AIR® Advancing Evidence. Improving Lives.
Health Research and Policy Center
DATA BRIEF

Rekha Varghese, PhD, MPP; Clarissa Sellers, MPH; Jing Dong, PhD; Ze Song, PhD; Mike Liu, BA

No. 1 | March 2025

Use of Care Management Services by Medicare Beneficiaries With and Without Alzheimer's Disease and Related Dementias

Introduction

An estimated 6.9 million Americans aged 65 years and older lived with Alzheimer's disease in 2024. That number is projected to nearly double to 14 million by 2060, barring medical advances to prevent or cure the disease.[1] At the same time, U.S. health and long-term care costs for people with Alzheimer's disease and other dementias reached $360 billion in 2024 and will approach an estimated $1 trillion annually by 2050. People with Alzheimer's disease and related dementias (ADRD) often need significant health and long-term care services and support, including management of chronic conditions; help taking medications; round-the-clock supervision and care; and assistance with personal care activities like eating, bathing, and dressing.[2] Care management services can help ensure Medicare beneficiaries receive comprehensive, consistent care that in turn may help prevent avoidable hospitalizations and emergency department visits.[3]

This Data Brief analyzes 2019-2023 Medicare fee-for-service (FFS) claims to compare community-dwelling and institutionalized beneficiaries aged 65 years and older with and without ADRD and their use of four Medicare-covered care management services: advance care planning, chronic care management, transitional care management, and behavioral health integration (see Medicare Care Management Services on page 2). All beneficiaries with ADRD included in the analysis were newly diagnosed with ADRD in 2018 and 2019. Because eligibility for chronic care management services requires Medicare beneficiaries to have two or more chronic conditions, the analysis includes beneficiaries with ADRD and at least one other chronic condition and beneficiaries without ADRD with at least two chronic conditions (see Methods).[4]

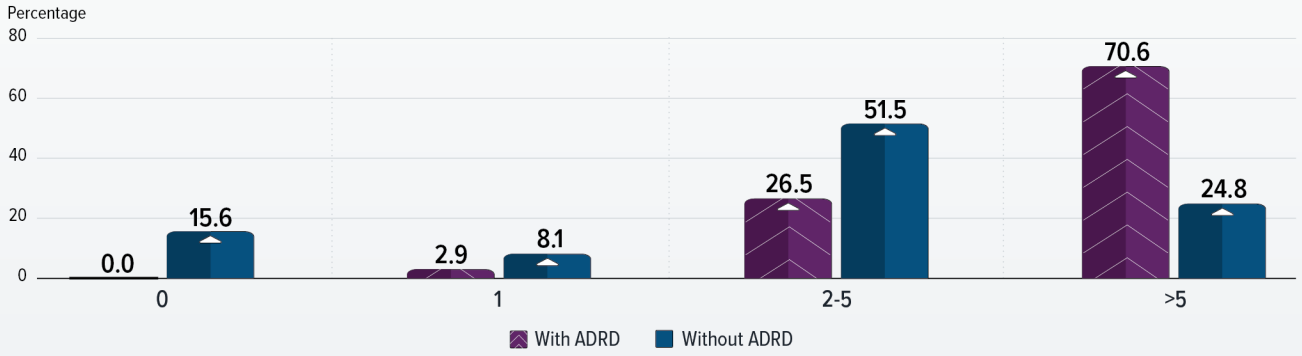
Key Findings

- Almost 3 in 4 Medicare fee-for-service beneficiaries with Alzheimer's disease and related dementias (ADRD) have more than five chronic conditions in addition to ADRD compared to about 1 in 4 beneficiaries without ADRD.
- Medicare beneficiaries with ADRD in 2023 were nearly four times as likely (32.4% vs. 8.7%) to be dually eligible for Medicare and Medicaid, which covers low-income people.
- Medicare beneficiaries with ADRD were about twice as likely in 2023 to use any care management service compared to beneficiaries without ADRD—23.0% and 11.3%, respectively.
- Beneficiaries with ADRD were consistently more likely to use advance care planning services in 2023 than those without ADRD—11.0% and 5.1%, respectively, marking a decline for both groups from 2022.
- Use of chronic care management services increased for both groups from 2019 to 2023, with a greater increase for beneficiaries with ADRD—from 6.1% in 2019 to 10.2% in 2023—than those without ADRD—from 2.3% in 2019 to 3.6% in 2023.

