–2021

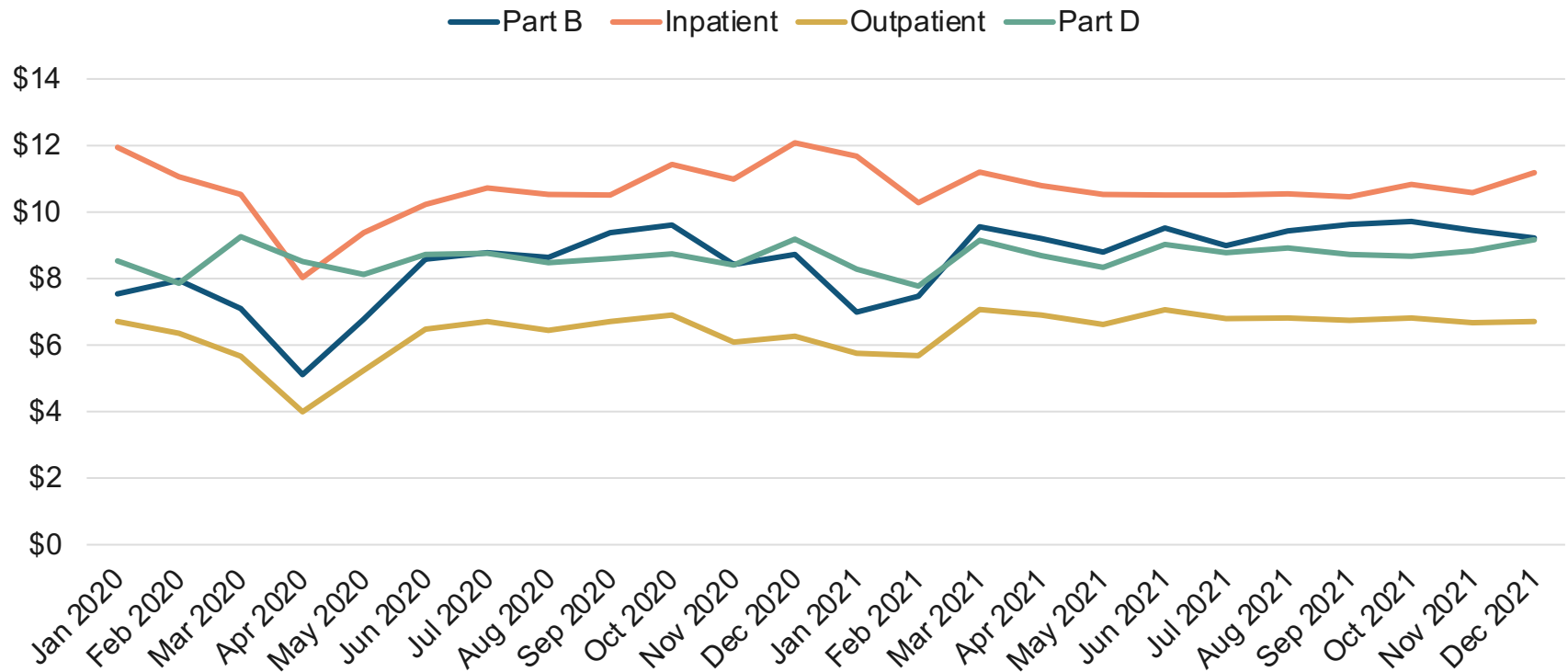


## COVID-19: SPENDING

Medicare Part D drug spending remained relatively stable throughout 2020 and 2021, while Medicare spending on other services dropped at the beginning of the COVID-19 pandemic before leveling off in 2021.

