

Helping Eligible Medicare Beneficiaries Access Medicaid: Lessons from SCHIP

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For the low-income elderly and disabled, Medicaid can cover some or all of the out-of-pocket expenses that remain after Medicare coverage. However, Medicaid participation for these groups is low. For example, at best, only about 60 percent of the elderly who are eligible for Medicaid are enrolled in it (O'Brien and Rowland, 1999; Rupp and Sears, 2000; Nadel et al., 2000). Using

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recent experience in promoting enrollment of low-income children in the State Children's Health Insurance Program (SCHIP), this *Operational Insights* examines barriers to Medicaid enrollment that exist for eligible Medicare beneficiaries and steps that may remove these barriers.

Barriers to Medicaid Coverage

Many dual-eligible Medicare beneficiaries do not enroll in Medicaid because they know little or nothing about it and do not think they qualify (Perry, Kannel, and Dulio, 2002; GAO, 1999; Neumann et al., 1994). Typically, they do not recognize themselves as low-income and are used to "getting by on their own" (Perry, Kannel, and Dulio, 2002). In addition, some Medicare beneficiaries are discouraged from enrolling in Medicaid because of the stigma associated with it (Stevens and Mittler, 2000; Alecxih et al., 2000; Neumann et al., 1994). Recent focus groups, however, suggest that once they know more about the Medicaid program, Medicare beneficiaries want to enroll (Perry, Kannel, and Dulio, 2002).

Despite some improvement since 1997, Medicaid's eligibility rules are complex and depend on beneficiaries' income level and assets (see Table 1). Enrolling in Medicaid is still a difficult process in many states, with lengthy applications and verification and face-to-face meeting requirements (Nemore, 1999). Seniors in focus groups who had enrolled in Medicaid reported they needed help to get through the process, and that the helpfulness of the caseworkers varied widely (Perry, Kannel, and Dulio, 2002).

With the exit of many Medicare + Choice plans from the market (Gold and McCoy, 2002), some beneficiaries are left with only a

choice of MediGap plans with premiums that tend to be unaffordable even to those with moderate incomes (Stevens and Young, 2001; Young and Mittler, 2002). Raising Medicaid enrollment rates may make health care more financially accessible to low-income Medicare beneficiaries. This is particularly important because Medicare beneficiaries with low incomes are twice as likely to report fair or poor health as those with higher incomes (O'Brien and Rowland, 1999).

Programs Targeting Dual Eligibles

The Centers for Medicare and Medicaid Services (CMS), previously called the Health Care Financing Administration (HCFA), has several programs underway to promote Medicaid enrollment for eligible Medicare beneficiaries. These include mailing notices to prospective enrollees, distributing pamphlets about the programs, advertising in the media, developing a three-page model application form for states to adapt or adopt, and developing a section on the Medicaid program in its *Medicare & You* handbook for beneficiaries (GAO, 1999; CMS, 2002). In addition, the National Medicare Education Program, designed to educate beneficiaries about their benefits, includes several components that can link beneficiaries to information and assistance about Medicaid eligibility and enrollment, including a toll-free helpline

Table 1

Dual-Eligible Program Income Standards and Benefits, 2000

	INCOME LIMITS*		Benefits Medicaid Pays For
	Individual	Couple	
Qualified Medicare Beneficiary with full Medicaid (QMB Plus)	Meets state-specific Medicaid income and asset eligibility criteria as well as federal QMB requirements	Meets state-specific Medicaid income and asset eligibility criteria as well as federal QMB requirements	Medicare's Part A and B premiums, deductibles, and coinsurance and full Medicaid benefits
QMB	≤100% FPL	≤100% FPL	Medicare's Part A and B premiums, deductibles, and coinsurance
Specified Low-Income Medicare Beneficiaries with full Medicaid (SLMB Plus)	Meets state-specific Medicaid income and asset eligibility criteria as well as federal SLMB requirements	Meets state-specific Medicaid income and asset eligibility criteria as well as federal SLMB requirements	Medicare's monthly Part B premiums and full Medicaid benefits
SLMB	Between 100% and 120% FPL	Between 100% and 120% FPL	Medicare's monthly Part B premiums
Qualifying Individuals 1 (QI-1)	Between 120% and 135% FPL	Between 120% and 135% FPL	Medicare's monthly Part B premiums
Qualifying Individuals 2 (QI-2)	Between 135% and 170% FPL	Between 135% and 170% FPL	A small part of Medicare's monthly Part B premiums

*An individual or couple cannot have resources that exceed twice the limit for Social Security Income eligibility. In addition, slightly higher income limits are allowed in Alaska and Hawaii.

