

# Who Are the Dual Eligibles?

---

May 17, 2006

Charles Milligan, JD, MPH

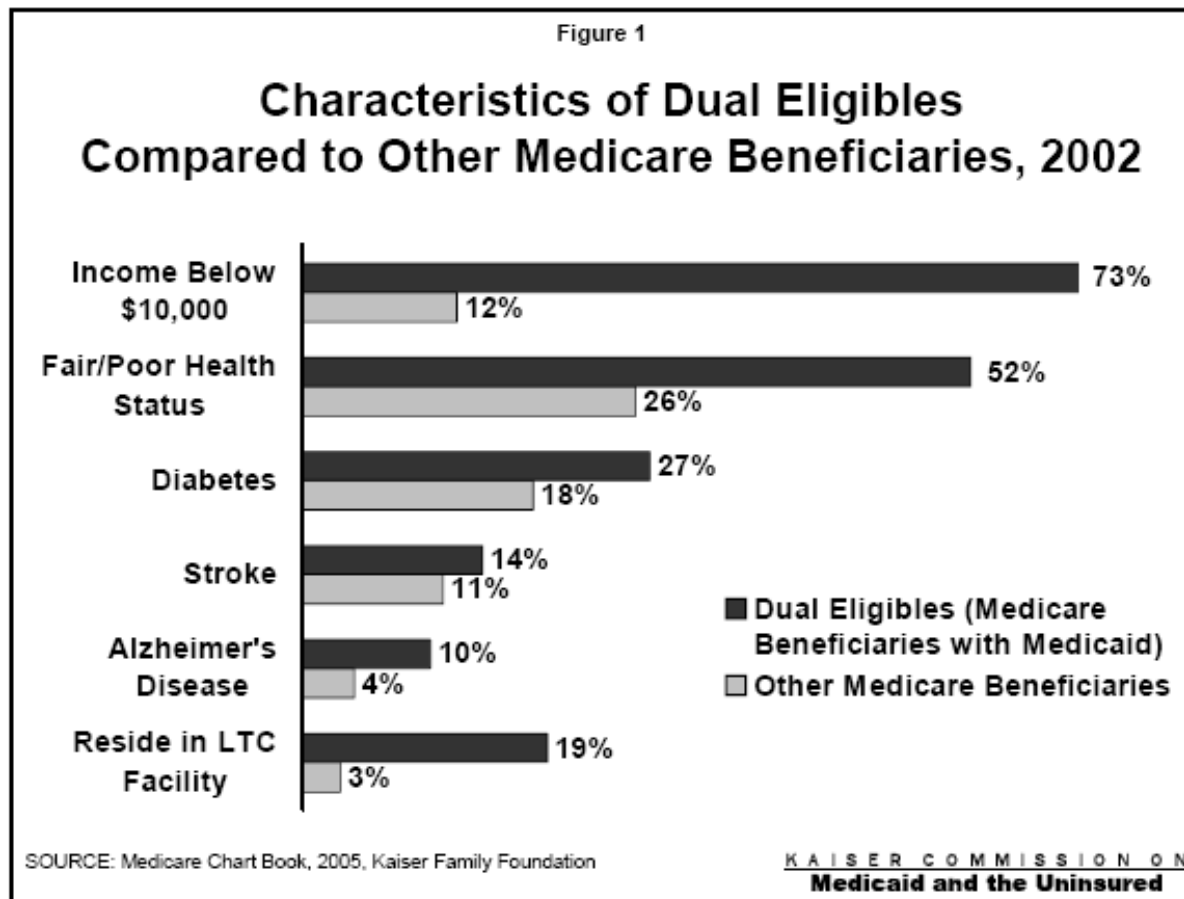
Medicaid Commission Meeting



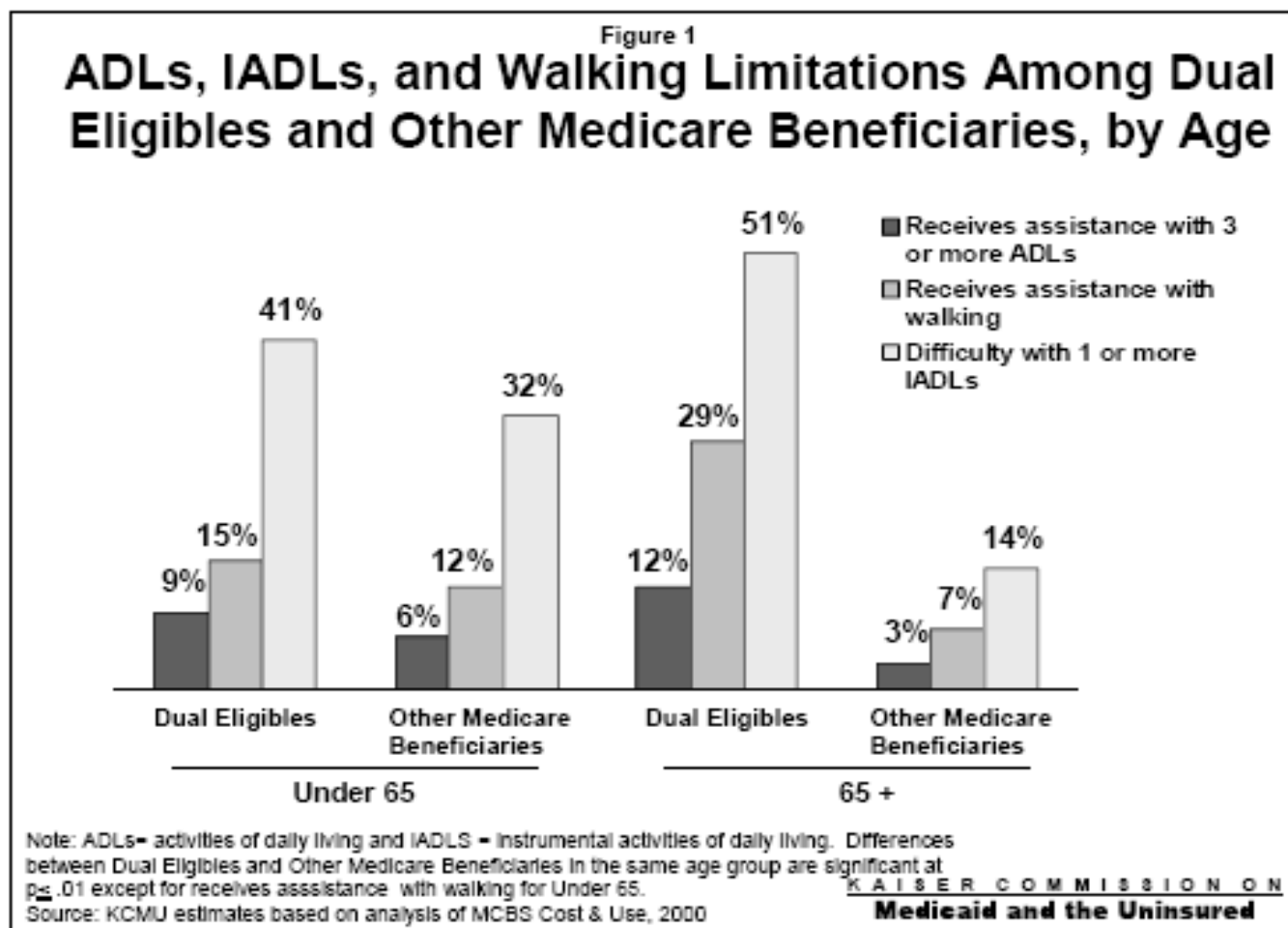
CENTER FOR HEALTH PROGRAM  