Beneficiaries with ADRD Sicker and Poorer

Medicare FFS beneficiaries with ADRD have more chronic conditions on average than beneficiaries without ADRD. In 2023, almost 3 out of 4 beneficiaries (70.6%) had more than five chronic conditions in addition to ADRD compared to about 1 in 4 beneficiaries without ADRD (24.8%) (Exhibit 1).

Exhibit 1. Number of Chronic Conditions, Excluding ADRD, Among Medicare FSS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2023



Notes: ADRD = Alzheimer's disease and related dementias; FFS = fee for service. Differences between Medicare FFS beneficiaries with and without ADRD are statistically significant ($p<0.01$). ADRD is excluded as a chronic condition in this exhibit.
Source: Medicare FFS beneficiaries aged 65 years and older newly diagnosed with ADRD in 2018-2019 and beneficiaries without ADRD from a 20% nationwide random sample of Medicare Part A and B claims.

Additionally, beneficiaries with ADRD were nearly four times as likely (32.4% vs. 8.7%) to be dually eligible in 2023 for Medicare and Medicaid, which covers low-income people (Exhibit 2). Beneficiaries with ADRD also were more likely to be female (63.1% vs. 57.4%); Black (8.0% vs. 5.3%) or Hispanic (6.0% vs. 4.0%); and slightly more likely to live in metropolitan areas (81.6% vs. 80.0%).

Medicare Care Management Services

Advance Care Planning — a voluntary, face-to-face discussion between a physician or other qualified health care professional and the patient and their family member, caregiver, or surrogate (as appropriate) to discuss the patient's health care wishes if they become unable to make their own medical decisions.

Chronic Care Management — a critical primary care service that enhances health and care for patients with chronic conditions.

Transitional Care Management — addresses the transition period between inpatient and community health care settings.

Behavioral Health Integration — integrates behavioral health care with primary care, improving outcomes for individuals with mental or behavioral health conditions.

Note: Advanced primary care management became a Medicare-covered service on January 1, 2025, but is not included in this analysis because data collection stopped in 2023.
Source: Centers for Medicare & Medicaid Services. (n.d.). *Care management.* https://www.cms.gov/medicare/payment/fee-schedules/physician/care-management

Exhibit 2. Socioeconomic Characteristics of Medicare FFS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2023

* Includes Asian/Pacific Islander, American Indian/Alaska Native, other, and unknown.

Notes: ADRD = Alzheimer's disease and related dementias; FFS = fee for service. Differences between Medicare FFS beneficiaries with and without ADRD are statistically significant ($p<0.01$).

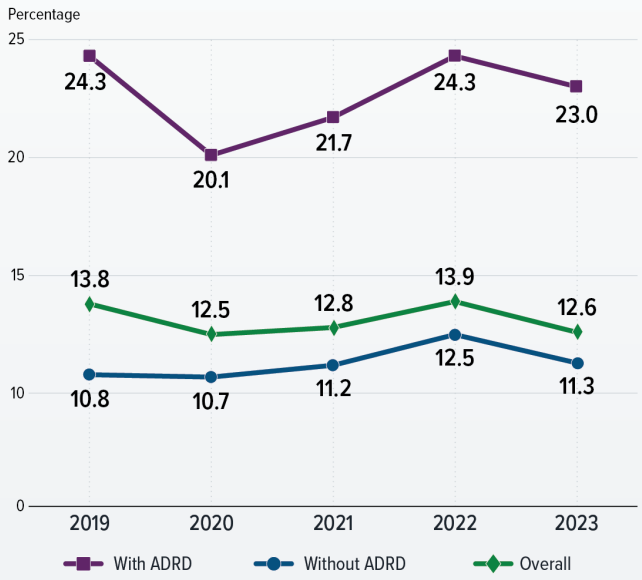
Source: Medicare FFS beneficiaries aged 65 years and older newly diagnosed with ADRD in 2018-2019 and at least one other chronic condition and beneficiaries without ADRD with at least two chronic conditions from a 20% nationwide random sample of Medicare Part A and B claims.

