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# Medicare Savings Programs: Enrollment Trends

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Kirstin Blom



Medicaid and CHIP Payment and Access Commission

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# Overview

- Purpose
  - Examine enrollment trends in a changed policy landscape, building on prior work
- Background on Medicare Savings Programs (MSPs)
- Centers for Medicare & Medicaid Services (CMS) rulemaking
- Analyzing MSP enrollment trends
- Conclusions and next steps



# Background on MSPs

# Types of MSPs

- Qualified Medicare beneficiary (QMB)
  - Enacted in 1986 as a state option; made mandatory in 1988
  - Most expansive in terms of enrollment and benefits; entitlement
- Specified low-income Medicare beneficiary (SLMB)
  - Enacted in 1990; entitlement
- Qualifying individual (QI)
  - Enacted in 1997
  - Fully federally funded; made permanent by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA, P.L. 114-10)
- Qualified disabled and working individual (QDWI)
  - Enacted in 1989; pays the Medicare Part A premium for people who are disabled and under age 65 who lost premium-free Part A because they returned to work

# MSP Eligibility and Benefits, 2023

| Program |      | Medicaid benefits | Income threshold as % of FPL | Qualify for Medicaid payment of:   | Federal asset limits |          |
|---------|------|-------------------|------------------------------|--|----------------------|----------|
|         |      |                   |                              |  | Individual           | Couple   |
| QMB     | Only | Partial           | At or below 100%             | Medicare Part A and Part B premiums, coinsurance, deductibles, and copayments                                  | \$9,090              | \$13,630 |
|         | Plus | Full              |                              | Medicare Part A and Part B premiums, coinsurance, deductibles, and copayments<br>All Medicaid-covered services | \$2,000              | \$3,000  |
| SLMB    | Only | Partial           | 101% - 120%                  | Medicare Part B premiums   | \$9,090              | \$13,630 |
|         | Plus | Full              |                              | Medicare Part B premiums; Medicare coinsurance, deductibles, and copayments<br>All Medicaid-covered services   | \$2,000              | \$3,000  |
| QI      |      | Partial           | 121% - 135%                  | Medicare Part B premiums   | \$9,090              | \$13,630 |
| QDWI    |      | Partial           | At or below 200%             | Medicare Part A premiums   | \$4,000              | \$6,000  |

**Notes:** FPL is federal poverty level. MSP is Medicare Savings Program. QMB is qualified Medicare beneficiary. SLMB is specified low-income Medicare beneficiary. QI is qualifying individual. QDWI is qualified disabled and working individual.

**Source:** MACPAC 2023.

# CMS Rulemaking

# CMS rulemaking

- Final rule on MSP eligibility determination and enrollment published September 2023
  - Codifies existing CMS guidance on accepting leads data from SSA to initiate MSP application
  - Encourages states to align MSP eligibility processes with SSA; requires states that have not aligned to accept self-attestation
- States have until April 1, 2026 to come into compliance with most provisions

# Analyzing MSP Enrollment Trends



# Methodology

- Analyze administrative data from the Medicare Beneficiary Summary Files (MBSF) for calendar years (CY) 2010 to 2021
- Enrollment is displayed across five MSP categories
  - QMB plus (full-benefit)
  - QMB only (partial-benefit)
  - SLMB plus (full-benefit)
  - SLMB only (partial-benefit)
  - QI (partial-benefit)
    - QDWI is excluded because enrollment was too small to report

