



## NEWS RELEASE

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### **Uninsured Older Adults Require More and Costlier Care When They Enter Medicare Than Do Those With Prior Health Insurance**

*NEJM Study Finds Evidence That Costs of Expanding Health Insurance Coverage May be Partially Offset by Savings to Medicare in Treatment of New Beneficiaries with Health Problems*

New York, NY, July 11, 2007—Uninsured adults ages 59-64 diagnosed with hypertension, diabetes, heart disease, or stroke report much higher medical costs—51 percent higher compared with their insured counterparts—after becoming eligible for Medicare through age 72, according to a new Commonwealth Fund-supported study by researchers at Harvard Medical School.

Those who were uninsured also reported 13 percent more doctor visits and 20 percent more hospitalizations than those who were insured before Medicare. Rather than a one-time spike, elevated health care use persisted through age 72. The [study](#) is published in the July 12<sup>th</sup> issue of the *New England Journal of Medicine*.

“This study highlights the importance of health insurance coverage for all Americans to improve the efficiency of our health care system, as well as the quality of our health care and health outcomes,” said Commonwealth Fund President Karen Davis. “Despite spending more than any other country on health care, the U.S. does not do as well on quality, health outcomes, equity, or access to care, due to our fragmented health care system. The result is waste and inefficiency that costs thousands of lives and millions of dollars every year.”

“These findings support the hypothesis that previously uninsured adults used health services more intensively and required costlier care as Medicare beneficiaries than they would have if previously insured,” say lead author J. Michael McWilliams, M.D., of Harvard Medical School and his colleagues in the study, “Use of Health Services by Previously Uninsured Medicare Beneficiaries.”

The authors note that poor control of high blood pressure and glucose and cholesterol levels can cause life-threatening complications such as heart attacks, strokes and kidney failure, increasing the need for costly medical care, hospitalizations, and medications.

McWilliams and his colleagues conclude that “uninsured adults who lacked regular care were probably undertreated before age 65 for often asymptomatic but poorly controlled conditions such as hypertension and hyperlipidemia [high cholesterol], and the undertreatment probably contributed to health declines and a greater need for services after age 65.”

The authors say the study has important implications for health care policy, concluding that “the costs of expanding health insurance for uninsured adults before age 65 may be partially offset by subsequent reductions in health care use and spending for these adults after they reach the age of 65.”

The study is based on a nationally representative sample of adults from the Health and Retirement study. The researchers followed 5158 adults from 1992 through 2004, before and after they became eligible for Medicare, comparing the health care use and expenditures of those who were uninsured with those who were insured before Medicare.

**The Commonwealth Fund is a private foundation working toward a high performance health system.**