



The Hilltop Institute

analysis to advance the health of vulnerable populations

Medicare-Medicaid Enrollees: An Examination of New Maryland Enrollees and Pathways to Coverage

November 14, 2012

Donna Folkemer, Moderator

Gerontological Society of America's
65th Annual Scientific Meeting

Introduction to the Session

- Hilltop conducted research on Medicare-Medicaid enrollees to provide a framework for better understanding:
 - Health care needs
 - Health care costs
 - Eligibility pathways that lead to enrollment in both programs

Auspices of Research

- Requested by Medicare-Medicaid Coordination Office within the Centers for Medicare and Medicaid Services (CMS).
- Task Order RTOP CMS-10-022 awarded to Thomson Reuters, Inc. in 2010. Hilltop was a subcontractor.

Today's Presentations

Pathways to Medicare-Medicaid Eligibility: A Literature Review

- Identifying how and why individuals become eligible for both programs

New Medicare-Medicaid Enrollees in Maryland: Demographic and Programmatic Characteristics

- Describing new enrollees in both programs

New Medicare-Medicaid Enrollees in Maryland: Prior Medicare and Medicaid Resource Use

- Analyzing disease patterns and service use of new enrollees before their enrollment in both programs

Today's Presenters



Cynthia H. Woodcock, Practice Area Lead,
Long-Term Care, Aging, and Disability,
IMPAQ International, LLC

Aaron M. Tripp, Policy Analyst,
The Hilltop Institute



Ian Stockwell, Director of Special Studies,
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Discussant: Charles Milligan, Deputy Secretary
for Health Care Financing, Maryland Department
of Health and Mental Hygiene



Significant Policy Activity

- Better aligning Medicare and Medicaid to benefit persons enrolled in both programs is a significant undertaking across the country.
 - Fifteen states have received funding from CMS to develop models to integrate care for persons enrolled in both programs.

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Significant Policy Activity

continued

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- Twenty-five states have asked to partner with the federal government to test one of two financial alignment models to integrate financing and care delivery across the two payment sources. Two of these states (MA and WA) have met standards and conditions for the demonstrations.

Contact Information



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Pathways to Medicare-Medicaid Eligibility: A Literature Review

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Cynthia H. Woodcock

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Presentation Overview

- Research Questions and Methodology
- Pathways to Medicare-Medicaid Eligibility
- Pre-Medicare-Medicaid Enrollees
- Potential Triggers
- Potential Interventions

Research Questions

- Who are the pre-Medicare-Medicaid enrollees, what are the pathways to dual eligibility, and what are the barriers?
- What clinical conditions or life events might trigger a rapid descent into functional decline?
- What might trigger a decline in income/assets such that financial eligibility is met?
- What federal/state programs target pre-Medicare-Medicaid enrollees and where are the gaps?

Methodology

- Search involved:
 - Peer-reviewed journals
 - Publicly available data, documents, reports
 - Communications with subject matter experts and federal and state agency staff

Background: Social Security Disability Insurance (SSDI)

- Social Security Act, Title II
- Pathway to Medicare coverage for individuals under age 65 (generally after 24 months)

SSDI continued

- To qualify on the basis of disability:
 - Insured worker with disability who is under full retirement age (<65)
 - Individual with a disability since childhood who is a dependent of a parent entitled to Title II disability or dependent of a deceased insured parent
 - Widow/widower aged 50-60 with a disability if deceased spouse was insured under Social Security

