

# Medicaid's Role for Dual Eligibles

## MEDICAID PROVIDES ASSISTANCE WITH MEDICARE PREMIUMS AND COST-SHARING

Sheila Malone  
Waterville, ME



*"I need to be independent...I couldn't even afford the wheelchair, my copay, if I didn't have Medicaid. These things actually keep me independent, these programs."*

Sheila Malone, a 66-year-old former nurse, suffers from a multitude of health problems stemming from her exposure to "DES," a drug her mother took while pregnant to reduce her risk of miscarriage. DES has been linked with cancers and other anomalies in girls and women who were exposed to it in utero.

At age 8, Sheila had colon cancer and her first of many cancer surgeries. Later, she developed bone deformities, and polio as well. Sheila has also had skin cancers, and breast, cervical and ovarian cancer, and she is diabetic. After her last surgery 8 years ago, her doctors did not think she would be able to eat solid food again or live long. She surprised them.

Sheila has Medicare, but she also qualifies for assistance from Medicaid due to her low income. Although she is not eligible for the extra services Medicaid covers, like eyeglasses and the surgical support stockings she needs, Medicaid's "Medicare Savings Program" covers her monthly Medicare Part B premium of \$115.40, her Medicare deductibles, and the 20% cost-sharing charged for most services she receives. Sheila receives other assistance, too. The federal Low-Income Subsidy program pays her premium and deductible for the Medicare Part D prescription drug program and protects her from the Part D "donut-hole." Maine's Drugs for the Elderly or Disabled program reduces the copays for her 10 or so prescriptions to a few dollars each.

Sheila estimates that without the assistance she receives, her drugs alone would cost her \$300 per month. Plus, she would face 20% coinsurance for the doctor visits and scans she needs regularly. The coinsurance on her wheelchair would cost her more than she makes in a month. Sheila does not know what she would do without Medicaid and the other help she receives.

## MEDICAID COVERS NURSING HOME CARE NOT COVERED BY MEDICARE

Patricia Clark  
Scranton, Pennsylvania



*"She's very content here...but she would not have any of this without Medicaid, honestly. It would be a disaster for her." — Patricia's daughter, Jill*

About four years ago, Patricia Clark, now 86, went into the hospital for a hip replacement. Patricia had had health problems over the years, but she was doing well at the time, except that her declining mobility was making it increasingly difficult to live independently. A new hip was expected to improve things greatly for her. Unfortunately, Patricia suffered a debilitating stroke in surgery, and she was left unable to get around on her own or live by herself. She was moved to a rehabilitation center but did not improve, and she now lives there as a nursing home resident.

Medicare pays for most medical care that Patricia needs, but Medicaid pays for her nursing home care, and it also covers Medicare's premiums and cost-sharing, keeping her out-of-pocket costs low. At a cost of about \$7,000 per month, Patricia could not afford her nursing home care on her own. Her only income is Social Security and a very small pension from her late husband – a total of about \$1,100 a month. All of this goes to the nursing home, except for a small personal allowance of \$45 a month. Likewise, when Patricia's home, which will soon be on the market, sells, the proceeds will go to the state toward her nursing home costs.

Without Medicaid, it is unclear how Patricia would manage. Before her hip surgery, she lived in rural Pennsylvania, miles from the nearest town. As her walking and ability to perform everyday tasks declined, her daughter Jill found the 24-hour care her mother needed extremely hard to come by. Also, Patricia was lonesome and isolated and her family worried constantly about her safety. Jill says Medicaid changed her mother's life. At the nursing home, Patricia socializes, all her needs are met, she is well cared for, and her health is good.

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## MEDICAID COVERS SERVICES THAT HELP INDIVIDUALS WITH DISABILITIES LIVE INDEPENDENTLY

Edward Henry  
Brunswick, Georgia

*"I really wanted to leave the nursing home but was told there were no funds to help me. Then a social worker came and told me about Medicaid's MFP program."*

Edward Henry, age 64, lives independently now, after spending three years in various nursing homes across his home state of Georgia. He first entered a nursing home following the amputation of both his legs due to an infection. Edward describes the care he received in the nursing homes as "alright," but his goal was to leave and live on his own.

With limited savings and his disability, Edward became dually eligible for both Medicare and Medicaid soon after entering the nursing home. A Medicaid initiative known as the Money Follows the Person (MFP) demonstration made Edward's transition home possible. Under the MFP program, the federal government provides funding to transition individuals living in institutions back to the community.

A social worker in the nursing home told Edward about MFP. MFP helped coordinate Edward's transition, helping him find an affordable senior-living apartment complex, setting him up with household furnishings, and connecting him to a network of providers in the community. Overall, he is in good health, though he takes medicine for his heart. With Medicaid's help, Edward receives homemaker and meal services a few hours each day. Medicaid also pays for his power wheelchair, which enables him to grocery-shop and get around town. He does daily exercises to keep his upper body strong, making him capable of transferring independently. Edward says the best part about being home is something quite simple – the freedom to choose what and when he wants to eat. Edward is enjoying his new independence and stays active going to church and attending bible study.

## MEDICAID HELPS NURSING HOME RESIDENTS MOVE BACK TO THEIR COMMUNITIES

Karen Palacios  
Toledo, Ohio



*"I'm highly satisfied with Medicaid and Home Choice; they are there if I need anything."*

Karen Palacios, age 42, suffers from multiple chronic conditions, including diabetes, a thyroid condition, effects of a stroke, and depression. Karen has been dually eligible for Medicare and Medicaid since 1994 due to her disability and low-income. For seven years, she lived in a nursing home because she could no longer perform basic everyday activities with her hands, such as lifting pots and pans. However, after being accepted into Medicaid's "Money Follows the Person" program, Karen was able to make the transition back to living independently in the community.

Karen's transition took six months. During that time, she attended occupational therapy to help her gain the skills to live alone, but what took the longest was arranging housing. A transition coordinator helped her locate an apartment, set up bills, and furnish the apartment with the \$2,000 budgeted by Medicaid for community transition services.

Living on her own since August 2010, Karen finds the privacy and quiet to be the best parts of being home. She hopes to get more involved in community activities, but managing her chronic conditions remains a daily struggle. Karen takes a wide range of prescription drugs and relies on a walker, a wheelchair, and a personal care aide who comes for four hours each day and a nurse who comes once a week. She also receives counseling services and case management, and she uses medical transportation for doctor appointments. Karen appreciates the support of the Medicaid MFP program, which has enabled her to live independently in her community and filled important gaps in her Medicare benefits.

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"Dual eligibles" are low-income seniors and younger persons with disabilities who are enrolled in both the Medicare and Medicaid programs. Dual eligibles, who number 9 million today, are generally poorer and sicker than other Medicare beneficiaries and often have complex medical and long-term care needs. Medicaid fills in gaps in Medicare coverage for these individuals, paying their monthly Medicare premiums and the cost-sharing charged for many Medicare services. In addition, for most dual eligibles, Medicaid covers a range of benefits not covered by Medicare, including long-term care, hearing aids and eyeglasses, and dental care.