

Enrolling Low-Income Beneficiaries in the Medicare Savings Programs: Pathways, Barriers and Program Impacts

Edith G. Walsh, PhD*; Sonja Hoover, MPP; Susan Haber, ScD; Walter Adamache, PhD • RTI International, Waltham, MA and Research Triangle Park, NC

*Presenter
RTI - 411 Waverley Oaks Rd.,
Suite 330 - Waltham, MA 02452
Phone 781-788-8100, x141
Fax 781-788-8101
Email ewalsh@rti.org
Web www.rti.org
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Abstract

Research Objective: The Medicare Savings Programs assist low-income beneficiaries with Medicare cost sharing requirements, but many eligibles are not enrolled. We sought to identify factors associated with enrollment, and barriers to enrollment; learn about the beneficiary experience of the enrollment process; and evaluate the extent to which these programs decrease financial burden for low-income Medicare beneficiaries.

Study Design: With data from the first national survey of enrollees and eligible nonenrollees, we used logistic regression to analyze the relationship between individual characteristics, health and social service utilization, and state program characteristics and enrollment. To evaluate program impacts, we analyzed differences between enrollees and nonenrollees in out-of-pocket health care expenditures, delaying care due to cost, difficulty paying for prescription medications, and supplemental insurance coverage, and how (or if) they had learned of the programs. Enrollees also responded to questions about their motivations and the enrollment process. Focus groups provided additional information and context regarding the enrollment process and beneficiary motivations.

Populations Studied: A national sample of enrollees identified using the Medicare TPEarth files (n=547). We identified eligible nonenrollees (n=405) using Census data to stratify ZIP codes by net worth, oversampling those with low net worth, and using screening questions to determine eligibility among those sampled. The 12 focus groups (conducted in six states) were divided between beneficiaries (enrollees and eligible nonenrollees) and helping professionals working with low income Medicare beneficiaries (e.g., State Health Insurance Program (SHIP) staff, housing service coordinators, hospital discharge planners, case managers, and others).

Principal Findings: The likelihood of enrollment increased with use of other community social services, poor self-rated health, female gender, and state program characteristics including more generous benefits (i.e., full Medicaid benefits to eligibles with incomes up to 100% of the federal poverty limit), investing in training outreach workers, and allowing self-declaration of assets. Over half of the respondents attend a place of worship, while less than 15% attend community or senior centers. Lack of awareness was the most common reason eligible beneficiaries had not applied, while enrollees learned of the program through multiple sources and personal contacts, and over half received help with the application process. Many enrollees and nonenrollees carry supplemental insurance coverage, with no evidence of crowd-out among enrollees. Both enrollees and nonenrollees reported substantial out-of-pocket medical expenditures, and delaying medical care or purchasing prescriptions due to cost, but enrollees were clearly better off, especially those receiving full Medicaid benefits. Knowledge of the programs was inconsistent among helping professionals in the focus groups, some of whom also described application problems associated with understaffed welfare offices.

Conclusions: These programs decrease, although they do not eliminate, the financial burdens experienced by low-income Medicare beneficiaries seeking medical care. Lack of program awareness among beneficiaries and professionals with whom they come in contact remains a barrier to enrollment.

Implications for Policy, Delivery, Practice: Enrollment could be increased by educating professionals serving low-income Medicare beneficiaries, increasing investment in the SHIP program, permitting self-declaration of income and assets, and targeting places of worship for outreach.

1. Objectives

- Examine impact of programs on enrollees
- Identify factors associated with enrollment
- Describe the beneficiary experience with enrollment
- Identify barriers to enrollment

2. Focus Group Design

- Conducted 12 focus groups in 6 states
 - Pre-tests conducted in MA and NH
 - Focus groups conducted in CO, IA, NC, & PA
 - States chosen based on
 - QMB/SLMB enrollment
 - Presence of State pharmacy program
- Groups consisted of
 - Enrollees and eligible nonenrollees
 - Social service professionals

3. Survey Design

- Used TPEarth to draw a sample of QMB and SLMB enrollees
- Used a multi-stage process to identify eligible nonenrollees
 - Selected a sample of non-dually eligible Medicare beneficiaries
 - Oversampled beneficiaries living in ZIP codes with a high percentage of elderly with low net worth (<\$5,000) to increase the likelihood that sampled non-enrollees would meet the eligibility criteria
 - Survey questions included to screen respondents for QMB and SLMB income and asset eligibility criteria