Use of Medicare Care Management Services

From 2019 through 2023, Medicare FFS beneficiaries with ADRD on average had higher utilization of Medicare-covered care management services overall (Exhibit 3). In 2023, beneficiaries with ADRD were about twice as likely as those without ADRD to use any care management service—23.0% and 11.3%, respectively.

The COVID-19 public health emergency likely affected utilization, with use of Medicare-covered care management services declining during the pandemic's peak in 2020. While the overall percentage of beneficiaries using any care management service decreased slightly from 13.8% in 2019 to 12.5% in 2020, ADRD beneficiaries' utilization declined substantially from 24.3% to 20.1% during the same time. Between 2021 and 2022, utilization increased slightly among all beneficiaries but declined again in 2023.

Exhibit 3. Use of Any Care Management Service by Medicare FFS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2019-2023



Notes: ADRD = Alzheimer's disease and related dementias; FFS = fee for service. Differences between Medicare FFS beneficiaries with and without ADRD are statistically significant ($p<0.01$).
Source: Medicare FFS beneficiaries aged 65 years and older newly diagnosed with ADRD in 2018-2019 and at least one other chronic condition and beneficiaries without ADRD with at least two chronic conditions from a 20% nationwide random sample of Medicare Part A and B claims.

For specific care management services, beneficiaries with ADRD were consistently more likely to use advance care planning services in 2023 than those without ADRD—11.0% and 5.1%, respectively, marking a decline for both groups from 2022 (Exhibit 4). In contrast, utilization of chronic care management services increased for both groups from 2019 to 2023, with a greater increase for beneficiaries with ADRD—from 6.1% in 2019 to 10.2% in 2023—than those without ADRD—from 2.3% in 2019 to 3.6% in 2023 (Exhibit 5).

Use of transitional care management services for beneficiaries with ADRD decreased significantly from 10.3% in 2019 to 5.6% in 2023, compared with a slight decrease from 3.9% in 2019 to 3.6% in 2023 for beneficiaries without ADRD (Exhibit 6). Increased mortality among beneficiaries with ADRD admitted to medical facilities during the COVID-19 pandemic may have contributed to the 61% decline in the use of transitional care management services for beneficiaries with ADRD from 2019 (10.3%) to 2020 (6.2%).[5] While overall use of behavioral health integration services remained small, utilization among beneficiaries with ADRD increased significantly from 0.3% in 2019 to 1.1% in 2023, while those without ADRD had minimal increases, peaking at just 0.18% in 2023 (Exhibit 7).

Exhibit 4. Use of Advance Care Planning Services by Medicare FFS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2019-2023

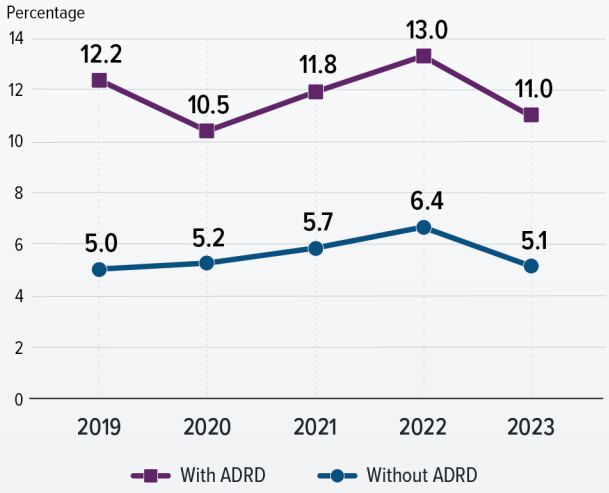


Exhibit 5. Use of Chronic Care Management Services by Medicare FFS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2019-2023