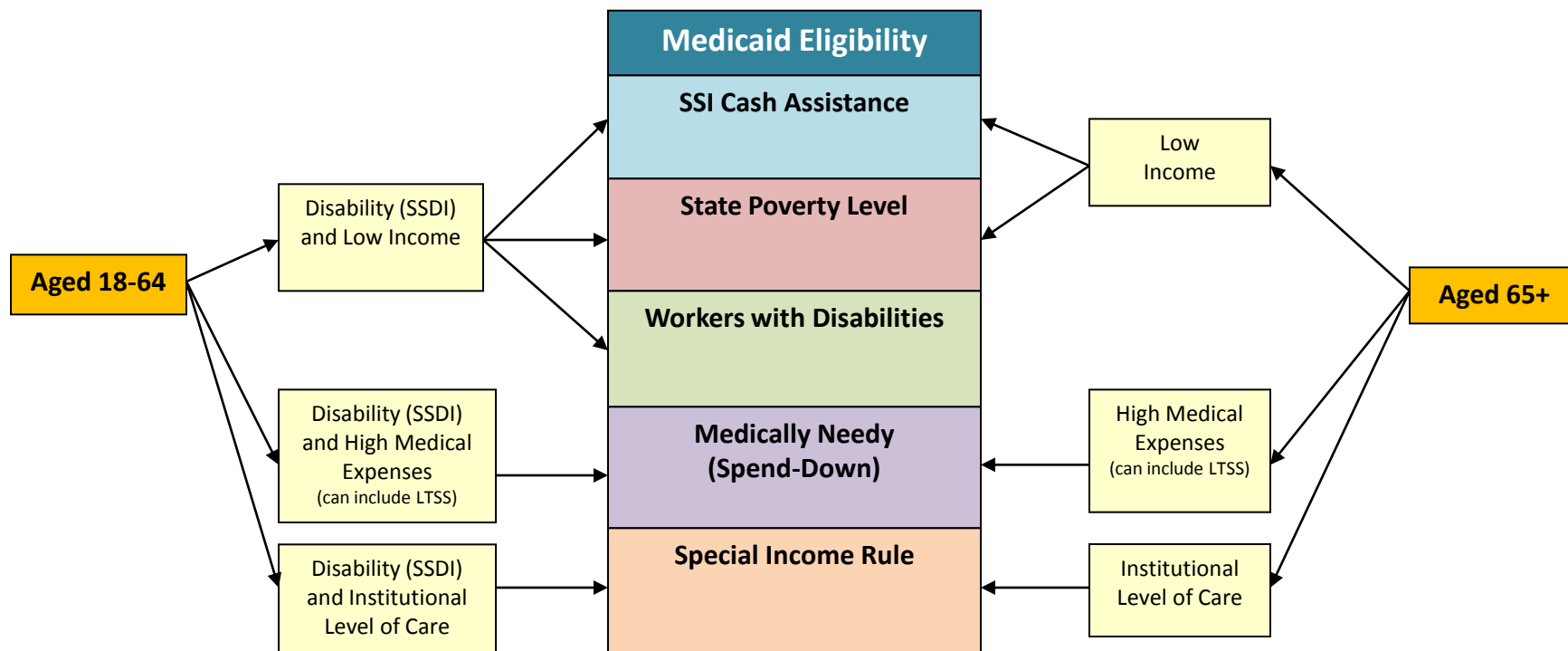
The law defines disability as:

- Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment(s):
 - that can be expected to result in death, or
 - that has lasted or can be expected to last for a continuous period of not less than 12 months

Background: Supplemental Security Income (SSI)

- Social Security Act, Title XVI
- Provides stipends to persons with low income who also have disabilities, who are blind, or who are aged 65 and older
- 39 states and D.C. provide Medicaid coverage to SSI eligibles; 11 states have more restrictive standards

Pathways to Medicare-Medicaid Eligibility



SSDI → Medicare Eligibility

Aged 65 → Medicare Eligibility

SSI Cash Assistance <i>Income payment standard is generally \$674 for individuals and \$1,011 for couples living alone (2009 figures).</i>	State Poverty Level <i>Up to 100% of the FPL (in 2011, \$908 for individuals and \$1,226 for couples). 21 states and DC participate; income limits vary.</i>	Workers with Disabilities <i>Income requirements vary by state. Various eligibility pathways based on earnings.</i>	Medically Needy <i>35 states and DC allow persons with high medical expenses to "spend down" to Medicaid eligibility. 29 states and DC also include persons in nursing homes or HCBS waivers. Not all states have HCBS waivers for persons with disabilities aged 18-64.</i>	Special Income Rule <i>39 states and DC apply this rule, typically 300% of SSI (\$2,022 in 2009), to persons in nursing homes or assessed at an institutional level of care. 21 of these states use only the special income rules.</i>
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Who are the pre-Medicare-Medicaid enrollees?

- No definitions or studies of pre-Medicare-Medicaid enrollees exist
- Characteristics of SSDI and SSI beneficiaries and current Medicare-Medicaid enrollees shed light on who the pre-Medicare-Medicaid enrollees might be

SSDI Recipients in 2009

Number of Recipients		8,945,376
Workers		7,788,013
Widow(er)s		236,480
Adult Children		920,883
Average Monthly Benefit		
Workers		\$1,064.30
Widow(er)s		\$682.70
Adult Children		\$676.30

Source: Social Security Administration. Annual Statistical Report on the Social Security Disability Insurance Program, 2009.

Top Seven Diagnostic Groups for SSDI Beneficiaries in 2009

Diagnostic Group	Rank	% of Total
Mental Disorders—Other	1	27.5%
Musculoskeletal System and Connective Tissue	2	24.9%
Nervous System and Sense Organs	3	9.4%
Mental Disorders—Retardation	4	8.9%
Circulatory System	5	7.9%
Injuries	6	3.9%
Endocrine, Nutritional, and Metabolic Diseases	7	3.3%

Source: Social Security Administration. Annual Statistical Report on the Social Security Disability Insurance Program, 2009.

SSI Recipients in 2009

Number of Recipients	7,676,686
Aged 65 and Older	1,185,959
Blind	69,302
With Disabilities	6,421,425
Average Monthly Benefit	\$498.75
Aged 65 and Older	\$399.14
Blind	\$520.30
With Disabilities	\$516.93

Source: Social Security Administration. Annual Statistical Supplement, 2010.