SOURCE: Health Care Financing Administration, 1999.

(1-800-MEDICARE) and beneficiary counseling and other services from State Health Insurance Assistance Programs.

In October 1998, HCFA wrote to state Medicaid program directors suggesting they develop outreach and enrollment strategies modeled on those used for SCHIP. A series of five regional training sessions in 1999 brought HCFA staff together with states and others to focus on enrolling more low-income Medicare beneficiaries, and several grants were awarded in 2000 to encourage states to build partnerships for innovative ways to do this. Many state Medicaid programs also are trying to reach these beneficiaries to various degrees and with varying effectiveness (Rosenbach and Lamphere, 1999; Shaner, 1999).

Lessons from SCHIP

Implementation of SCHIP led to an unprecedented focus by policymakers, advocates, and others on how to effectively reach a population that needs but does not necessarily seek out financial assistance with health care costs. Their experience highlights a number of enrollment strategies that can be used to bring more low-income Medicare beneficiaries into Medicaid (see Table 2).

Developing Partnerships. To improve access to insurance coverage under SCHIP, states have recognized the importance of partnerships with other public- and private-sector organizations. Many states are working closely with community-based organizations, schools, health care organizations, advocacy groups, and other relevant units within the state, such as the Title V Maternal and Child Health Services Block Grant, to maximize their outreach efforts (AMCHP, 2000). These organizations interact with the target population of children, allowing the state to leverage existing community resources and relationships for more effective outreach.

Numerous efforts used by SCHIP are particularly relevant to enrolling Medicare's dual eligibles. Examples include:

- *Developing an appealing image of the program.* Attractive and compelling ad campaigns promoting the message that SCHIP provides affordable health coverage for uninsured children in working families help reduce the stigma of public programs and encourage enrollment (Perry et al., 2000).
- *Using the media effectively.* Some states reported that radio was particularly

effective in rural areas, and many found advertising on foreign language radio and television stations to be a good way to reach minority populations.

- *Developing creative approaches.* Tips from the National Governors Association (NGA) for enrolling children include persuading the business community to stuff promotional cards into retail bags at discount department stores, pharmacies, and retail outlets; distributing program information with employees' paychecks; placing program information and a toll-free hotline number on grocery store bags and the side panels of milk cartons; and developing posters and billboards for mass transit. The CMS Web site includes other examples (www.cms.hhs.gov/schip/outreach).
- *Providing in-depth information.* In most states, families can call toll-free for more information, and, in some cases, helpline staff may assist the family immediately with the application. Provider groups in 28 of 33 states studied also helped with outreach (Mickey, 1999). NGA suggests developing a promotional video to play in providers' waiting rooms and at sites where SCHIP eligibility is determined, and educating

Table 2

Strategies Used under SCHIP that Could Be Applicable for Enrolling Low-Income Medicare Beneficiaries

Type of Strategy	Extent of Use under SCHIP
CREATING AN APPEALING PROGRAM IMAGE AND EDUCATING ABOUT THE PROGRAM	
Program has a friendly name	About 35 states ¹
Use television, radio, and print to promote the program.....	All states ¹
Conducted market research to develop and test ads.....	Half the states ¹
Some ads translated into Spanish and/or other languages.....	Most states ¹
States working with diverse community-based organizations in outreach efforts.....	All states ¹
Direct mailings to potential beneficiaries	23/33 states studied ²
Targeting outreach to Hispanic and other ethnic communities.....	16/33 states studied ²
Provider groups helping with outreach	28/33 states studied ²
MAKING ENROLLMENT AND RE-ENROLLMENT CONSUMER-FRIENDLY	
Shortened application forms to 4 pages or less.....	Over 20 states ³
Eliminated face-to-face interview requirements and moved to a mail-in process.....	Close to 40 states ³
Eliminated assets test.....	Most states ³
Translated application	
Spanish.....	40 states ⁴
Other languages.....	7 states ⁴
Allow self-declaration of income.....	13 states ^{4,5}
Prefill information on renewal forms based on initial application	In process in 3 states ³
Presumptive eligibility	9 states ⁶
Passive renewal (eligibility continues if no changes to the form are reported).....	3 states ⁶
Distribution of applications through health care providers, churches, libraries, and other organizations.....	Many states ⁷
Stationed eligibility workers in community settings (other than welfare offices).....	One fourth of states ⁷
PROVIDING APPLICATION ASSISTANCE⁷	
Toll-free helpline for information and to request applications	Most states
Toll-free helpline with staff who help families fill out an application and send it to the family for signature and needed documents	Some states
Use of groups and individuals not employed by the state to help families with applications	Several states
Application can be printed from the relevant Web site	Several states