- Excluded from survey sample
 - 10 states because of limitations with TPEarth data
 - Beneficiaries under age 65
 - Beneficiaries who were not continuously eligible for Medicare in 12 months prior to selection
 - Beneficiaries with HMO coverage
- Oversampled 10 QMB-plus states

4. Sample Size

- 547 Enrollees
 - 466 QMBs
 - 81 SLMBs
 - (57% response rate)
- 405 Eligible Nonenrollees
 - 1534 (72%) responded, "hit rate" = 27%
 - 204 met both income and asset requirements
 - 201 met the income requirement only

5. Results from Surveys

Table 1. Sociodemographics

	Enrollees (%)	Eligible Nonenrollees (%)
Male	26.2	35.9 *
Race/ethnicity		***
White	53.7	70.6
Black	16.1	9.2
Hispanic	14.8	17.9
Other	15.5	2.3
Age 75+	67.6	56.3 *
Residence in MSA	70.5	68.9
Live alone	44.7	50.7

*** p<0.01, **p<0.10

Figure 2. Enrollees Use More Support Services

	Enrollees (%)	Eligible Nonenrollees (%)
Assistance received		
Help with personal health care	19.9	3.5 ***
Help with shopping, cleaning, laundry, preparing meals	24.5	7.9 ***
Meals on Wheels	7.5	7.6
Food Stamps	33.0	5.5 ***
Transportation services	16.3	7.6 **
Rent subsidies	24.7	0.7 ***
Attend...		
Community/senior center	15.7	12.9
Church/other place of worship	51.8	65.9 **

*** p<0.01, **p<0.05

Table 3. Enrollees Are in Poorer Health

	Enrollees (%)	Eligible Nonenrollees (%)
General health (%)		**
Excellent	1.8	3.7
Very good	7.8	8.6
Good	20.8	32.5
Fair	39.3	39.6
Poor	30.3	15.7
Number of times seen a doctor in the last three months (%)		***
None	8.7	12.4
1-2	37.9	55.5
3-4	30.6	14.7
4+	22.8	17.4
Average # of prescriptions taken weekly	3.7	3.0 ***

*** p<0.01, **p<0.05

Table 4. QMBs Have Fewer Out-of-Pocket Costs

	QMB (%)	SLMB (%)	Eligible Nonenrollees (%)
Per month	***/†††		
Zero	44.7	14.3	10.7
\$50 or less	35.0	33.9	35.2
\$51-100	11.1	22.7	20.1
\$101-200	4.4	18.1	15.1
more than \$200	4.8	11.1	18.9

*** Significantly different from the eligible nonenrollee sample at 0.01 level.
††† Significantly different from the SLMB-only sample at 0.01 level.

Table 5. QMBs Have Less Difficulty Paying for Medical Care

	QMB (%)	SLMB (%)	Eligible Nonenrollees (%)
Delay medical visits because of cost	35.0 *†††	53.7	46.0
Difficulty paying prescriptions	38.6 ***†††	65.0	57.7
Buy/take fewer prescriptions because of cost	29.2 ††	44.1	34.9
Choose between paying for medicines and paying other nonmedical bills	39.7 †††	56.6	40.8

Significantly different from the eligible nonenrollee sample: *** p<0.01, **p<0.10
Significantly different from the SLMB-only sample: ††† p<0.01, ††p<0.05

Table 6. QMB-Plus Beneficiaries Have Less Difficulty Paying for Prescriptions

	QMB-Plus (N=239)	Standard Benefit (N=227)
Delay medical visits because of cost	35.0	34.9
Difficulty paying prescriptions	30.7	43.1 **
Buy/take fewer prescriptions because of cost	21.4	33.9 ***
Choose between paying for medicines and paying other nonmedical bills	34.9	42.6

*** p<0.01, **p<0.05

Table 7. Why Beneficiaries Enroll

	Enrollees (%)
Precipitating event to enrollment	
Hospitalization	38.4
Change in family situation	24.4
Moved to subsidized housing	17.2
Closing of Medicare HMO	4.9
Other	24.2
Reasons for enrollment	
Help with medical bills	84.4
Deserve the benefits	70.8
Family thought I should	64.2
Doctor/other professional thought I should	62.2
Extra income	38.2

Respondents were allowed to answer yes to more than one category.

