



# MAKING ENDS MEET: ELDER ECONOMIC SECURITY

A Quick Reference Guide On:  
Medicare Savings Plans: QMB, SLMB & QI

*Monthly Tools and Information*  
*From the Elder Economic Security Initiative™ Program*

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## Update on the National Initiative

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As a result of the national audio news conference and additional media alerts, WOW continues to bring attention to the issues of elder economic security! A great piece on the national project was included in the most recent addition of the [50 Plus Advocate](#). WOW was interviewed by ABCNews.com regarding the subprime mortgage foreclosure issue and the impact it is having on elder economic security. The Older Americans Report has also interviewed WOW on the Initiative and plans to run a piece on the work in July.

We are also pleased to report the successful launch of the work in Illinois in partnership with long time advocate Martha Holstein at the [Health and Medicine Policy Research Group](#) (HMPRG). The launch events included a [press briefing](#) at the Chicago Foundation for Women with speakers such as The Honorable Representative Jan Schakowsky, well-known Chicago area physician and advocate Claudia Fegan, renowned actuary Anna Rappaport and representatives from The Gerontology Institute, WOW and HMPRG. Following the press event a comprehensive briefing was held at the [Illinois Department on Aging](#) where the [Elder Economic Security Standard Index for Illinois](#) and the [policy brief](#) were shared in detail. The press is already picking up on the work with the print of a piece in [The Chicago Tribune](#), the [Community Media Workshop](#) and [The Daily Chronicle](#).

We look forward to the upcoming launch of the Initiative in Wisconsin where the [Wisconsin Women's Network](#) plans to hold press briefings in Madison, Milwaukee and in Green Bay at the annual Wisconsin Coalition of Aging Groups convention. We will keep you posted!

Finally, earlier this month WOW staff had the opportunity to present the work of the Initiative before over 250 enthusiastic local services providers and advocates in New Jersey at the annual New Jersey Foundation on Aging annual convention. By the reception of the group, we look forward to rolling the work out in New Jersey!

## WHAT and WHY it Matters

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### WHAT are Medicare Savings Programs?

Medicare Savings Programs (MSPs) provide assistance to low-income Medicare recipients with the cost of out-of-pocket health expenses, including Medicare premiums, co-pays and deductibles. In your state, MSPs may be called by a different name. The MSPs are part of Medicaid and with respect to financial eligibility requirements states have authority to make some adjustments to income or asset rules. To learn more about the specifics of MSPs in your state, click [HERE](#).

There are four MSPs: the Qualified Medicare Beneficiary Program (QMB), the Specified Low-Income Beneficiary Program (SLMB), the Qualifying Income Program (QI) and

Qualified Working and Disabled Individuals (QWDI). To receive QWDI, a person must be working, disabled and younger than 65 years old. As such, seniors are more likely to be enrolled in QMB, SLMB and QI. QMB and SLMB are funded by state governments with a federal match; whereas, QI is fully federally funded. All three programs must adhere to Supplemental Security Income (SSI) eligibility rules; however states are permitted to use less restrictive eligibility methodologies as permitted by Section 1902(r)(2) of the Social Security Act.

### Qualified Medicare Beneficiary Program (QMB)

**Eligibility Requirements:** An individual must...

- ✓ be eligible for Medicare Part A,
- ✓ have a monthly income at or below 100% of the Federal Poverty Level (FPL) (\$866.67 per month plus a \$20 disregard or \$10,400 annually plus the monthly \$20 disregard for 2008), and
- ✓ have personal assets, including cash, bank accounts, stocks and bonds, totaling *less than \$4,000 for an individual and less than \$6,000 for a married couple.*

**Benefit:** If eligible, QMB will pay the...

- ✓ Medicare Part A monthly premiums, if the individual is not eligible for premium-free Part A,
- ✓ Medicare Part B monthly premiums (\$96.40 per month in 2008) and annual deductible (\$135 in 2008), and
- ✓ Co-insurance, co-payments and deductible for services covered by Medicare Parts A and Part B.