DEVELOPMENT AND MANAGEMENT

UMBC  
AN HONORS UNIVERSITY IN MARYLAND

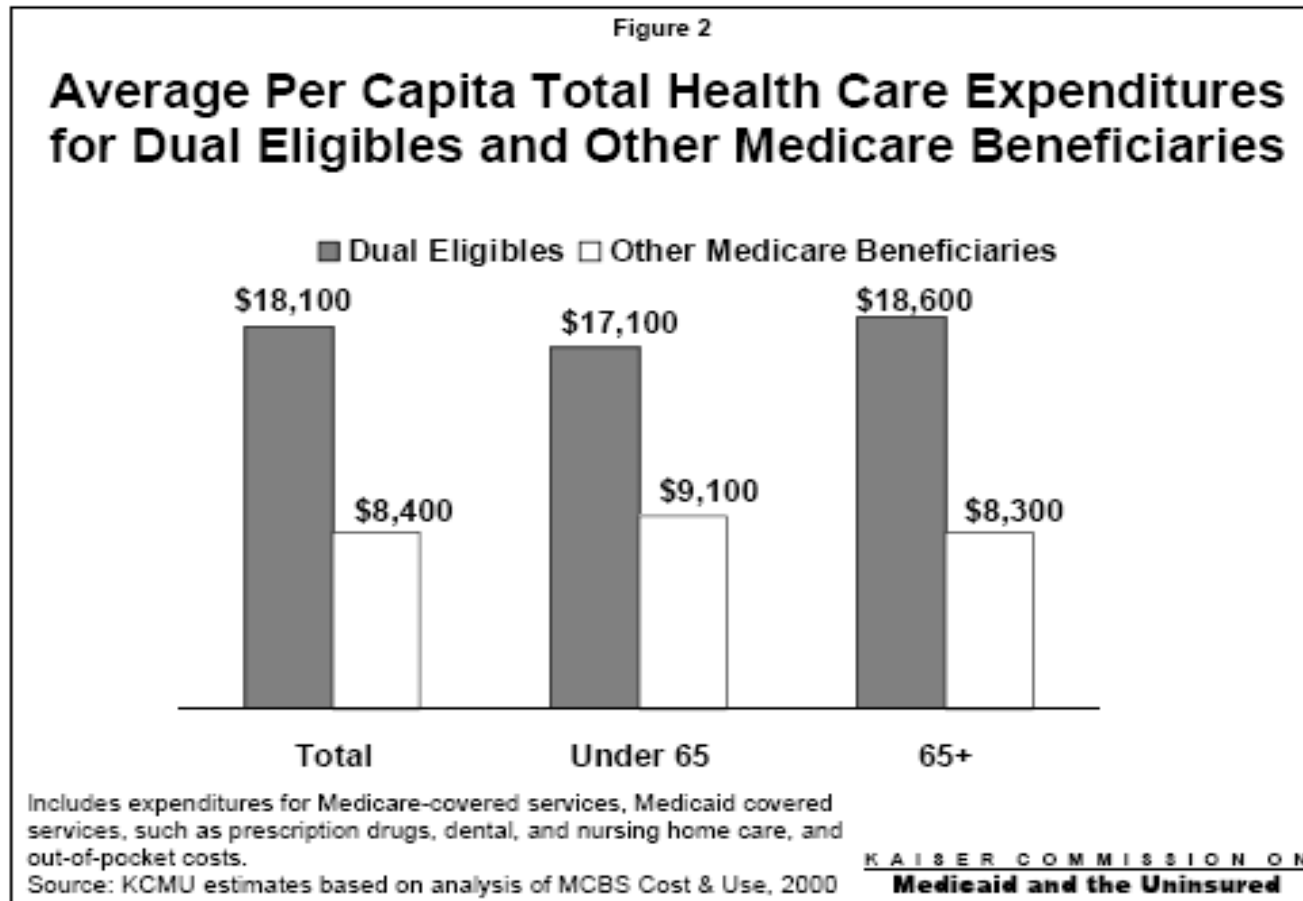
# Dual eligibles have lower incomes and more health care conditions than other Medicare beneficiaries . . .



