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Medicare Savings Programs: Enrollment Trends

Review of draft chapter for June report

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Overview

- Background on the Medicare Savings Programs (MSPs)
- MACPAC prior work estimating participation rates
- Federal and state efforts to increase enrollment
- Analysis of enrollment trends
- Next steps





Background on the Medicare Savings Programs (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

Medicare Savings Program		Medicaid benefits	Income threshold as % of FPL	Qualify for Medicaid payment of:	Federal asset limits	
					Individual	Couple
QMB	Only	Partial	100%	Medicare Part A premiums (if needed), Medicare Part B premiums; Medicare coinsurance, deductibles, and copayments	\$9,430	\$14,130
	Plus	Full		Medicare Part A premiums (if needed); Medicare Part B premiums; Medicare coinsurance, deductibles, and copayments; all Medicaid-covered services	\$2,000	\$3,000
SLMB	Only	Partial	101%–120%	Medicare Part B premiums	\$9,430	\$14,130
	Plus	Full		Medicare Part B premiums; Medicare coinsurance, deductibles, and copayments; all Medicaid-covered services	\$2,000	\$3,000
QI		Partial	121%–135%	Medicare Part B premiums	\$9,430	\$14,130
QDWI		Partial	At or below 200%	Medicare Part A premiums	\$4,000	\$6,000

Notes: MSP is Medicare Savings Program. FPL is federal poverty level. 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 and Medicare Payment Advisory Commission (MedPAC), 2024. *Data Book: Beneficiaries dually eligible for Medicare and Medicaid.*



MACPAC Prior Work Estimating Participation Rates

Estimating Participation Rates

- Analysis under contract with the Urban Institute, published in 2017
- Used administrative data from the Medicaid Statistical Information System (MSIS) and survey data from the Survey of Income and Program Participation's (SIPP) 2008 panel
- Estimated participation rates in QMB program of 53 percent and of 32 percent in the SLMB program
- Results best interpreted as representing the latter parts of calendar years 2009 and 2010

Estimating Participation Rates, cont.

- Adults eligible but not enrolled in the QMB program were
 - more likely to be age 65 or older,
 - more likely to be white, non-Hispanic,
 - more likely to report excellent or very good health, and
 - less likely to have limitations in activities of daily living (ADLs).
- About 45 percent of adults who enrolled in the QMB program were also enrolled in other public programs such as the Supplemental Nutrition Assistance Program (SNAP) or the Supplemental Security Income (SSI) program



Federal and State Efforts to Increase Enrollment

CMS Guidance and Rulemaking

- Aligning with Medicare Part D Low-Income Subsidy (LIS) program
- Final rule on MSP eligibility determination and enrollment published September 2023
 - Codifies existing CMS guidance on accepting leads data from the Social Security Administration (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

State Efforts

- Assets and income
 - States have used statutory flexibility for more generous treatment to expand eligibility
- Streamlining
 - Aligning with LIS
 - Combining QMB and SLMB programs



Analysis of Enrollment Trends

Rationale for Focusing on Enrollment Trends

- Our prior study of MSP participation is frequently cited, including in the CMS final rule, but it has become somewhat dated with findings representing the late 2000s
- Because of challenges we encountered in obtaining the necessary data, we cannot easily update that study
- In order to contribute to the renewed national conversation on the MSPs, we pivoted to an analysis of readily-available monthly MSP enrollment data for calendar years 2010 to 2021
- We analyzed enrollment in each MSP and compared patterns across MSPs, including comparisons of QMB enrollees by selected demographic characteristics

Rationale for Focusing on Enrollment Trends, cont.

- Our analysis of enrollment trends did not draw comparisons to broader trends in the dually eligible population or attempt to place MSP enrollment trends in a larger programmatic context
- Those types of comparisons are outside the scope of this work

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, Calendar Years 2010 to 2021

Type of MSP	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Average annual growth, 2010 to 2021
All MSPs	7.2	7.5	7.9	8.1	8.3	8.5	8.7	8.9	9.1	9.3	9.7	10.0	3.0%
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	2.6%
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	4.7%
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	4.0%
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	2.6%
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	3.0%

Notes: MSP is Medicare Savings Program. QMB is qualified Medicare beneficiary. SLMB is specified low-income Medicare beneficiary. QI is qualifying individual.