Total traditional Medicare spending, by service, 2020–2021

\$ billions

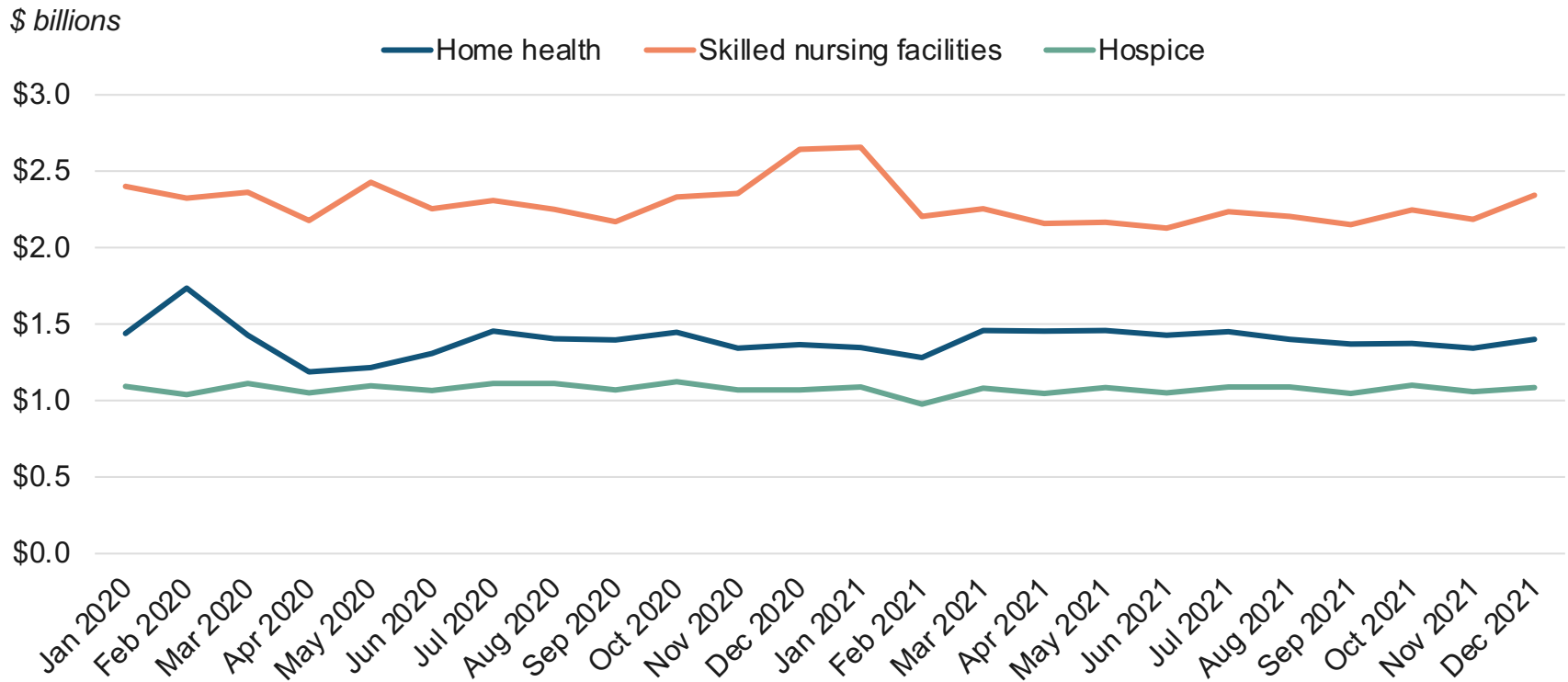




## COVID-19: SPENDING

Traditional Medicare spending on home health services and hospice care has remained stable throughout the COVID-19 pandemic, while spending on skilled nursing facilities rose in late 2020 before dropping back to earlier spending levels.

Total traditional Medicare spending, by service, 2020–2021

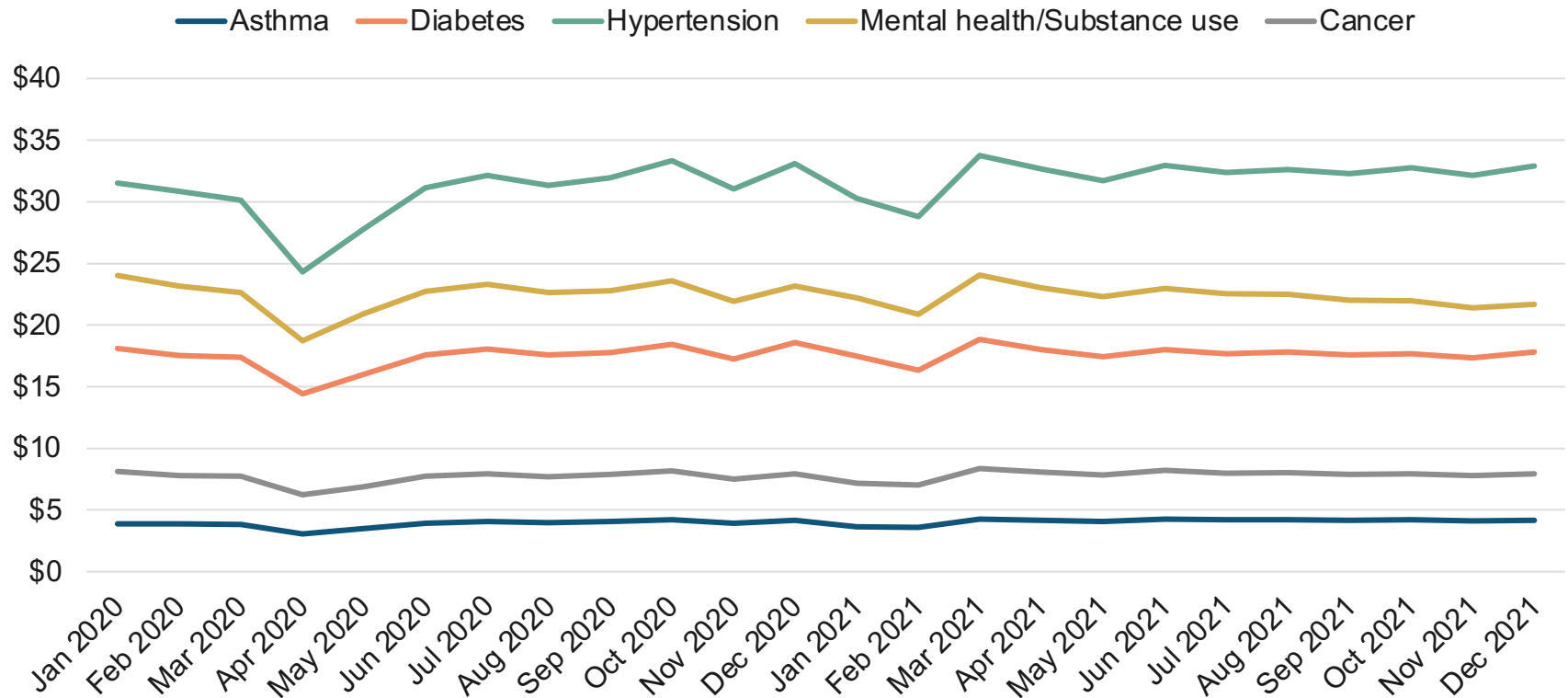


## COVID-19: SPENDING

# Traditional Medicare spending for beneficiaries with some chronic conditions had not recovered to prepandemic levels by the end of 2021.

Total traditional Medicare spending, by chronic condition, 2020–2021

\$ billions



## COVID-19: SPENDING

Traditional Medicare spending in most states increased between 2020 and 2021, as beneficiaries resumed seeking care after pandemic lockdown measures eased in mid-2020.

*Percent change in traditional Medicare spending 2020–2021, by state*