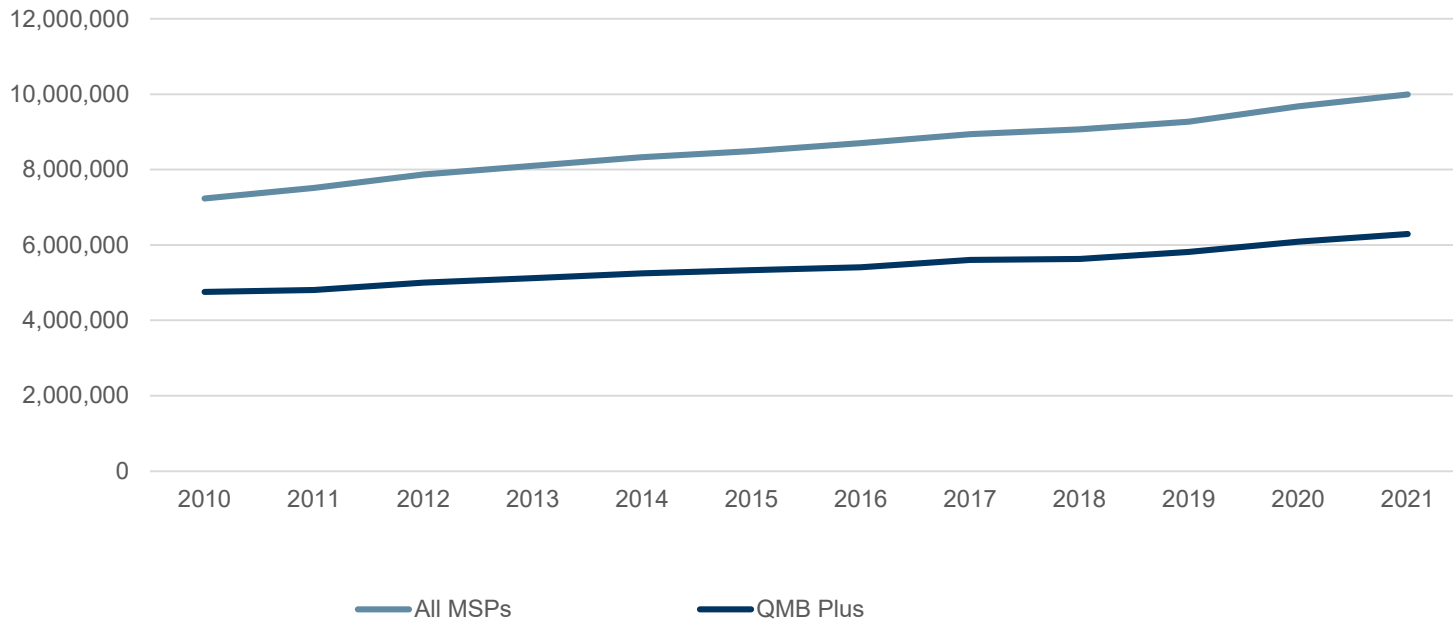
# MSP Enrollment, CY 2010 to 2021

| MSP          | 2010       | 2011       | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021        | Average annual growth, 2010 to 2021 |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|-------------------------------------|
| <b>Total</b> | <b>7.2</b> | <b>7.5</b> | <b>7.9</b> | <b>8.1</b> | <b>8.3</b> | <b>8.5</b> | <b>8.7</b> | <b>8.9</b> | <b>9.1</b> | <b>9.3</b> | <b>9.7</b> | <b>10.0</b> | <b>3.0%</b>                         |
| QMB plus     | 4.8        | 4.8        | 5.0        | 5.1        | 5.3        | 5.3        | 5.4        | 5.6        | 5.6        | 5.8        | 6.1        | 6.3         | <b>2.6%</b>                         |
| QMB only     | 1.0        | 1.2        | 1.2        | 1.3        | 1.4        | 1.4        | 1.5        | 1.5        | 1.6        | 1.5        | 1.7        | 1.7         | <b>4.7%</b>                         |
| SLMB plus    | 0.2        | 0.2        | 0.2        | 0.2        | 0.3        | 0.3        | 0.3        | 0.3        | 0.3        | 0.3        | 0.3        | 0.3         | <b>4.0%</b>                         |
| SLMB only    | 0.8        | 0.9        | 0.9        | 0.9        | 0.9        | 1.0        | 1.0        | 1.0        | 1.0        | 1.0        | 1.0        | 1.0         | <b>2.6%</b>                         |
| QI           | 0.4        | 0.5        | 0.5        | 0.5        | 0.5        | 0.5        | 0.5        | 0.5        | 0.6        | 0.6        | 0.6        | 0.6         | <b>3.0%</b>                         |

**Notes:** Enrollment by calendar year in millions of people.

**Source:** MACPAC analysis of Medicare Beneficiary Summary File data, under contract with the Urban Institute.

# MSP Enrollment, CY 2010 to 2021



**Note:** QMB is qualified Medicare beneficiary.

**Source:** MACPAC analysis of Medicare Beneficiary Summary File data, under contract with the Urban Institute

# Key Takeaways from Enrollment Analysis

- QMB plus program, at 63 percent of total enrollment, accounted for larger share of enrollment than all other MSPs combined
- SLMB plus had lowest enrollment of any of the MSPs, excluding QDWI
- Over the 12-year period, enrollment growth was highest in 2020 for QMB plus and SLMB plus, programs that cover full-benefit duals
- QMB only, which covers partial-benefit dually eligible beneficiaries, had highest growth year over year with several years experiencing growth of 5 percent or higher; also highest average annual growth of all the MSPs at 4.7 percent

# Factors Affecting MSP Enrollment Growth

- Enactment of the Patient Protection and Affordable Care Act (ACA; P.L. 111-148, as amended)
- Growth in managed care enrollment among dually eligible
  - Increased from 2013 to 2021 in both programs
    - Medicare: from 22 percent to 46 percent
    - Medicaid: from 17 percent to 42 percent
- Federal and state efforts to increase MSP enrollment
  - Additional funding for outreach enacted in the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA, P.L. 110-275)
  - Ongoing guidance from CMS on ways states can streamline enrollment
  - State expansion of income and asset thresholds

# Conclusions and Next Steps

# Conclusions

- Enrollment increased from 2010 to 2021 across all MSPs
- Average annual growth of 3 percent over study period
- Majority of dually eligible beneficiaries enrolled in an MSP
- Trends indicate state and federal efforts may have achieved their intended goals

## Next Steps

- Consider areas for future work based on analysis of enrollment trends
- Monitor state efforts to come into compliance with CMS final rule
- Express support for state and federal efforts to date
- Questions?



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