



Medicare Savings Programs

New Findings on Enrollment



Medicaid and CHIP Payment and Access Commission

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Overview

- Background on Medicare Savings Programs (MSPs)
- Eligibility and enrollment
- Analysis of MSP enrollment and findings
 - Quantifying MSP participation rates
 - Comparing the eligible but not enrolled population with MSP enrollees and identifying the characteristics that predict enrollment
- Policy options

Background on MSPs

- The MSPs assist dually eligible beneficiaries with Medicare costs
- There are four different types of MSPs
 - Qualified Medicare Beneficiary (QMB) program
 - Specified Low-Income Medicare Beneficiary (SLMB) program
 - Qualifying Individual (QI) program
 - Qualified Disabled and Working Individuals (QDWI) program (*excluded from our analysis*)

Medicare Savings Programs (MSPs)

MSP	Enrollment (millions, CY 2013)	Helps pay for	Federal income threshold by FPL	Federal asset limits for 2017	
				Individual	Married
QMB	6.9	Part A premiums, Part B premiums, coinsurance, deductibles	At or below 100%	\$7,390	\$11,090
SLMB	1.3	Part B premiums	Between 101% and 120%	\$7,390	\$11,090
QI	0.6	Part B premiums	Between 121% and 135%	\$7,390	\$11,090
QDWI	*	Part A premiums	At or below 200%	\$4,000	\$6,000

Notes: QMB is Qualified Medicare Beneficiary. SLMB is Specified Low-Income Medicare Beneficiary. QI is Qualifying Individual. QDWI is Qualified Disabled and Working Individuals. FPL is federal poverty level. * represents fewer than 200 individuals.

Source: MACPAC and Centers for Medicare & Medicaid Services (CMS).

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Eligibility and Enrollment

- Low enrollment has been an ongoing concern in the MSPs and has been documented in previous studies
- State policies may impact enrollment levels
 - Medicaid eligibility requirements vary by state
- Medicaid application processes may be complicated and burdensome and eligible beneficiaries may not be familiar with the MSPs

Medicare Improvements for Patients and Providers Act of 2008 (MIPPA)

- MIPPA included provisions to increase MSP enrollment
- Government Accountability Office (GAO) findings on effects of MIPPA
 - MSP enrollment increased by about 5% in the first two years after MIPPA took effect.
 - States reported increased workload
 - Differences in how income and assets are counted may make it difficult for some states to act on the information transferred from the Social Security Administration (SSA)

Analysis of MSP Enrollment and Findings

- Estimated participation across MSPs
- Compared the eligible but not enrolled to the enrolled population
- Identified the characteristics of the eligible but not enrolled population that might predict enrollment or that might make an individual less likely to enroll
- Methodology
 - Linked Survey of Income and Program Participation (SIPP) data with Medicaid Statistical Information System (MSIS) data
 - Modeled state-level participation rates and characteristics that predict enrollment

Estimated share enrolled and share eligible but not enrolled in MSPs, CY 2009 and 2010

	Enrolled	Eligible but not enrolled
Age 18 to 64		
QMB	63%	37%
SLMB	42	58
QI	18	82
Age 65+		
QMB	48	52
SLMB	28	72
QI	14	85

Notes: QMB is Qualified Medicare Beneficiary. SLMB is Specified Low-Income Medicare Beneficiary. QI is Qualifying Individual. The reference period for this analysis is best interpreted as mid-to-late 2009 and mid-to-late 2010. MSP eligibility is not mutually exclusive across MSPs because of data inconsistencies that resulted from simulating MSP eligibility.

Sources: Urban Institute analysis of SIPP and MSIS data for calendar years 2009 and 2010.

Characteristics of Adults Eligible but Not Enrolled

- Adults eligible but not enrolled in the QMB or SLMB programs, compared to adults who enrolled:
 - Were more likely to be 65 and over
 - Had slightly higher levels of education
 - Were more likely to be white, non-Hispanic
 - Were more likely to be married
 - Were more likely to have private health insurance coverage

Predictors of Enrollment

- Characteristics that predict enrollment
 - Enrollment in the Supplemental Security Income (SSI) program or the Supplemental Nutrition Assistance Program (SNAP)
 - Age
 - Limitations with activities of daily living or instrumental activities of daily living
- Characteristics that make an adult less likely to enroll
 - Private health insurance coverage
 - Race and ethnicity
 - College degree

Policy Options

- Additional beneficiary education and outreach
 - MIPPA increased funding for outreach, required that the SSA train staff to explain the MSPs, and required that SSA coordinate outreach for the Part D Low-Income Subsidy (LIS) program and the MSPs
 - GAO found that enrollment in the MSPs increased after MIPPA took effect, especially in the first two years (2010 and 2011)
 - Other factors may have played a role in increased MSP enrollment, including the economic downturn

Policy Options

- Align MSP eligibility with the Part D LIS program
 - MIPPA improved alignment by expanding the asset limits for the QMB, SLMB, and QI programs
 - Other ways to align the programs include:
 - Raising the MSP income limits to the LIS limits (from 135 to 150% of the federal poverty level)
 - Adopting the same rules for counting income and assets
 - Having SSA determine eligibility for both programs

Policy Options

- Federalize the MSPs
 - Makes MSPs part of the Medicare program.
 - Removes barriers to enrollment by streamlining the process but increases federal costs.
 - Would likely result in winners and losers given the variability across states of MSP eligibility.



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