### Specified Low-Income Beneficiary Program (SLMB)

**Eligibility Requirements:** An individual must...

- ✓ be eligible for Medicare Part A,
- ✓ have a monthly income between 100% to 120% the Federal Poverty Level (FPL) (between \$866 to \$1,040 per month or \$10,400 to \$12,480 annually in 2008), and
- ✓ have personal assets, including cash, bank accounts, stocks and bonds, totaling *less than \$4,000 for an individual and less than \$6,000 for a married couple.*

**Benefit:** If eligible, SLMB will pay the...

- ✓ Medicare Part B monthly premiums

### Qualifying Income Program (QI) (Limited Expansion program of SLMB)

- ✓ Each year a limited amount of funds are made available to states by the federal government to expand the SLMB program to low-income individuals with incomes between 120% and 135% of FPL (between \$1,040 to \$1,170 per month or \$12,480 to \$14,040 annually for 2008) and personal assets, including cash, bank accounts, stocks and bonds, totaling *less than \$4,000 for an individual and less than \$6,000 for a married couple.*

Individuals must reapply for benefits every year and the program operates on a first come first serve basis. Once the available funds are diminished, no other individuals are able to receive benefits for that year

*\*\*Special thanks to the National Council on Aging staff in the Public Policy/Advocacy division and the Access to Benefits Coalition for their help with this section!\*\**

**Check out the website!**

Visit:

[www.wowonline.org](http://www.wowonline.org)

Sources: [Center for Medicare Advocacy, Inc. Medicare Savings Programs](#); [U.S. Dept. of Human Services & Center for Medicare Savings: 1.2.3 or Medicare Savings Programs](#); [Social Security Administration: QWDI](#)

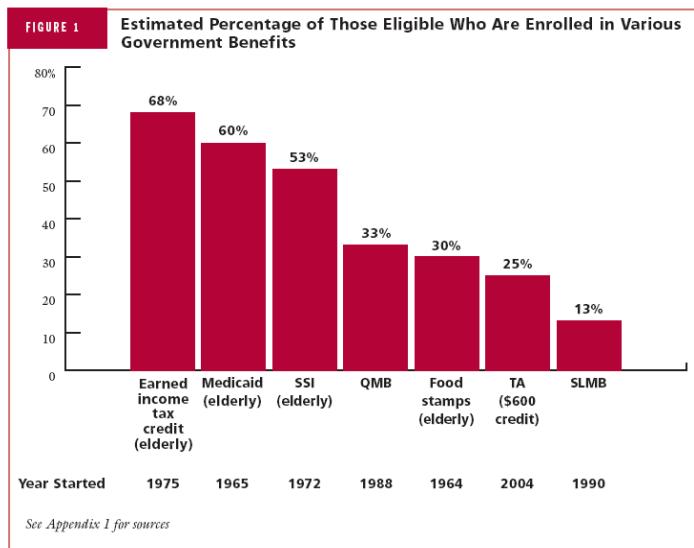
## WHY do they MATTER?

Findings from the Elder Economic Security Standard Index in Massachusetts, California, Pennsylvania and Illinois show that health care costs are the second highest monthly expense for elders in good health, with increasing costs for elders in fair or poor health. Health care expenses in the Index are calculated using data from the Center for Medicare and Medicaid Services and the Medical Expenditure Panel Survey regarding out-of-pocket health care costs, including premiums, co-pays and deductibles, for a senior or elder couple enrolled in either a Medigap for Medicare Advantage program. These programs supplement the health care coverage available through Medicare Part A and Part B.

Elders living on a fixed income may be unable to afford supplemental health care coverage in addition to the premiums and co-pays required of Medicare beneficiaries. For low-income seniors, out-of-pocket health care costs create significant financial hardship, particularly given the rising price of goods, such as food staples including bread, milk and eggs. Some seniors may forgo having routine medical procedures or appropriately taking or re-filling prescriptions in order to both balance budgets and meet their basic needs. For seniors who qualify, enrolling in a Medicare Savings Program can significantly ease this burden.

## Data You Can Use

- ✓ “The two largest Medicare Savings Programs (the Qualified Medicare Beneficiary Program, or QMB, and the Specified Low-Income Medicare Beneficiary Program, or SLMB, entitlements that help Medicare beneficiaries with limited means with their Medicare Part B premiums and other costs) *enrolled only 33% and 13% of eligible seniors after more than 15 years, respectively.*”



- ✓ “The Census Bureau’s official poverty statistics do not take individuals’ medical expenses into account, but if those expenses are subtracted from seniors’ incomes, the number of seniors living in poverty rises by 2.4 million. ***Stated another way, out-of-pocket medical expenses push an additional 2.4 million seniors below the poverty line.***”

Join the dialogue!

