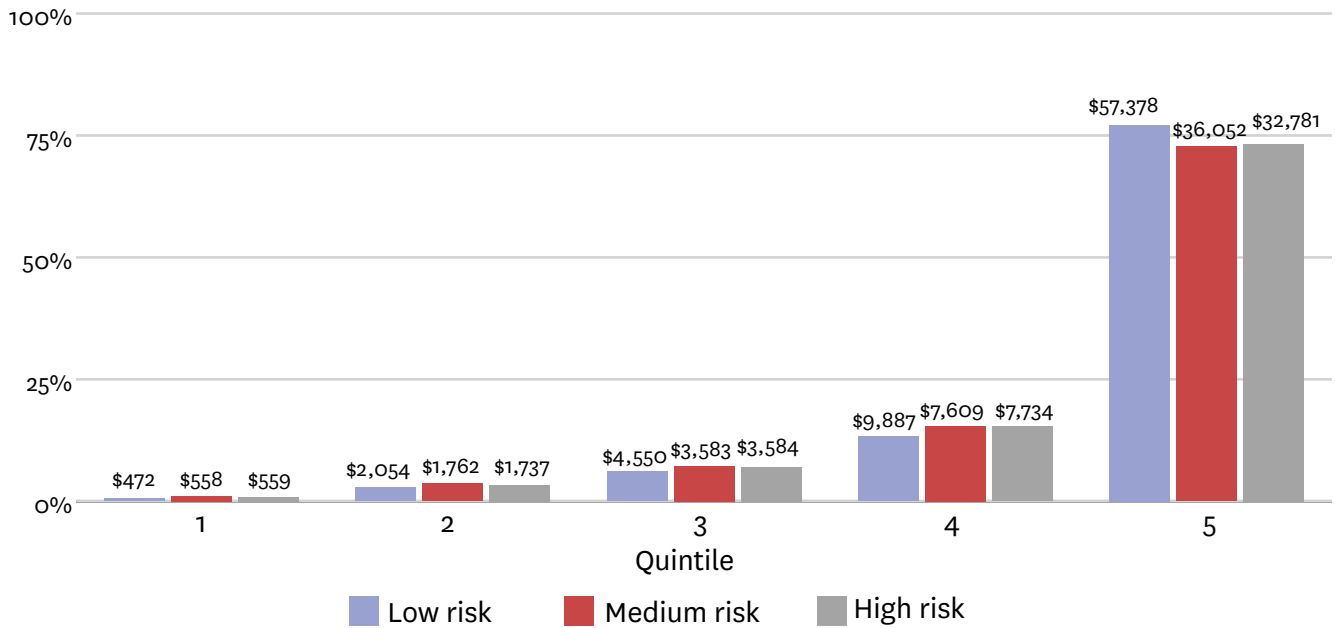


Appendix Exhibit A1. FFS distribution of risk-score adjusted expenditures, by risk categories, 2019



Notes: The low-risk category is defined as the 31.4% of beneficiaries (9,097,675) with a risk score less than 0.5. The medium-risk category is defined as 44.1% of beneficiaries (12,781,806) with a risk score between 0.5 and 1.5. The high-risk category is defined as the 24.5% of beneficiaries (7,084,261) with a risk score greater than 1.5.

Source: Authors' analysis of expenditures is derived from 100% fee-for-service claims data, 2019, and the Master Beneficiary Summary File, March 2019-2020.

Appendix Exhibit A2. Select characteristics of traditional Medicare beneficiaries, by stayer/switcher status, 2006, 2012 and 2019

Characteristics	2006			2012			2019		
	FFS Bene.	FFS Stayers	MA Switchers	FFS Bene.	FFS Stayers	MA Switchers	FFS Bene.	FFS Stayers	MA Switchers
Observations	28.6M	27.3M	1.3M	28.7M	27.6M	1.0M	29.0M	27.3M	1.7M
		95.4%	4.6%		96.3%	3.7%		94.0%	6.0%
Avg. FFS Expenditures	\$5,939	\$6,041	\$3,810	\$7,186	\$7,259	\$5,253	\$8,663	\$8,793	\$6,631
Avg. FFS Risk-score-Adjusted Expenditures	\$7,840	\$7,960	\$5,224	\$9,487	\$9,565	\$7,204	\$11,439	\$11,589	\$9,094
Risk Score	1.36	1.37	1.13	1.23	1.24	1.11	1.23	1.23	1.22
HCC Count	1.94	1.97	1.45	1.92	1.93	1.67	2.13	2.13	2.07
Female	0.58	0.58	0.57	0.57	0.57	0.57	0.56	0.56	0.56
Dually Eligible	0.21	0.21	0.20	0.23	0.23	0.31	0.19	0.18	0.39
Age (years)									
<65	0.15	0.15	0.15	0.17	0.17	0.23	0.14	0.13	0.27
65-69	0.20	0.19	0.25	0.21	0.21	0.27	0.23	0.22	0.28
70-74	0.20	0.20	0.22	0.20	0.20	0.20	0.24	0.24	0.19
75-79	0.18	0.18	0.17	0.16	0.16	0.13	0.17	0.17	0.12
80+	0.27	0.27	0.20	0.26	0.26	0.16	0.23	0.24	0.14
Race									
White	0.83	0.84	0.76	0.81	0.82	0.69	0.80	0.81	0.67
Black	0.09	0.09	0.15	0.09	0.09	0.15	0.09	0.08	0.17
Asian	0.02	0.02	0.01	0.02	0.02	0.03	0.03	0.03	0.04
Hispanic	0.05	0.05	0.07	0.05	0.05	0.11	0.05	0.05	0.10

Notes: Observations lacking appropriate data required to construct FFS monthly risk-score-adjusted expenditures were removed from the analytic data set. Each year's expenditures have been standardized to 2019 by updating nominal year dollars by the annual changes in Medicare average expenditures per beneficiary.

Source: Authors' analysis of expenditures, Hierarchical Condition Categories assignment and risk-score measures.

Appendix Exhibit A3. Odds of switching to an MA plan among FFS beneficiaries, by risk-score-adjusted expenditure and county-level MA penetration, 2006-2019

Characteristics	Odds Ratios
FFS Risk-Score-Adjusted Cost Percentile (reference, 45-55 percentile)	
<15	1.763***
15-30	1.159***
30-45	1.044***
55-70	0.956***
70-85	0.917***
>85	0.878***
 County-Level MA Penetration	 1.018***
 Interaction Terms	
<15 x MA Penetration	1.004***
15-30 x MA Penetration	1.003***
30-45 x MA Penetration	1.001***
55-70 x MA Penetration	1.000***
70-85 x MA Penetration	0.999***
>85 x MA Penetration	1.001***
 Year-Fixed Effects	 Yes
Observations	402M

Notes: ***p < 0.01. The reference value is 1.00. Reference categories are listed for categorical variables; for binary variables, the reference category is the complement of the category shown. All analyses include year-fixed effects.

Source: Authors' analysis of expenditures, Hierarchical Condition Categories assignment and risk-score measures.