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

Share of MSP Enrollment, Calendar Years 2010 to 2021

MSP	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
QMB plus	65.7	63.9	63.6	63.2	63.1	62.8	62.1	62.7	62.1	62.8	62.9	63.0
QMB only	14.4	15.4	15.4	15.9	16.4	16.5	17.1	17.2	17.2	16.7	17.4	17.2
SLMB plus	3.1	3.2	3.1	3.1	3.0	3.1	3.0	3.1	3.2	3.1	3.3	3.4
SLMB only	10.9	11.3	11.4	11.4	11.1	11.2	11.2	11.0	11.2	11.1	10.6	10.4
QI	5.9	6.2	6.5	6.4	6.4	6.4	6.2	6.0	6.3	6.3	5.9	5.9

Notes: MSP is Medicare Savings Program. QMB is qualified Medicare beneficiary. SLMB is specified low-income Medicare beneficiary. QI is qualifying individual.

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

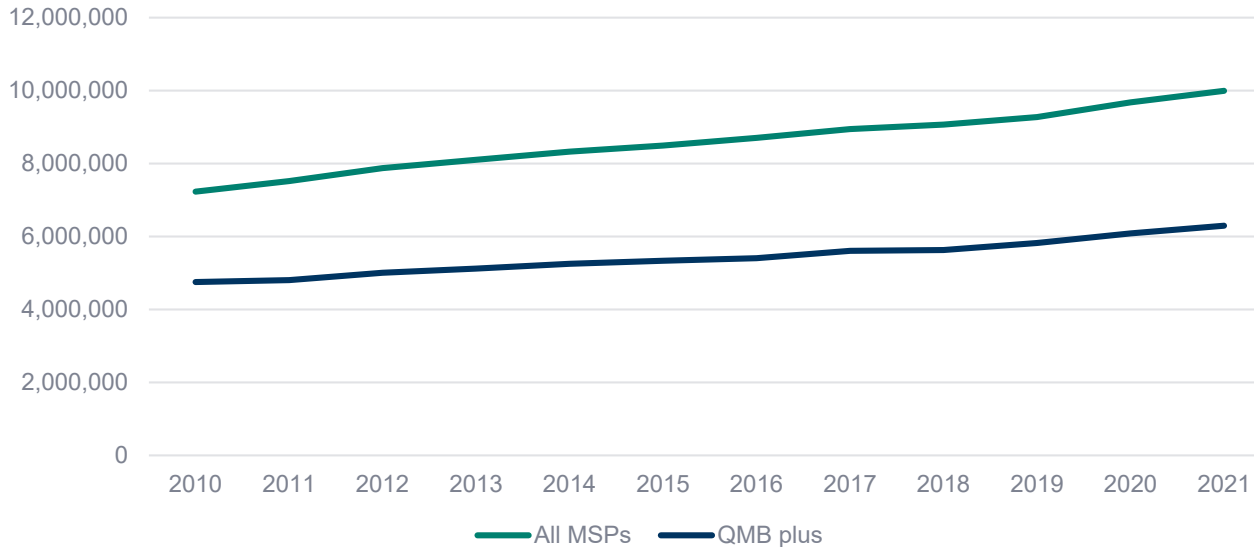
Annual MSP Enrollment Growth, Calendar Years 2010 to 2021

MSP	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All MSPs	4.0%	4.7%	2.9%	2.8%	2.0%	2.2%	3.0%	1.4%	2.3%	4.4%	3.2%
QMB plus	1.1	4.2	2.3	2.6	1.6	1.3	3.7	0.4	3.4	4.6	3.4
QMB only	11.4	4.3	6.9	5.4	2.7	6.6	3.3	1.2	-0.8	8.6	2.2
SLMB plus	5.6	3.1	2.2	1.6	3.7	1.0	4.9	3.4	0.7	9.0	8.7
SLMB only	8.2	5.6	2.2	0.4	3.1	2.7	0.4	3.5	1.3	-0.4	1.7
QI	9.4	10.3	1.3	2.7	1.8	-1.3	-0.4	6.9	2.1	-2.6	3.8

Notes: MSP is Medicare Savings Program. QMB is qualified Medicare beneficiary. SLMB is specified low-income Medicare beneficiary. QI is qualifying individual.