# ...and more functional impairments than other Medicare beneficiaries.



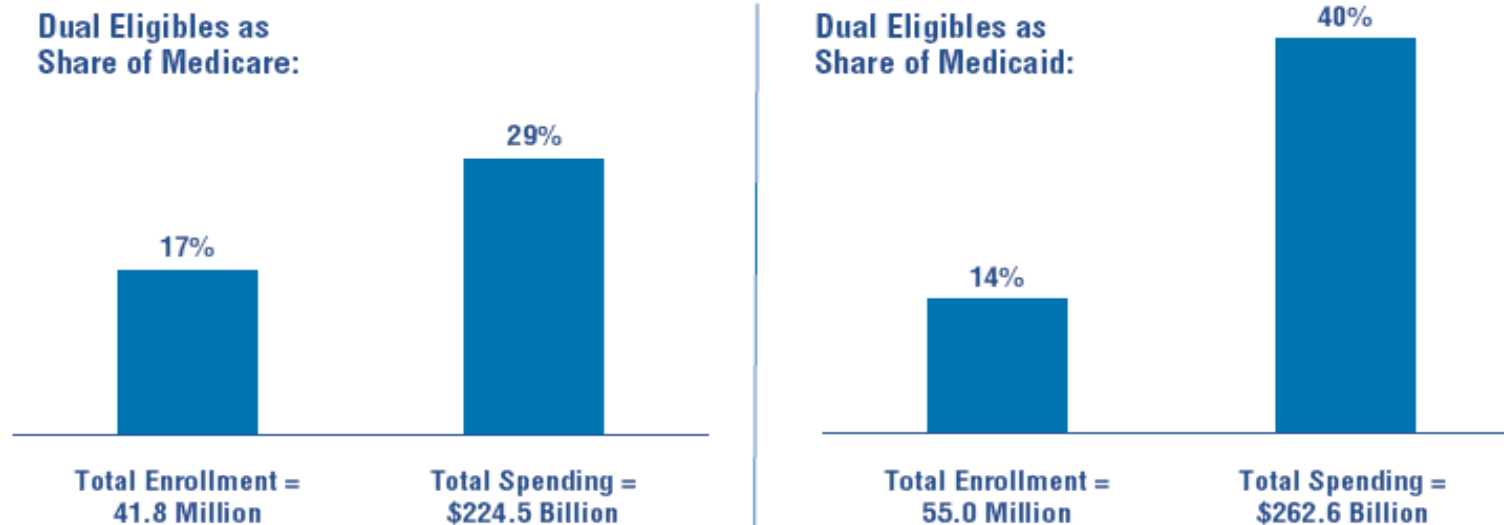
# On average, dual eligibles cost twice as much as other Medicare beneficiaries.