Top Eight Diagnostic Groups for SSI Beneficiaries in 2009

Diagnostic Group	Rank	% of Total
Mental Disorders—Other	1	38.1%
Mental Disorders—Retardation	2	20.7%
Musculoskeletal System and Connective Tissue	3	11.3%
Nervous System and Sense Organs	4	7.8%
Circulatory System	5	4.2%
Unknown	6	3.8%
Endocrine, Nutritional, and Metabolic Diseases	7	3.0%
Injuries	8	2.6%

Source: Social Security Administration. Annual Statistical Report on the Supplemental Security Income Program, 2009.

Physical and Cognitive Impairments among Medicare-Medicaid Enrollees

Impairment	Enrollees Aged 65+	Enrollees with Disabilities
Mental Illness	26%	44%
Dementia	16%	3%
Developmental Disability	2%	18%
One or No Physical Impairments	54%	33%
Two or More Physical Impairments	3%	3%

Source: MedPAC.

Medically needy Medicaid beneficiaries can also become Medicare-Medicaid enrollees

- Optional Medicaid eligibility category
- Aged 65+ and younger persons with disabilities
- 2.4 million individuals “spent down” to Medicaid eligibility in 2009

Potential Triggers for Medicare-Medicaid Eligibility

- Descent into functional decline
 - Disease burden
 - Cognitive impairment
 - Falls
 - Loss of spouse or caregiver
 - Entry into a nursing home
- Loss of employment/income security
- Health insurance-motivated disability enrollment*

*See Kennedy, J., & Blodgett, E. (2012, September 5). Health insurance-motivated disability enrollment and the ACA. *New England Journal of Medicine*.

Potential Interventions

- Subsidized long-term services and supports
- Immediate access to services for medically needy
- Programs to support caregivers
- Health insurance for pre-Medicare-Medicaid enrollees
- Supported employment
- Medical homes

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Literature review available at:

[http://www.hilltopinstitute.org/publication_view.cfm?pubID=323
&st=tbl_Publications](http://www.hilltopinstitute.org/publication_view.cfm?pubID=323&st=tbl_Publications)



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New Medicare-Medicaid Enrollees in Maryland: Demographic and Programmatic Characteristics

November 14, 2012

Aaron M. Tripp

Gerontological Society of America's
65th Annual Scientific Meeting

Introduction

- Exploratory and descriptive, data-driven study following an initial literature review conducted by Hilltop
- Focus on new Medicare-Medicaid enrollees in Maryland and the circumstances that shaped their initial eligibility
- Details the demographic and programmatic characteristics of new enrollees

Methodology

- Used Medicare and Medicaid enrollment data to identify new enrollees and characterize their demographic and programmatic characteristics
- Definition of a new Medicare-Medicaid enrollee: a beneficiary who received either partial or full Medicaid benefits in 2008 but did not have evidence of simultaneous Medicare/Medicaid enrollment in 2006 or 2007

Data Sources

- **MMA State File:** A state-submitted listing of its enrollees—both full and partial—that CMS adds extensive Medicare program enrollment information to and returns to the state
- **Maryland's Medicaid Eligibility and Recipient Files:** Contain dates of Medicaid eligibility and coverage group information for all Maryland Medicaid enrollees
- **Medicare Beneficiary Summary Files:** Contain demographic and Medicare enrollment data for Maryland enrollees in a given calendar year

Table 2. Demographic Characteristics of All, New, and Continuing Enrollees in Maryland, 2008

	All Enrollees		New Enrollees		Continuing Enrollees	
	Number	Percentage	Number	Percentage	Number	Percentage
Total	110,565	100	15,654	100	94,911	100
Sex						
Male	40,167	36.3	6,173	39.4	33,994	35.8
Female	70,398	63.7	9,481	60.6	60,917	64.2
Age						
< 45	18,285	16.5	2,972	19	15,313	16.1
45-54	15,625	14.1	2,288	14.6	13,337	14.1
55-63	11,967	10.8	1,711	10.9	10,256	10.8
64	2,160	2.0	1,145	7.3	1,015	1.1
65	2,989	2.7	829	5.3	2,160	2.3
66	2,714	2.5	382	2.4	2,332	2.5
67-74	20,562	18.6	2,241	14.3	18,321	19.3
75-84	22,635	20.5	2,294	14.7	20,341	21.4
85-94	11,871	10.7	1,576	10.1	10,295	10.9
95+	1,757	1.6	216	1.4	1,541	1.6
Race						
White	50,227	45.4	6,580	42.0	43,647	46.0
Black	44,169	40.0	6,271	40.1	37,898	39.9
Other/unknown	16,169	14.6	2,803	17.9	13,366	14.1
Poverty Status						
At/below 100% FPL	87,744	79.4	11,228	71.7	76,516	80.6
Above 100% FPL	22,821	20.6	4,426	28.3	18,395	19.4
Died during Year						
No	103,092	93.2	14,982	95.7	88,110	92.8
Yes	7,473	6.8	672	4.3	6,801	7.2