Visit:  
<http://wow-eesi.blogspot.com/>

Sources: Quote and figure taken directly from Access to Benefits Coalition, (2005) [Pathways to Success: Meeting the Challenge of Enrolling Medicare Beneficiaries with Limited Incomes](#). (National Council on Aging: Washington, D.C.); Park, Quote taken directly from E. and Trisi, D. (2008) [Improving the Medicare Savings Program Would Help Seniors Cope with Higher Medical Expenses](#) (Center on Budget and Policy Priorities, Washington D.C.)

## Policy Center

Despite the threat of a presidential veto, earlier this month the House of Representatives passed legislation which will prevent a 10 percent Medicare payment cut to doctors scheduled to take place July 1, improve Medicare coverage of preventive and mental health services and eliminate enrollment barriers for low-income programs, most notably the Medicare Savings Program. [HR 6331](#) passed [355 to 59](#), more than the two-thirds needed to override a veto.

HR 6331 would align the asset test for Medicare Savings Programs, which pay premiums and medical costs for low income people with Medicare, with the criteria for the full Medicare Part D Low-Income Subsidy (Extra Help) levels. Together with provisions that require data sharing between states, which administer the Medicare Saving Program, and the Social Security Administration, which runs Extra Help, the legislation, if passed, would raise historically low enrollment levels in Medicare Savings Program. In addition, by phasing down the higher coinsurance rate for mental health services, HR 6331 would end Medicare's discriminatory treatment of the mentally ill. The benefit improvements, along with new restrictions proposed on Medicare private health plans, had prompted a veto threat from the Bush administration.

The successful House vote earlier this month forced a Senate vote on the bill the evening of June 26<sup>th</sup>. To the frustration of many, the Senate blocked the House-passed Medicare bill by a vote of 58 to 40, with Senate Leader Harry Reid (D-NV) voting "no" on the motion to invoke cloture on the motion to proceed to the bill, so as then to enter a motion to reconsider the vote. All other Democrats voted for the motion, except Senator Kennedy (D-MA), who was absent. Republicans supporting the bill were Coleman (MN), Collins (ME), Dole (NC), Murkowski (AK), Roberts (KS), Smith (OR), Snowe (ME), Stevens (AK), and Voinovich (OH). According to the Senate leadership the bill will be put to a vote again after Senators have been able to hear from constituents over the July 4<sup>th</sup> recess.

## State Spotlight

### WELCOME to Connecticut, Michigan, Minnesota and New Jersey!

WOW is delighted to announce the addition of four state partners to the Elder Economic Security Initiative. After a rigorous review of the submitted proposals, WOW awarded grants to the following lead state organizations:

- ❖ **Connecticut:** Permanent Commission on the Status of Women
- ❖ **Michigan:** Elder Law of Michigan, Inc.
- ❖ **Minnesota:** Minnesota Women's Consortium
- ❖ **New Jersey:** New Jersey Foundation on Aging

Our new state partners and their blossoming statewide coalitions consist of state agencies, grassroots advocacy and legal services organizations and foundations. All of our partners bring unique expertise to the project, ranging from backgrounds in advocacy for low-income women and families to service delivery and advocacy for seniors. We look forward to sharing many great successes with you as our state partners carry out their work!

**Got feedback?**  
Help WOW enhance  
your resources!  
Email:  
[ssanders@wowonline.org](mailto:ssanders@wowonline.org)

## Questions from the Field and Answers

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**Q:** Do the findings of the Elder Economic Security Standard Index apply to both men and women?

**A:** Yes, the Index is a gender neutral tool. Drawing upon data from credible national and state data sets, the Index measures the income needed to make basic ends meet on a county-by-county basis. The Index accounts for differences in housing (homeowner with or without a mortgage and renter) and health (fair/poor, good and excellent) status, but it does not distinguish based on gender.

Although the Index does not reflect cost differences by gender, the Elder Economic Security Initiative seeks to raise awareness of the economic circumstances facing elder women, particularly women of color. According to the U.S. Census, older women are almost twice as likely as older men to live in poverty. Older women of color are at a far greater disadvantage. While nearly 10% of non-Hispanic white women age 65 and older are impoverished, 25% of elder African American women and 22% of elder Hispanic women live below the Federal Poverty Level (\$10,400 annually).

**Q:** Does the Elder Economic Security Standard Index reflect differences in cost among rural, urban and suburban communities?