# Dual eligibles represent 14% of Medicaid's enrollment, yet account for 40% of all Medicaid spending.

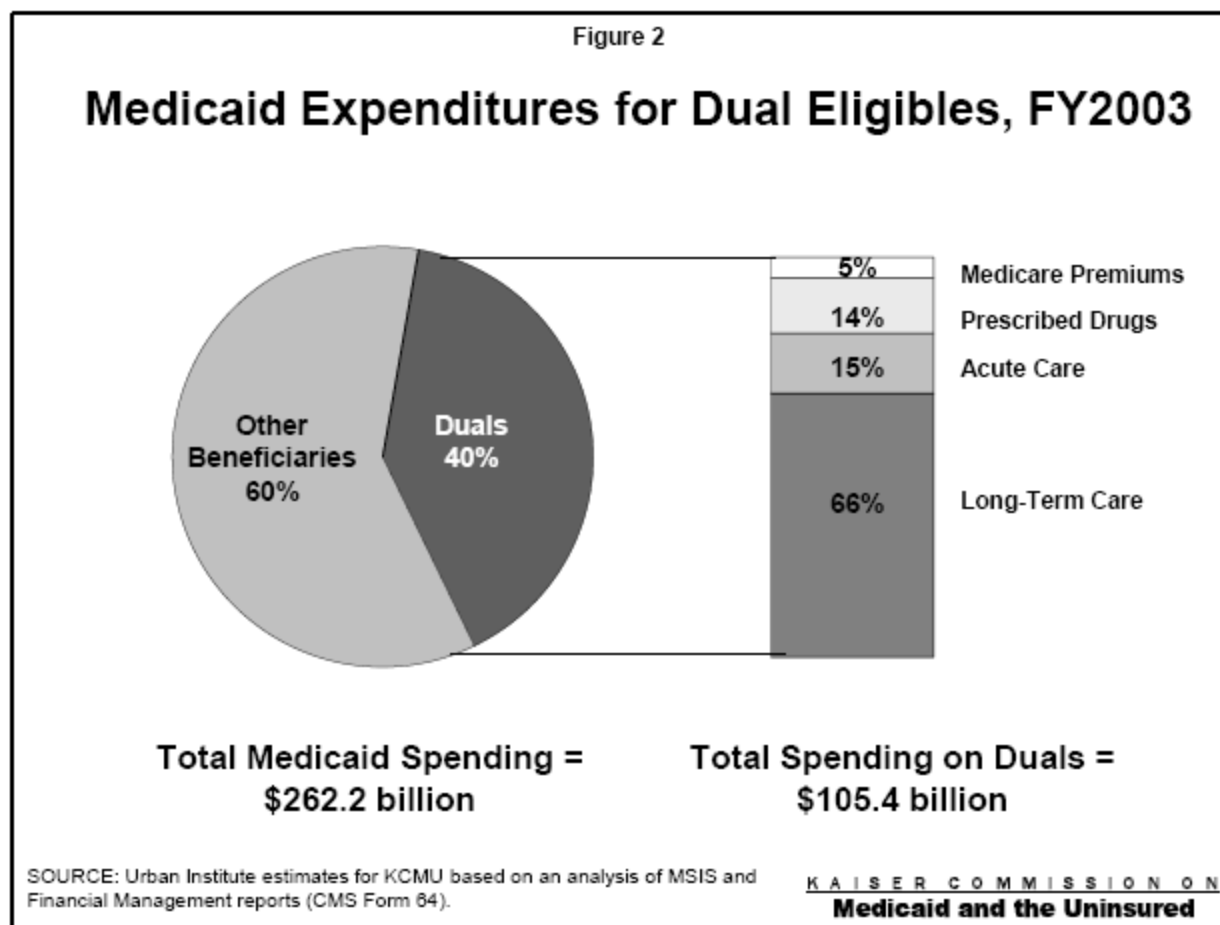
Figure 3.8

## Dual Eligibles as a Share of Medicare and Medicaid Enrollment and Spending, 2002–2003

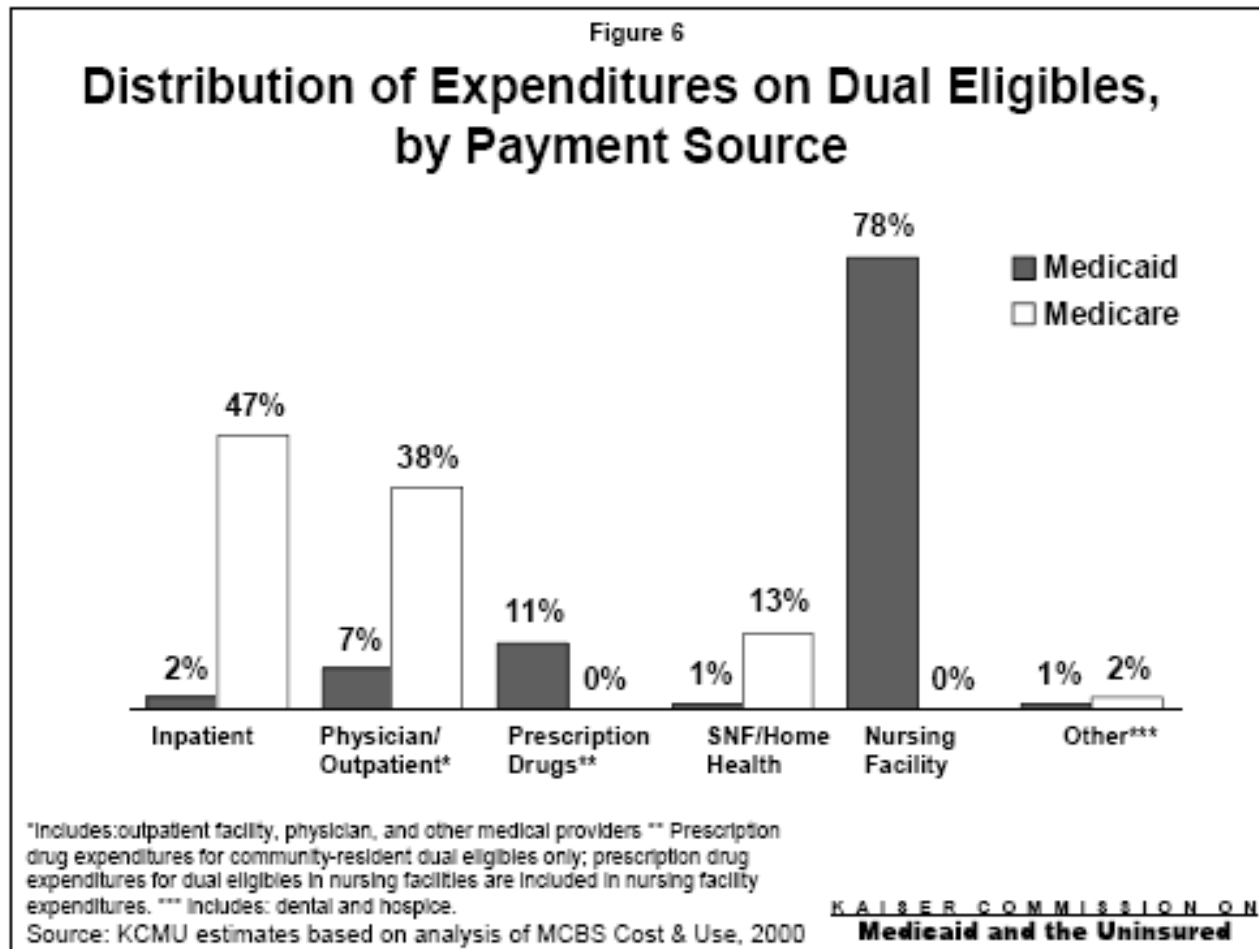


SOURCE: Medicare data are from Kaiser Family Foundation analysis