Table 3. Programmatic Characteristics of All, New, and Continuing Enrollees in Maryland, 2008

	All Enrollees		New Enrollees		Continuing Enrollees	
	Number	Percentage	Number	Percentage	Number	Percentage
Total	110,565	100	15,654	100	94,911	100
Initial Enrollee Status						
QMB only	22,222	20.1	2,940	18.8	19,282	20.3
QMB full	65,098	58.9	8,081	51.6	57,017	60.1
SLMB only	9,390	8.5	1,437	9.2	7,953	8.4
QI/QWDI only	4,259	3.9	784	5.0	3,475	3.7
Other full	9,596	8.7	2,412	15.4	7,184	7.6
Institutional Indicator						
No	92,564	83.7	12,370	79.0	80,194	84.5
Yes	18,001	16.3	3,284	21.0	14,717	15.5
Eligibility for Medicare Due to ESRD						
No	107,195	97.0	15,048	96.1	92,147	97.1
Yes	3,370	3.1	606	3.9	2,764	2.9
Eligibility for Medicare Due to Disability						
No	54,809	49.6	8,068	51.5	46,741	49.3
Yes	55,756	50.4	7,586	48.5	48,170	50.8
Pathway to Medicare-Medicaid Enrollment						
Medicaid first	40,233	36.4	6,584	42.1	33,649	35.5
Medicare first	67,850	61.4	8,683	55.5	59,167	62.3
Medicare/Medicaid at same time	2,482	2.2	387	2.5	2,095	2.2

Table 5. Demographic and Programmatic Characteristics of New Enrollees by Pathway to Medicare-Medicaid Enrollment, Maryland, 2008

	Medicaid first		Medicare first		Medicare/Medicaid at same time	
	Number	Percentage	Number	Percentage	Number	Percentage
Total	6,584	100	8,683	100	387	100
Sex						
Male	2,814	42.7	3,229	37.2	130	33.6
Female	3,770	57.3	5,454	62.8	257	66.4
Age						
< 45	2,284	34.7	673	7.8	15	3.9
45-54	1,428	21.7	831	9.6	29	7.5
55-63	990	15.0	695	8.0	26	6.7
64	914	13.9	88	1.0	143	37.0
65	271	4.1	521	6.0	37	9.6
66	92	1.4	282	3.2	8	2.1
67-74	413	6.3	1,735	20.0	93	24.0
75-84	165	2.5	2,100	24.2	29	7.5
85-94	26	0.4	1,544	17.8	6	1.6
95+	1	0.0	214	2.5	1	0.3
Race						
White	2,562	38.9	3,881	44.7	137	35.4
Black	3,206	48.7	2,968	34.2	97	25.1
Other/Unknown	816	12.4	1,834	21.1	153	39.5
Eligibility for Medicare Due to Disability	4,601	69.9	2,915	33.6	70	18.1
Eligibility for Medicare Due to ESRD	308	4.7	290	3.3	8	2.1
Poverty Status						
At/below 100% FPL	5,716	86.8	5,186	59.7	326	84.2
Above 100% FPL	868	13.2	3,497	40.3	61	15.8
Institutional Indicator	284	4.3	2,992	34.5	8	2.1
Died during Year	130	2.0	535	6.2	7	1.8

Table 8. Time until Medicare-Medicaid Enrollment by Pathway and Initial Enrollee Status, New Enrollees in Maryland, 2008

Initial Enrollee Status	Medicare-to-Medicaid Pathway: Time from Medicare to Medicaid Coverage						Medicaid-to-Medicare Pathway: Time from Medicaid to Medicare Coverage					
	Less than 6 months		6 months to 2 years		More than 2 years		Less than 6 months		6 months to 2 years		More than 2 years	
	N	%	N	%	N	%	N	%	N	%	N	%
QMB only	219	11.8	315	17	1,316	71.1	161	16.9	312	32.7	480	50.4
QMB full	210	6.5	360	11.1	2,685	82.5	615	13.3	1,184	25.5	2,838	61.2
SLMB only	61	6.4	115	12.1	777	81.5	135	29.9	135	29.9	181	40.1
QI/QWDI only	34	5.9	82	14.2	460	79.9	44	23.8	47	25.4	94	50.8
Other full	16	0.8	67	3.3	1,966	95.9	79	22.1	131	36.6	148	41.3
Total	540	6.2	939	10.8	7,204	83.0	1,034	15.7	1,809	27.5	3,741	56.8

Key Findings

- 14% of all Maryland Medicare-Medicaid enrollees in 2008 were new enrollees
 - About 42% of new enrollees enrolled in Medicaid prior to enrolling in Medicare
 - About 56% enrolled in Medicare prior to enrolling in Medicaid
- New enrollees were nearly equally divided between persons aged 65 and older and those under 65 years old