**A:** Differences in costs among urban, suburban and rural can be seen by reviewing the data the Index provides at the county level. In the states released thus far, there is a clear distinction between housing costs in urban counties as opposed to rural ones. For instance, in Pennsylvania, the average housing costs for a renter in Allegheny County, home to Pittsburgh, are \$673 per month as opposed to the average housing costs of \$460 for a renter in Erie, a primarily rural county in the northwest of the state.

## Upcoming Events

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**Announcing EESI Launch Events: *Setting off Fireworks in Wisconsin!***

### July 2008: Wisconsin Statewide Release Event

Our Wisconsin partner, the [Wisconsin Women's Network](#), will release the Wisconsin Elder Economic Security Standard Index at a series of events across the state on Tuesday, July 8 at 10:00 am in Madison and 2:00 pm in Milwaukee and Wednesday, July 9 at 10:00 am in Greenbay. *To attend or learn more, contact Betsy Abramson at [abramson@mailbag.com](mailto:abramson@mailbag.com).*

## Resources and Tools

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The nation's most comprehensive web-based tool to screen for income support programs, including MSPs, for seniors with limited income and resources.

- ✓ [www.BenefitsCheckUp.org](http://www.BenefitsCheckUp.org)

Comprehensive findings on the enrollment of Medicare beneficiaries in income support programs from the [Access to Benefits Coalition](#) of the [National Council on Aging](#).

- ✓ [Pathways to Success: Meeting the Challenge of Enrolling Medicare Beneficiaries with Limited Incomes](#)

Information and tools on Medicare Savings Programs (MSPs) from the Center for Medicare Advocacy.

- ✓ [Medicare Savings Programs: Frequently Asked Questions](#)

## Introducing the EESI Team!

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## Skill Development: Making Meetings *Dynamic*...

*"I not only use all of the brains I have, but all I can borrow."* – Woodrow Wilson

In your work on the Initiative, you will likely be asked to either participate in or facilitate a meeting, either in person or via conference call. Assuring that meetings encourage shared learning requires thinking critically about how to facilitate and structure those meetings. To start, it is useful to distinguish between two types of information exchange:

1. **discussion or transactional talking**, defined as “a transmission of information between sender and receiver. It is as though bits of information are exchanged and added to a database each person carries inside” **vs.**
2. **dialogue or transformational talking**, defined as, “a heart-to-heart experience where people and concepts evolve together.”

In ideal circumstances, a facilitator helps meeting participants engage in a *dialogue*, as opposed to a *discussion*. According to J. Rough, discussion encourages “critical thinking, judging analyzing, sorting, combining, storing and relaying information.” In contrast, through dialogue, “outcomes are reached spontaneously, through breakthroughs, insights, or changes of heart. The whole person is involved—creativity, reason, emotions, body, and spirit.”

In sum, dialogue elicits a very different kind of thinking than discussion. Through dialogue individuals are freer to explore **choice-creating** as opposed to **decision-making** as a means of reaching objectives and moving forward with collaborative endeavors. Rough distinguishes between the two, “So with **decision-making**, people tend to go back and forth agreeing and disagreeing, trying to influence one another...But with **choice-creating** there is an engaging conversation. Trust builds, relationships strengthen, people grow, breakthrough solutions emerge and a consensus evolves for which there is a natural commitment.” The dynamic process of choice-creating is optimal for meetings among stakeholders because it encourages innovative thinking as well as sustainable relationships.

### **TIPS to HELP FACILITATORS CREATE CHOICE-CREATING:**

- ❖ Focus on process (discuss vs. dialogue) rather than content
- ❖ Focus the meeting around issues, not around the opinions of participants
- ❖ Encourage ownership of the issue among participants
- ❖ Reflect what the participants are saying back to them
- ❖ Ask the participants to list items worth addressing at the outset
- ❖ Allow participants to purge initial opinions and thoughts
- ❖ Protect the people from the judgment of others
- ❖ Follow the energy of the group – “go with the flow”

Source: Taken directly and adapted from Rough, J. (2008). “Chapter 5: Choice-Creating and Dynamic Facilitation,” Retrieved on April 9, 2008 from: <http://www.tohe.net/papers/beyond.html>

*At WOW, we hope that all of our state partners and community coalition members enjoy the opportunity to engage in thought-provoking, educational and creative discussions about how we can work together towards assuring economic security for all through the Elder Economic Security Initiative and the use of its tool the Elder Economic Security Standard Index! Thank you for all of the hard work that you do!*

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