of Medicare Current Beneficiary Survey 2002 Cost and Use File. Medicaid data are from KCMU estimates based on CMS data and Urban Institute estimates based on an analysis of 2001 MSIS data applied to CMS-64 FY2003 data.

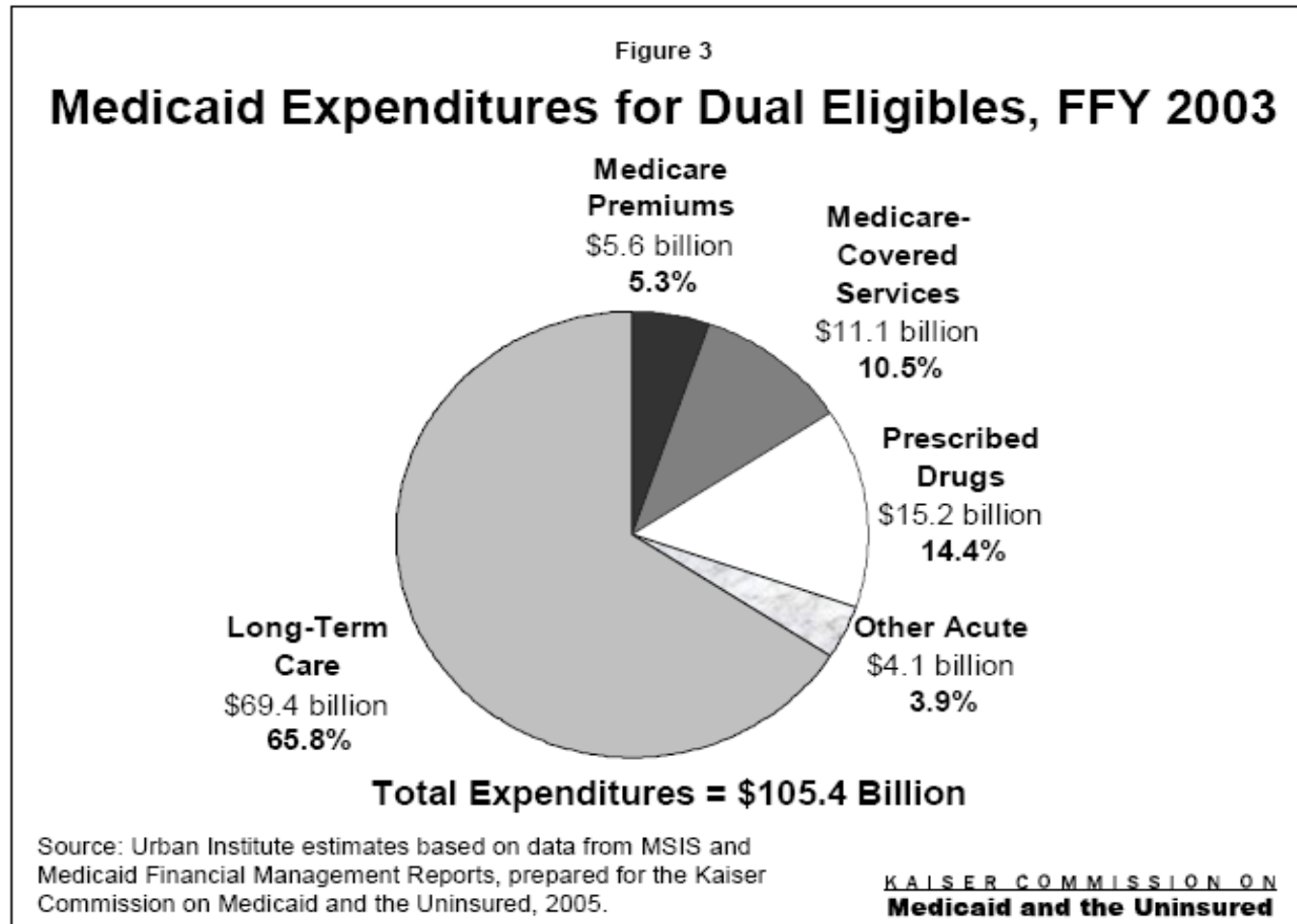
# Most of Medicaid's spending on dual eligibles is on long-term care services . . .