Table 8. Beneficiaries' Experience with the Application Process

	Enrollees (%)
Received help with application	66.7
Who helped with application ¹	
Family member or friend	62.2
Social worker or case manager	48.1
Office staff where I received application	39.5
Someone else	7.2
Ease of application ²	
Easy	31.8
Neither easy nor hard	56.0
Hard	12.2
Perceptions of application ¹	
Too long	33.1
Difficulty understanding questions	31.1
Too much documentation to gather	30.8
Needed to reveal too much information	26.3

NOTES: ¹ Respondents were allowed to answer yes to more than one category.
² Columns add to 100% within category.

Table 9. Barriers to Enrollment

	All Eligible Nonenrollees (%)	Eligible Nonenrollees Who Have Heard of the Programs (%)
Reasons for not enrolling in the programs		
Never heard of the programs	79.0	—
Do not know how to apply	—	27.3
Do not think I would qualify	—	22.2
Application required too much information	—	18.6
Application is too long / too difficult	—	15.3
Do not want assistance	—	15.1
Concern about estate recovery	—	14.7

Respondents were allowed to answer yes to more than one category.

Additional Obstacles to Enrollment (Learned from Focus Groups)

- The sum of contracted services, depreciation, building/facilities, supplies, materials, other miscellaneous resources, and overhead charges is \$100,000.
- Lack of knowledge on the part of professionals
- Problems with staffing at the local welfare offices
- Beneficiaries' need for assistance
 - Illiteracy, physical or cognitive impairments, lack of transportation
- Potential impact on other benefits
 - Rent subsidies, Medicaid spend-down
- Recertification
- Beneficiary attitudes
 - Pride, lack of trust, privacy, negative experience

Table 10. Enrollees Learn About the Programs Through Personal Contact

	Enrollees (N=424) (%)	Eligible Nonenrollees (N=125) (%)
Through a social worker or health care professional	50.0	10.2 ***
Friend or relative	42.6	37.0
Visit to community agency/government office	39.5	16.5 **
Printed materials	30.5	52.5 **
Radio/television	18.9	43.8 **
Presentation/talk	8.0	7.3

Respondents were allowed to answer yes to more than one category.
*** p<0.01, **p<0.05

6. Multivariate Analysis Predicting Enrollment

- Estimated logits to predict enrollment
- Independent variables
 - Sociodemographic characteristics
 - Health status
 - Receipt of other assistance
 - Attendance at senior center / place of worship
 - State program characteristics

Table 11. Individual Characteristics Predicting Enrollment

	Odds Ratios
Male	0.45 ***
African American	2.03 **
Poor Health	3.18 ***
Receipt of any Community or Government Assistance	7.76 ***
Attend church/other place of worship	0.49 **

Note: Reference groups are females, white beneficiaries, beneficiaries in excellent or very good health.
*** p<0.01, **p<0.05

Table 12. State Program Characteristics Predicting Enrollment

	Odds Ratios
QMB Plus	3.51 ***
Training outreach workers	1.99 **
Self-declaration of income and assets	1.87 **
Automatic screening for QMB/SLMB benefits when applying for other benefits	0.29 ***

*** p<0.01, **p<0.05

7. Discussion

- Factors associated with enrollment
 - Personal contact learning about programs
 - Training outreach workers
 - Receiving other types of assistance
 - Hospitalization
 - Poor health
- Barriers to enrollment
 - Not aware programs exist (beneficiaries and professionals)
 - Aspects of the application process
 - Fear of estate recovery
- Impact of programs on enrollees
 - Lower out-of-pocket costs
 - Less delays in seeking care
 - Less difficulty paying for prescriptions
 - Greatest impact for QMB-plus enrollees who receive full Medicaid benefits
- However, financial burdens persist
 - Out-of-pocket medical expenses
 - Choosing which bills to pay

8. Policy Implications

- Target outreach efforts to those in the community who can identify nonenrollees
 - Focus education efforts on social service professionals
 - Increase investment in SHIP
 - Train welfare office workers to become specialists
- Modify eligibility requirements and application process
 - Liberalize asset requirements
 - Accept self-declaration of income and assets
 - Simplify or eliminate recertification
 - Eliminate estate recovery

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