Key Findings continued

- The overall characteristics of the two groups are quite heterogeneous with variation present in nearly all characteristics
- Those who received Medicare first were more likely to:
 - Be women
 - Reside in an institutional setting at the initial time of enrollment
 - Be of more advanced age

Key Findings continued

- Those who received Medicaid first were more likely to:
 - Have a disability
 - Be men
 - Be black
 - Have incomes below the FPL

Strengths

- Begins to address the gaps in knowledge relating to new enrollees with the data allowing new enrollees to be defined
- Use of the MMA State File, so that states can answer questions with data sources they or the federal government already use for program management

Limitations

- Results are based only on enrollees in Maryland
- Due to the use of administrative data, important events—such as death of a spouse and subsequent loss of income or change in living arrangement that may precipitate Medicare-Medicaid enrollment—are not identified by the study's data

Policy Implications

- New enrollees are a heterogeneous group
- Findings suggest that careful targeting and multiple program designs will be required for interventions aimed at better coordinating care for enrollees
- Diverse Medicaid eligibility standards and enrollment categories used among the states suggest that substantial state-level analysis will be important in understanding Medicare and Medicaid enrollment patterns for new enrollees nationwide

Reference

Johnson, K., Folkemer, D., & Stockwell, I. (2012, February 8). *New Medicare-Medicaid enrollees in Maryland: Demographic and programmatic characteristics*. Baltimore, MD: The Hilltop Institute, UMBC. Retrieved from <http://www.hilltopinstitute.org/publications/NewMMEsInMD-DemographicCharacteristics-February2012.pdf>

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New Medicare-Medicaid Enrollees in Maryland: Prior Medicare and Medicaid Resource Use

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Goals

- Analyze chronic disease patterns and health care expenditures of persons in Maryland who began to receive coverage from both Medicare and Medicaid in 2008
- Focus on disease and expenditure patterns in the year before these individuals—most of whom had been enrolled in Medicare alone or Medicaid alone—became enrollees in both programs

Goals continued

- Examine the health status and expenditures of individuals before their eligibility for both programs
 - This can provide a better understanding of the characteristics associated with simultaneous enrollment in Medicare and Medicaid

Methodology

- Explore health care utilization patterns for new enrollees in the 12 months before Medicare-Medicaid eligibility, dependent on in which program an individual was first participating
- Medicaid-to-Medicare
 - Medicaid claims and encounters data

Methodology continued

- Medicare-to-Medicaid
 - Medicare claims data
- Persons who became eligible for Medicare and Medicaid at the same time were not included in the study

Data Sources

- **MMA State File:** A state-submitted listing of its enrollees—both full and partial—that CMS adds extensive Medicare program enrollment information to and returns to the state
- **Maryland's Medicaid Claims and Encounter Files:** Contain service-level procedure and revenue codes, diagnoses, and costs for fee-for-service (FFS) claims and managed care organization (MCO) encounters paid by Medicaid
- **Medicare Chronic Condition Warehouse Claims Files:** Contain service-level procedure and revenue codes, diagnoses, and the amounts paid by traditional FFS Medicare (excludes Medicare Parts C and D)

Table 1. Top Ten Chronic Conditions of New enrollees by Pathway, Maryland, 2008

CCW Flags	Medicare FFS -> Medicaid (n=6,094)		Medicaid FFS -> Medicare (n=1,182)		Medicaid MCO -> Medicare (n=2,994)	
	Percent	Number	Percent	Number	Percent	Number
Diabetes	34.20%	2,083	31.70%	375	25.10%	750
Depression	27.30%	1,664	22.90%	271	29.60%	886
No chronic conditions	18.20%	1,112	24.00%	284	34.70%	1,039
Ischemic heart disease	33.90%	2,068	23.60%	279	19.20%	575
Chronic kidney disease	23.80%	1,449	23.10%	273	13.10%	392
Heart failure	25.00%	1,524	19.50%	230	12.50%	375
Alzheimer's disease, related disorders, or senile dementia	34.60%	2,110	10.30%	122	2.00%	61
Chronic obstructive pulmonary disease	18.80%	1,147	11.20%	132	10.10%	301
Rheumatoid arthritis/ osteoarthritis	18.20%	1,112	10.30%	122	10.40%	311
Stroke/transient ischemic attack	18.30%	1,116	10.10%	119	4.80%	144