**... due to the lack of an extensive Medicare nursing facility benefit, compared to other Medicare benefits ...**

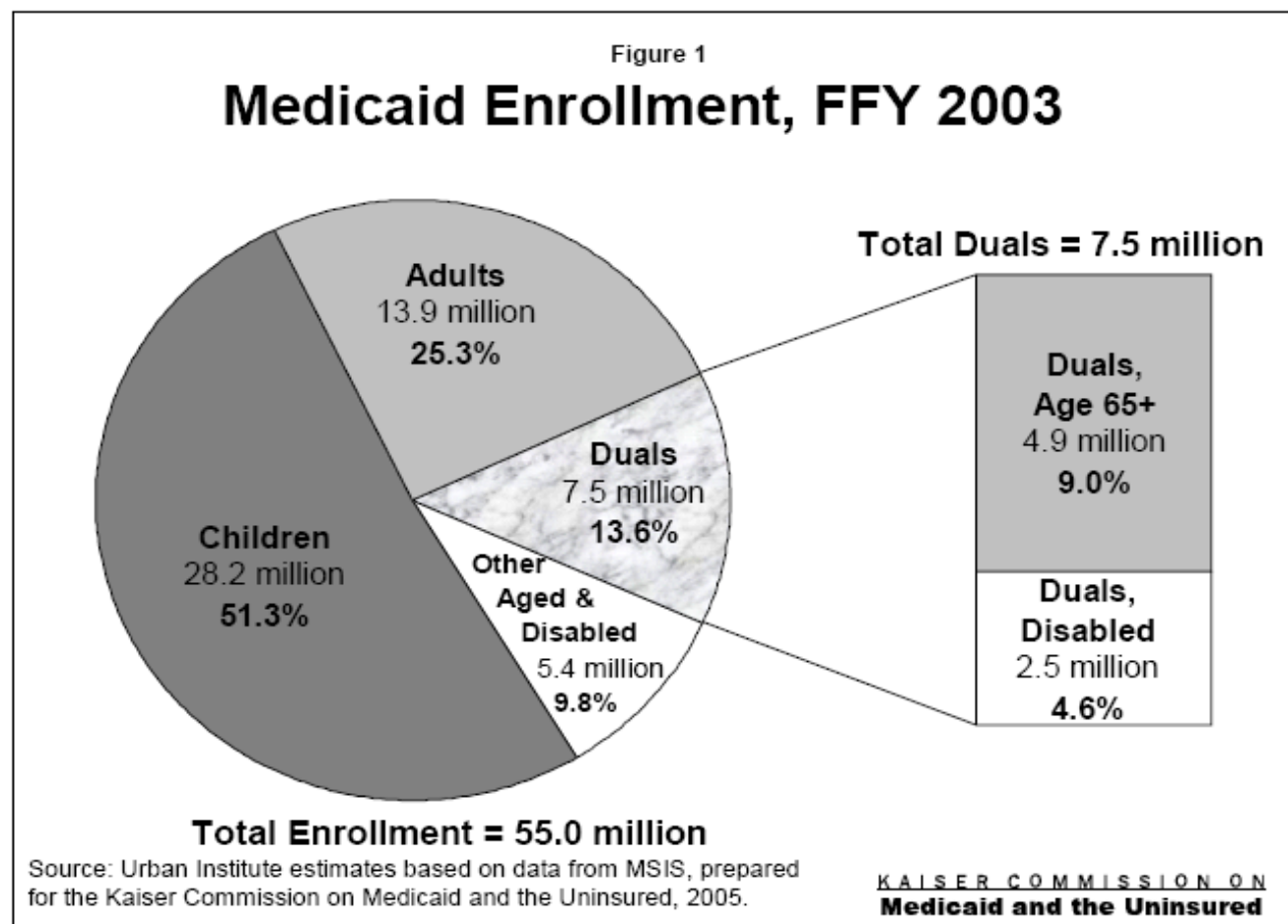


**... while the remainder of Medicaid spending plugs other gaps in Medicare's benefits and cost sharing.**





# Two-third of dual eligibles are eligible because of age; one-third because of disability.



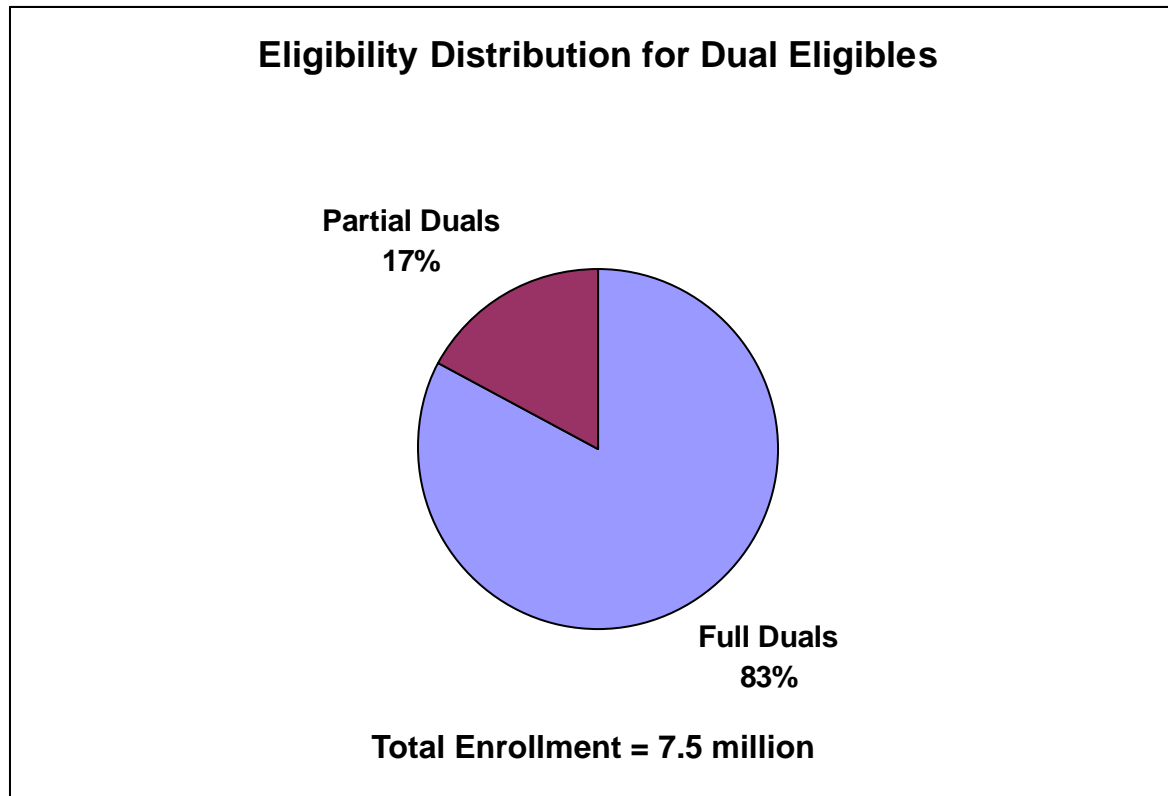
# **Dual eligibles include full benefit duals, and “Medicare savings” duals.**

---

- Entitled to Medicare and some level of Medicaid benefits
  - 6.2 million receive full Medicaid benefits (in addition to assistance with Medicare premiums and cost-sharing)
  - 1.3 million receive only assistance with Medicare premiums and cost-sharing (these individuals often are called “Medicare savings” duals)



# **“Medicare savings” duals don’t receive Medicaid benefits – just help with Medicare premiums and cost-sharing...**



# ...and fall into one of these four categories

<b>Table 1</b> <b>Common Medicaid Eligibility Pathways for Medicare Beneficiaries, 2003</b>			