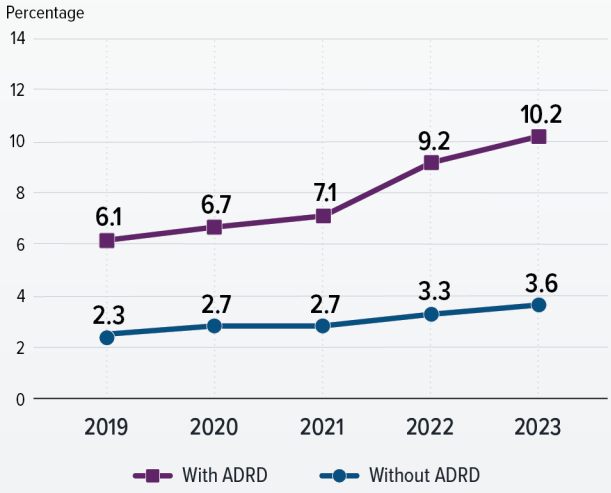


Exhibit 6. Use of Transitional Care Management Services by Medicare FFS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2019-2023

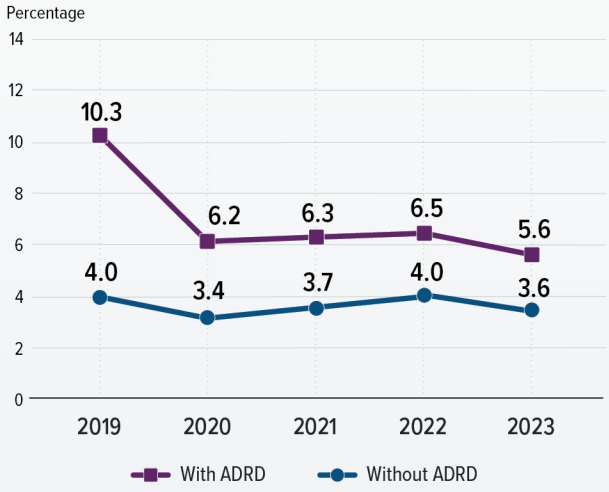
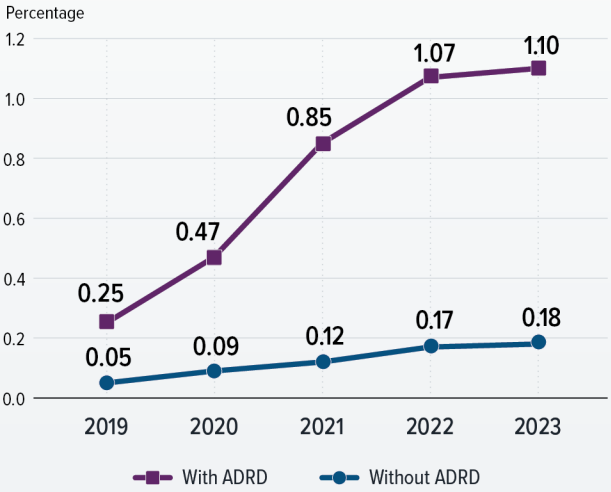


Exhibit 7. Use of Behavioral Health Integration Services by Medicare FFS Beneficiaries Aged 65 Years and Older With and Without ADRD, 2019-2023



Notes: ADRD = Alzheimer's disease and related dementias; FFS = fee for service. Differences between Medicare FFS beneficiaries with and without ADRD are statistically significant ($p<0.01$).

Source: Medicare FFS beneficiaries aged 65 years and older newly diagnosed with ADRD in 2018 and 2019 and at least one other chronic condition and beneficiaries without ADRD with at least two chronic conditions from a 20%, nationwide random sample of Medicare Part A and B claims.

Implications

According to this analysis, Medicare FFS beneficiaries with ADRD use care management services significantly more than beneficiaries without ADRD. However, overall use of care management services among Medicare FFS beneficiaries remains relatively low with about 1 in 8 beneficiaries receiving any of four care management services: advance care planning, chronic care management, transitional care management, and behavioral health integration. Moreover, overall use of Medicare-covered care management services declined slightly between 2019 and 2023, but the decline was greater for beneficiaries with ADRD. On a more positive note, use of specific care management services like chronic care management for beneficiaries with ADRD increased from 6.1% in 2019 to 10.2% in 2023. Alzheimer's disease can devastate and overwhelm individuals, families, and caregivers while placing significant economic burdens on society. Without a cure for Alzheimer's disease or a proven way to prevent it, finding ways to better manage care for people with ADRD is an important policy issue.