Figure 1. Number of Chronic Conditions by Pathway, Maryland, 2008

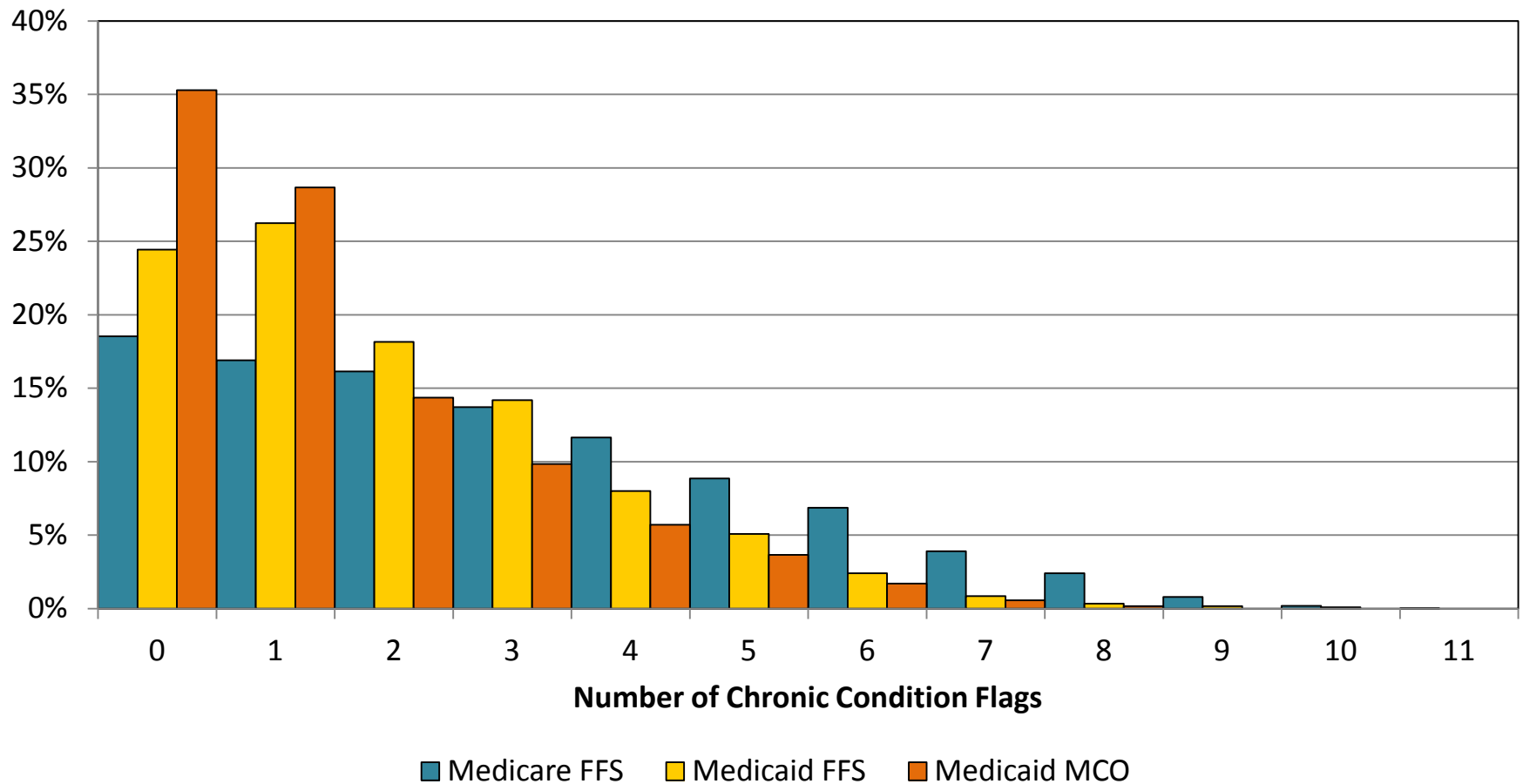


Figure 2. Number of Chronic Conditions for Medicare-to-Medicaid Individuals by Skilled Nursing Facility Experience, Maryland, 2008