	<b>Income Eligibility</b>	<b>Asset Limit</b>	<b>Medicaid Benefits</b>
<b>Medicare Savings Programs</b>			
<b>Qualified Medicare Beneficiaries (QMB)</b> (mandatory)	Up to 100% of the FPL* <sup>b</sup>	\$4,000 (individual) \$6,000 (couple) <sup>b</sup>	No Medicaid benefits. Medicaid pays Medicare premiums (Part B and, if needed, Part A) and cost sharing.
<b>Specified Low-Income Medicare Beneficiaries (SLMB)</b> (mandatory)	Between 100% and 120% of the FPL.* <sup>b</sup>	\$4,000 (individual) \$6,000 (couple) <sup>b</sup>	No Medicaid benefits. Medicaid pays Medicare Part B premium.
<b>Qualified Working Disabled Individuals (QDWI)</b> (mandatory)	Working, disabled individuals with incomes up to 200% of the FPL.*	\$4,000 (individual) \$6,000 (couple)	No Medicaid benefits. Medicaid pays Medicare Part A premium.
<b>Qualifying Individuals<sup>e</sup> (QI)</b> (optional)	Between 120% and 135% of the FPL.*	\$4,000 (individual) \$6,000 (couple)	No Medicaid benefits. Medicaid pays Medicare Part B premium. Federally funded, no state match. Participation may be limited by funding.