Notes:

1. Perry et al., 2000. 2. Mickey, 1999. 3. Rosenbach et al., 2001. 4. CMS, 2001. 5. Cox, 2001. 6. Springer and Goldberg, 2002. 7. OIG, 1999.

providers about the program through professional association conferences (NGA, 1998).

Simplifying Enrollment. Most states have streamlined their SCHIP application and renewal policies and forms. By 2000, more than 20 states had cut their application forms to four pages or less. This was done in many states by removing the assets test and eliminating program verification information. Several states adopted quality control procedures that reduced administrative costs for application processing (Smith, Ellis, and Chang, 2001).

Application and renewal processes were also made more consumer-friendly. About 40

states now accept mail-in applications for SCHIP (and often include postage-paid return envelopes) (Rosenbach et al., 2001).

However, several states reported they receive more incomplete applications with the mail-in process, which lengthens the eligibility determination process. To address this, Kentucky provides reminders on the application envelope that list “must-do’s” for the application (Rosenbach et al., 2001). Many states also have eligibility staff working in the community.

Reaching Adult Caregivers. SCHIP’s outreach efforts focus directly on adult care-

givers, including parents and grandparents. For example, the Internal Revenue Service provides information on SCHIP and Medicaid to Voluntary Income Tax Assistance volunteers helping families to complete their income tax returns. Recognizing the importance of grandparents as caregivers, information on SCHIP and Medicaid is included in cost-of-living adjustment notices and *Medicare & You*, which is sent to all Medicare beneficiaries annually.

Creative Initiatives to Promote SCHIP

Once enrolling uninsured children became a national priority, financial and nonfinancial assistance began to come from many quarters. The federal match rate for Medicaid was increased for SCHIP, which means that states receive more dollars for every dollar spent on this population relative to others on Medicaid. Foundations also fund outreach efforts, including The Robert Wood Johnson Foundation’s *Covering Kids* initiative, which provides \$47 million over three years to states and local coalitions to increase enrollment.

Other national-level initiatives include the *Insure Kids Now!* campaign, which links individuals seeking information about Medicaid and SCHIP to state-specific information through a Web site and toll-free number, and *Insure Kids Now through Schools*, which includes a mailing from the U.S. Secretary of Education to all state superintendents of education and elementary school principals. Outreach is also sponsored by the private sector, including programs at Safeway, Kmart, and McDonald’s. For example, in New York, McDonald’s placed ads for the program on its tray liners (CMS, 2002).

Although CMS, NGA, and others have promoted creative outreach strategies for states to implement SCHIP—for example, through the CMS Web site and conferences—there is little evidence about which of these efforts are most effective, pending results of ongoing evaluations (Barents Group, 2000).

Adapting SCHIP Strategies

Expanding Outreach Partners. While most states use pamphlets and posters, and many have used direct mail to advertise the dual-eligibles program, they have not partnered, translated materials into other languages, or market tested the materials as extensively as they have for SCHIP (Nemore, 1999; Shaner, 1999). Ad campaigns similar to those used for SCHIP could reduce stigma where it is a barrier to enrollment and help low-income elderly become aware that they might be eligible for assistance. Another idea to increase enrollment that showed potential in a recent demonstration is to send letters to likely eligible Medicare beneficiaries (Alexih et al., 2001).