Methods

The findings are based on a retrospective, cross-sectional study of Medicare FFS beneficiaries with and without ADRD who were continuously enrolled in Medicare Part A and B, using a 20% nationwide random sample of Medicare Part A and B claims for 2019-2023. Beneficiaries who were newly diagnosed with ADRD in 2018 and 2019 were included in the *with ADRD* sample, and beneficiaries who were never diagnosed with ADRD until 2023 were included in the *without ADRD* sample. Because beneficiaries must have at least two chronic conditions to be eligible for Medicare chronic care management services, only beneficiaries with ADRD and at least one other chronic condition and beneficiaries without ADRD with at least two chronic conditions were included in the analytic sample. Beneficiaries with end-stage renal disease were excluded. Beneficiaries were included until the month of death. The authors descriptively analyzed utilization of Medicare-covered advance care planning, behavioral health integration, chronic care management, and transitional care management services and statistically tested differences in utilization between the groups of Medicare FFS beneficiaries with and without ADRD. The analysis used the following Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes to identify the use of care management services:

- Advanced care planning: CPT codes 99497 and 99498.
- Behavioral health integration: CPT codes 99484, 99492, 99493, and 99494 and HCPCS codes G0323 and G2214.
- Chronic care management: CPT codes 99424, 99425, 99426, 99427, 99437, 99439, 99487, 99489, 99490, and 99491.
- Transitional care management: CPT codes 99495 and 99496.

About the Authors

Rekha Varghese, PhD, MPP, is a managing researcher in the Evaluation, Methods, and Analytics (EMA) program area within the AIR Health Division. Clarissa Sellers, MPH, is a senior SAS programmer in the Health Payer Innovation, Transformation, and Support (HITS) program area within the AIR Health Division. Jing Dong, PhD, is a senior economist in the EMA program area within the AIR Health Division. Ze Song, PhD, is an economist in the EMA program area within the AIR Health Division. Mike Liu, BA, is a data scientist in the HITS program area within the AIR Health Division.

AIR Health Research and Policy Center Contacts

Kelly Devers, PhD
Vice President
kdevers@air.org

Tim Hill, MPA
Senior Vice President
tihill@air.org

Endnotes

[1] Alzheimer's Association. (2024). Alzheimer's disease facts and figures. *Alzheimer's & Dementia: The Journal of the Alzheimer's Association*, *20*(5), 3708–3821. https://doi.org/10.1002/alz.13809

[2] Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services. (n.d.). *What is Alzheimer's disease and related dementias*. https://aspe.hhs.gov/collaborations-committees-advisory-groups/napa/what-ad-adrd

[3] Agency for Healthcare Research and Quality. (2018, August). *Care management: Implications for medical practice, health policy, and health services research.* https://www.ahrq.gov/ncepcr/care/coordinati on/mgmt.html

[4] Centers for Medicare & Medicaid Services. (2024, May). *Chronic care management services.* https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnproducts/downloads/chroniccaremanagement.pdf

[5] Chen, R., Charpignon, M-L., Raquib, R. V., Wang, J., Meza, E., Aschmann, H. E., DeVost, M. A., Mooney, A., Bibbins-Domingo, K., Riley, A. R., Kiang, M. V., Chen, Y-E., Stokes, A. C., & Glymour, M. M. (2023, July 17). Excess mortality with Alzheimer disease and related dementias as an underlying or contributing cause during the COVID-19 pandemic in the U.S. *JAMA Neurology*, *80*(9), 919–928. https://doi.org/10.1001/jamaneurol.2023.2226

AIR®
Advancing Evidence.
Improving Lives.

Health Research and Policy Center

1400 Crystal Drive, 10th Floor | Arlington, VA 22202-3289
+1.202.403.5000 | **AIR.ORG**

The AIR Health Research and Policy Center focuses on identifying and answering important and timely questions about the cost and quality of care, people's access to care, and health disparities, among other pressing policy issues. Our goal is to deliver timely insights by analyzing data and translating research findings into actionable information for policymakers.

27736_03/25-508