Medicare Savings Programs: Enrollment Trends

Kirstin Blom
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

<table>
<thead>
<tr>
<th>Program</th>
<th>Medicaid benefits</th>
<th>Income threshold as % of FPL</th>
<th>Qualify for Medicaid payment of:</th>
<th>Federal asset limits</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Individual</td>
</tr>
<tr>
<td>QMB</td>
<td>Only</td>
<td>Partial</td>
<td>Medicare Part A and Part B premiums, coinsurance, deductibles, and copayments</td>
<td>$9,090</td>
</tr>
<tr>
<td></td>
<td>Plus</td>
<td>Full</td>
<td>Medicare Part A and Part B premiums, coinsurance, deductibles, and copayments</td>
<td>$2,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>At or below 100%</td>
<td>All Medicaid-covered services</td>
<td></td>
</tr>
<tr>
<td>SLMB</td>
<td>Only</td>
<td>Partial</td>
<td>Medicare Part B premiums</td>
<td>$9,090</td>
</tr>
<tr>
<td></td>
<td>Plus</td>
<td>Full</td>
<td>Medicare Part B premiums; Medicare coinsurance, deductibles, and copayments</td>
<td>$2,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>101% - 120%</td>
<td>All Medicaid-covered services</td>
<td></td>
</tr>
<tr>
<td>QI</td>
<td>Partial</td>
<td>121% - 135%</td>
<td>Medicare Part B premiums</td>
<td>$9,090</td>
</tr>
<tr>
<td>QDWI</td>
<td>Partial</td>
<td>At or below 200%</td>
<td>Medicare Part A premiums</td>
<td>$4,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>7.2</td>
<td>7.5</td>
<td>7.9</td>
<td>8.1</td>
<td>8.3</td>
<td>8.5</td>
<td>8.7</td>
<td>8.9</td>
<td>9.1</td>
<td>9.3</td>
<td>9.7</td>
<td>10.0</td>
<td>3.0%</td>
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<tr>
<td>QMB plus</td>
<td>4.8</td>
<td>4.8</td>
<td>5.0</td>
<td>5.1</td>
<td>5.3</td>
<td>5.3</td>
<td>5.4</td>
<td>5.6</td>
<td>5.6</td>
<td>5.8</td>
<td>6.1</td>
<td>6.3</td>
<td>2.6%</td>
</tr>
<tr>
<td>QMB only</td>
<td>1.0</td>
<td>1.2</td>
<td>1.2</td>
<td>1.3</td>
<td>1.4</td>
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<td>1.5</td>
<td>1.6</td>
<td>1.5</td>
<td>1.7</td>
<td>1.7</td>
<td>4.7%</td>
</tr>
<tr>
<td>SLMB plus</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>4.0%</td>
</tr>
<tr>
<td>SLMB only</td>
<td>0.8</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>2.6%</td>
</tr>
<tr>
<td>QI</td>
<td>0.4</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

**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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