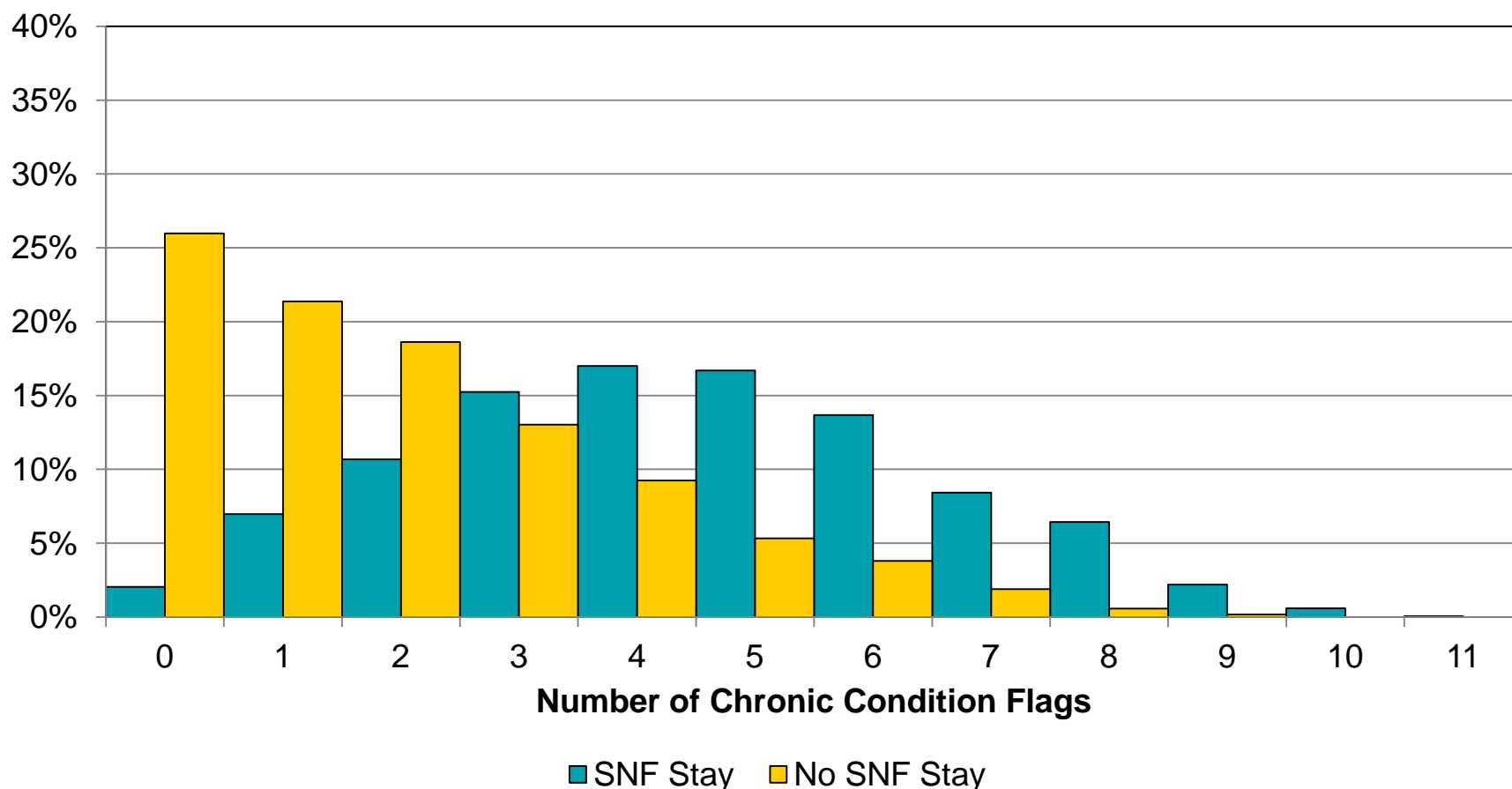
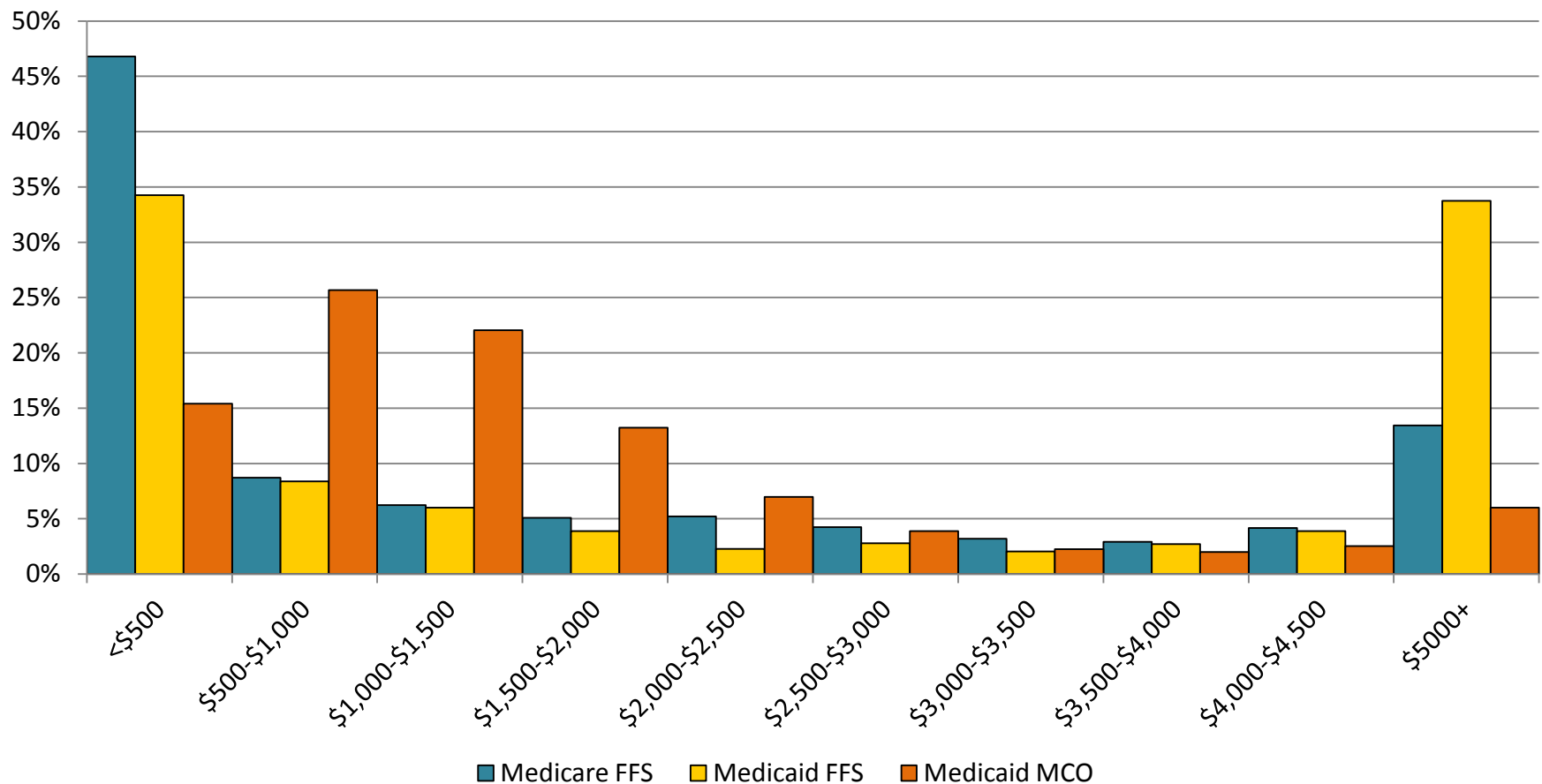