Table adapted from *Shifting the Cost of Dual Eligibles: Implications for States and the Federal Government*, Kaiser Family Foundation, November 2003



# Why does Medicaid supplement Medicare?

---

- Dual eligibles generally are below the poverty line – the floor is 74% FPL, the ceiling is 100% FPL
- Medicare does not offer a comprehensive benefit package (e.g., no coverage for most long-term care services)
- Medicare has a premium of \$78 per month for Part B
- Many Medicare-covered services have a cost-sharing component



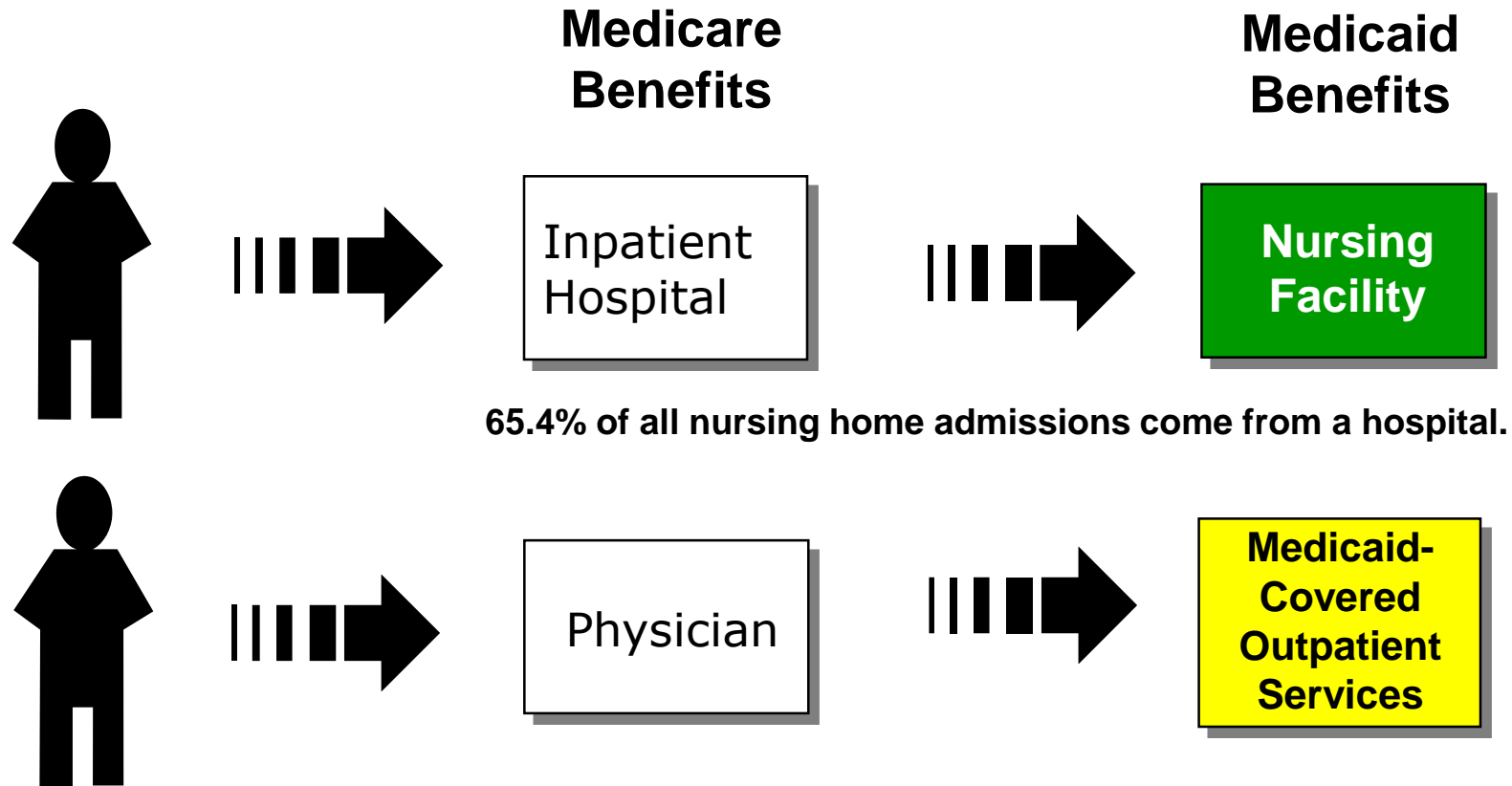
# Medicare decisions have a major impact on Medicaid.

---

- Cost sharing levels in Medicare
  - Medicare Part B premiums
  - Medicare Advantage premiums
- Utilization review decisions governing overlapping benefits
  - Skilled nursing
  - Home health
  - DME
  - Rx, in the aftermath of Part D
- Hospital discharges into nursing facilities
- Medicare-paid physicians order Medicaid-paid services



# Dual Eligibles: Medicare serves as a clinical gateway to Medicaid



# Questions

---

**Charles Milligan**  
**Executive Director, UMBC/CHPDM**  
**410.455.6274**

**[cmilligan@chpdm.umbc.edu](mailto:cmilligan@chpdm.umbc.edu)**

**[www.chpdm.org](http://www.chpdm.org)**



**CENTER FOR HEALTH PROGRAM  
DEVELOPMENT AND MANAGEMENT**

**UMBC**  
AN HONORS UNIVERSITY IN MARYLAND