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

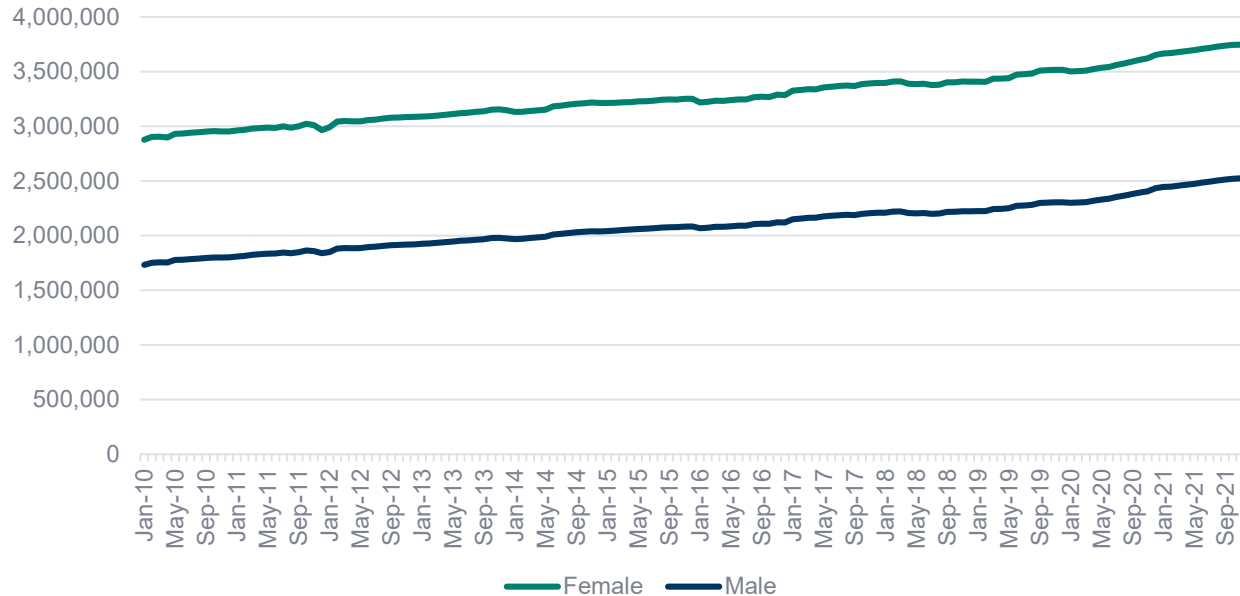
Comparing Enrollment in All MSPs with QMB Plus



Note: MSP is Medicare Savings Program. QMB is qualified Medicare beneficiary.

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

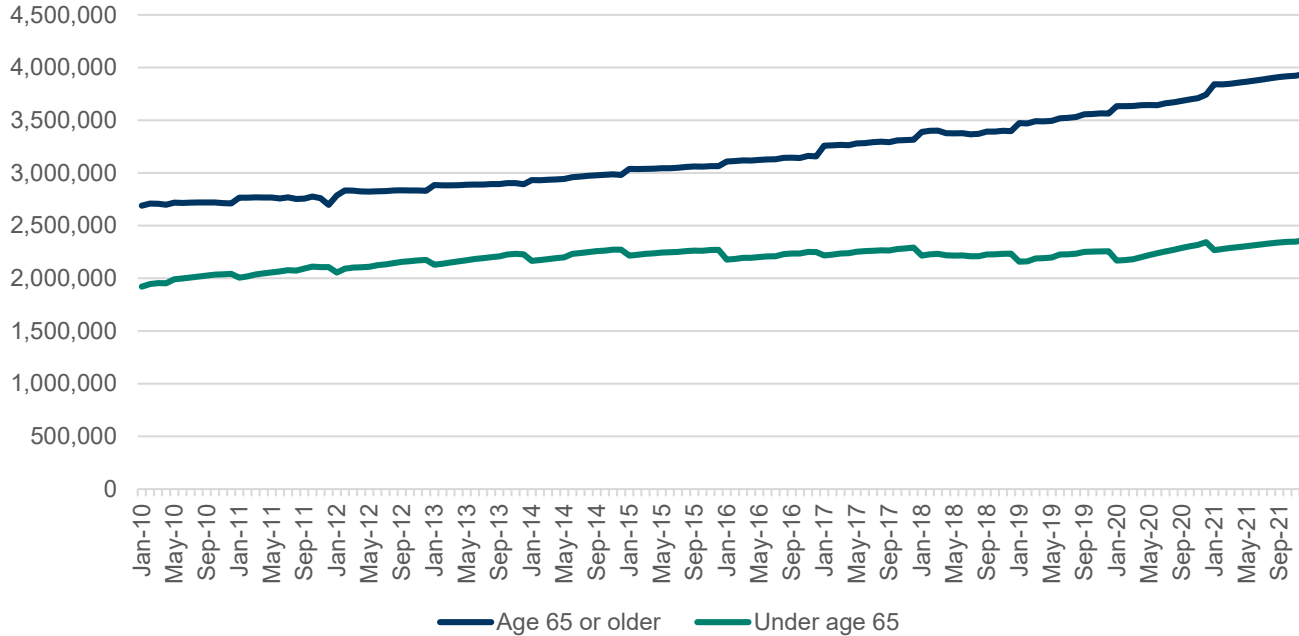
QMB Plus Monthly Enrollment by Sex



Note: QMB is qualified Medicare beneficiary.