States could do more to build relevant partnerships, even using some of the same relationships built for SCHIP. In a 1999 survey, states noted the usefulness of creating partnerships with the state Office on Aging or Area Agencies on Aging as a way to get the word out to dual eligibles (Shaner, 1999). Beyond groups that relate directly to the elderly—just as children were reached for SCHIP enrollment through their parents and grandparents—seniors might be reached through their children or grandchildren. One difficulty in identifying eligible Medicare beneficiaries directly is that since they already have an insurance card, unlike the eligible SCHIP population, it may not be obvious to health care providers or others that they need financial assistance.

Researchers also found that education beyond a single-phrase message is critical (Perry, Kannel, and Dulio, 2002). More than the SCHIP population, dual eligibles prefer learning from other people face-to-face. While State Health Insurance Assistance Program staff disseminate information about Medicaid and assist beneficiaries with the enrollment process, there is a lack of formal coordination between them and Medicaid agencies (Rosenbach and Lamphere, 1999). In addition, site visits indicate that most

Disabled Medicare Beneficiaries

The disabled on Medicare—a sizeable group, with 31 percent having no supplemental coverage, and 41 percent of that group having incomes of \$10,000 or less (Gold and Stevens, 2001)—may have barriers to enrollment in Medicaid that differ from those the elderly face. For example, information sources used by and organizations that serve disabled communities are somewhat different from those that serve seniors (Gold and Stevens, 2001). Unfortunately, there is little research on strategies specific to this group, so this *Operational Insights* does not deal specifically with how lessons apply to this subgroup.

State Health Insurance Assistance Program staff do not address Medicaid consistently (personal communication with Beth Stevens and Jessica Mittler, August 2002).

Besides improving this consistency, other promising strategies include conducting seminars about Medicaid in senior communities (Perry, Kannel and Dulio, 2002), using medical providers to reach seniors who may be experiencing the highest out-of-pocket costs and are most medically vulnerable, and using the Social Security Administration and other groups with databases to identify potentially eligible beneficiaries (Nemore, 1999; Rosenbach and Lamphere, 1999; Nadel et al., 2000.)

Becoming More Consumer-Friendly. In contrast to the SCHIP enrollment process, the process to enroll low-income elderly in Medicaid typically remains cumbersome, due in large part to the assets test. Using flexibility offered under section 1902(r)(2) of the Medicaid statute, states can eliminate the assets test, as Alabama has done for all dual eligibles and New York for some (Shaner, 1999), or they can loosen or eliminate verification requirements to streamline the process. Eight states allow self-declaration of assets and three allow self-declaration of income (Shaner, 1999). Nearly 85 percent of all beneficiaries with incomes at or below 100 percent of the poverty level have assets worth less than \$12,000,

suggesting that the pool of Medicare beneficiaries otherwise eligible for Medicaid is mostly not rich in assets (Moon, Friedland, and Shirey, 2002). Alternatively, federal policymakers could decide to eliminate or lessen requirements for the assets test as a way to expand access to care (Moon, Friedland, and Shirey, 2002).

Medicaid still has a long way to go to become more consumer-friendly in its application process for dual eligibles. As of 1999, only about 11 states of 41 surveyed reported having applications that are one to four pages, often with larger-size type and more room to respond (Shaner, 1999). As under SCHIP, many states allow mail-in applications and renewals for dual eligibles, but some still require in-person interviews (Shaner, 1999; Perry, Kannel, and Dulio, 2002).

Moving from Concept to Reality

Some of the outreach strategies used to increase SCHIP enrollment, such as creative partnering, can be implemented for dual eligibles without changes in state policy or processes. Others, such as simplifying and streamlining the application process, need a concerted effort by state Medicaid agencies. However, given the tight fiscal environment in states, many may be reluctant to initiate changes that would increase Medicaid enrollment and costs.

At the national level, an expanded, easy-to-locate Web site similar to the SCHIP outreach

site could be useful for sharing techniques that states use to increase enrollment and disseminate relevant research results (Alecxi et al., 2001) as well as model application forms and other tools (CMS, 2002). Beyond informa-

tion, the federal government could change the financial incentives for states to improve enrollment, as it did for SCHIP.

Thoughtful translation of some of the strategies and lessons from the SCHIP

experience should help boost the health of low-income older and disabled Medicare beneficiaries for whom enrolling in Medicaid is now either an unknown option or too formidable a process. □

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