Table 7. Pathway PMPMs by Service Categories, Maryland, 2008

Category	Medicare FFS -> Medicaid (n=6,094)		Medicaid FFS -> Medicare (n=1,182)		Medicaid MCO -> Medicare (n=2,994)	
	PMPM	Percent Utilization	PMPM	Percent Utilization	PMPM	Percent Utilization
Carrier	\$299	91%	\$601	86%	\$172	46%
DME	\$30	34%	\$18	9%	\$2	1%
Home health agency	\$58	17%	\$11	5%	\$1	1%
Hospice	\$21	2%	\$19	1%	\$0	0%
Inpatient	\$1,200	48%	\$2,336	39%	\$222	9%
Outpatient	\$190	69%	\$625	52%	\$77	19%
Nursing facility	\$431	31%	\$928	17%	\$13	1%
Dental			\$0	1%	\$0	0%
Home health services			\$146	7%	\$253	10%
Pharmacy			\$444	83%	\$136	62%
Special services			\$42	28%	\$4	4%
MCO capitation					\$1,013	100%
Total	\$2,228	100%	\$5,170	100%	\$1,893	100%

Figure 4. Distribution of PMPMs by Pathway, Maryland, 2008



Key Findings

- The five most common chronic conditions, in order of frequency, were diabetes, ischemic heart disease, depression, Alzheimer's disease or dementia, and heart failure
- Individuals were much more likely to have two or more co-occurring conditions than only one condition, and there were no chronic conditions that clearly indicated a higher likelihood of comorbidity
- There were substantial differences in expenditures between the three comparison groups, possibly due to demographic differences and varied service coverage

Policy Implications

- Many individuals who are newly eligible for both Medicare and Medicaid had significant health care needs before their eligibility for both programs
- This research suggests that to forestall dual eligibility, initiation of individualized chronic disease management programs should occur as early as possible within both Medicare and Medicaid

Policy Implications continued

- Earlier transition-oriented interventions for persons receiving nursing home care through Medicare could aim at reducing a person's length of stay and the likelihood of needing Medicaid coverage to pay for a longer stay

Potential Next Steps

- A comparison of Medicare-Medicaid enrollees with the broader Medicare-only and Medicaid-only populations would allow for the identification of “leading indicators” of enrollment in both programs
- Identify evidence-based approaches for optimizing health and preventing future decline that may be appropriate for high-risk groups at risk of dual eligibility

Reference

Stockwell, I., Tripp, A., & Folkemer, D. (2012, February 22). *New Medicare-Medicaid enrollees in Maryland: Prior Medicare and Medicaid resource use*. Baltimore, MD: The Hilltop Institute, UMBC. Retrieved from <http://www.hilltopinstitute.org/publications/NewMMEsInMD-PriorResourceUse-February2012.pdf>

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About The Hilltop Institute

The Hilltop Institute at the University of Maryland, Baltimore County (UMBC) is a non-partisan health research organization—with an expertise in Medicaid and in improving publicly financed health care systems—dedicated to advancing the health and wellbeing of vulnerable populations. Hilltop conducts research, analysis, and evaluations on behalf of government agencies, foundations, and nonprofit organizations at the national, state, and local levels. Hilltop is committed to addressing complex issues through informed, objective, and innovative research and analysis.

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