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

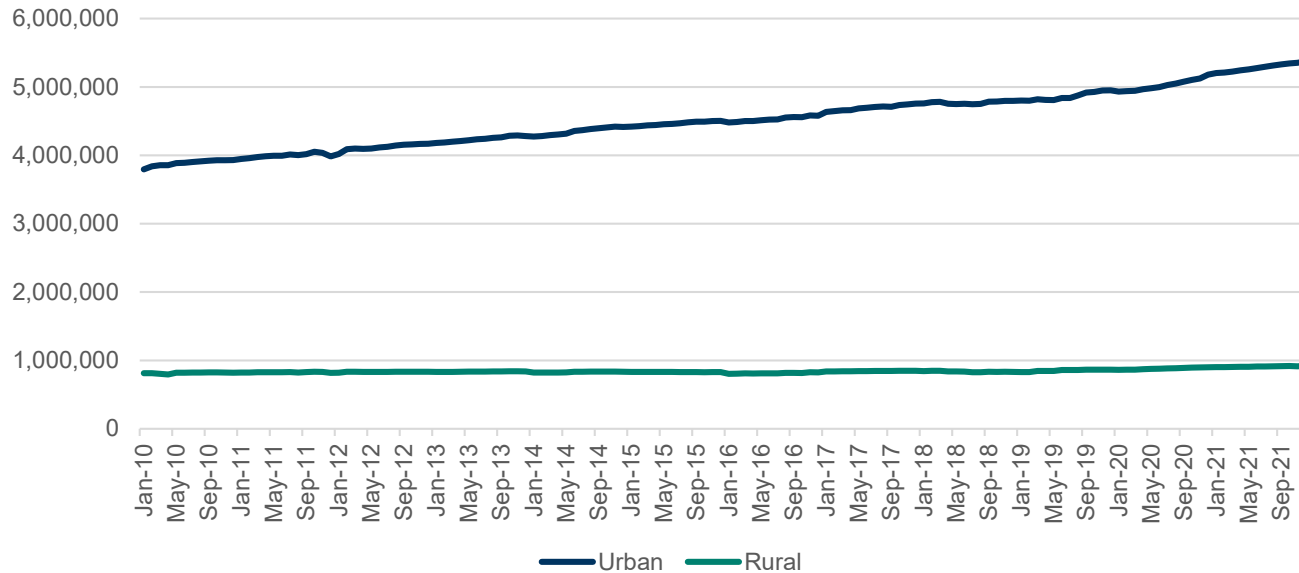
QMB Plus Monthly Enrollment by Age



Note: QMB is qualified Medicare beneficiary.

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

QMB Plus Monthly Enrollment by Urban or Rural Residence



Note: QMB is qualified Medicare beneficiary.

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

Key Takeaways from Enrollment Analysis

- QMB plus program accounted for largest share of enrollment (63 percent)
- SLMB plus had lowest enrollment of any of the MSPs
- 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 MSPs at 4.7 percent

Key Takeaways from Enrollment Analysis, cont.

- Demographic characteristics
 - Enrollees are more likely to be female (60 percent of enrollees); annual growth rates of 3 percent compared to 2 percent for men
 - Enrollees are more likely to be age 65 or older (63 percent); enrollment was relatively flat among people under age 65
 - Growth patterns especially among younger enrollees may indicate that they are losing coverage and regaining it, perhaps due to Medicaid redeterminations
 - Most enrollees live in urban areas (85 percent)
 - Enrollment grew steadily among MSP enrollees living in urban areas while growth was flat among enrollees living in rural areas

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
- Analyzing demographic characteristics among QMB plus enrollees, we found notable differences between people age 65 and older and those under 65, indicating some potential enrollment instability; further research is needed to understand these patterns

Next Steps

- Obtain feedback from Commissioners in today's discussion and through written feedback on the chapter
- Publish chapter in our June 2024 report to Congress
- Monitor state compliance with CMS rulemaking ahead of the April 1, 2026 deadline and explore areas for future work

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