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**The Medicaid Buy-In
Program: Quantitative
Measures of Enrollment
Trends and Participant
Characteristics in 2002**

Preliminary Report

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Steve Knapp was also instrumental in creating this report. He had a clear vision of the report before any of the rest of us did. He then worked tirelessly to help CMS, the states, and us understand that vision and make it a reality. It is not an overstatement to say that Steve has looked at every data element provided and every word written for this report.

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EXECUTIVE SUMMARY

The national Medicaid Buy-In program is part of an emerging system of initiatives designed to promote employment and economic self-sufficiency for individuals with disabilities. Under the federal legislation, states can amend their Medicaid programs to enable individuals with disabilities to obtain coverage for basic medical care and for special services, such as personal assistance, that can help them engage in productive work. By making health insurance more available and affordable, policymakers hope to (1) give an incentive for individuals with disabilities to seek employment, (2) make it easier for workers with disabilities to maintain their employment, and (3) help individuals who now receive public assistance to move successfully into employment. These policy goals are shared by other federal and state initiatives that interact with the Buy-In program, including the Social Security Administration's (SSA) Ticket to Work and Benefit Outreach and Assistance Programs, the Department of Labor's efforts to enhance the capacity of their one-stop centers to serve individuals with disabilities, and other components of the Administration's New Freedom Initiative.

As of December 2002, a total of 25 states had implemented Medicaid Buy-In programs. Three states began Buy-In programs in 2003, and several other states are planning to initiate them in the next year. States have taken advantage of the flexibility offered by federal legislation to develop different approaches to implementing the Buy-In program and, as a result, eligibility criteria, methods for "buying-in," and other program parameters vary widely across the states.

The Centers for Medicare and Medicaid Services (CMS) are responsible for monitoring the implementation of the Buy-In program, tracking enrollment trends, and examining patterns of participation. These activities require comprehensive data on the number of individuals entering state Buy-In programs, how many of these individuals were already Medicaid beneficiaries when they enrolled, how much they earn under the program, and what Medicaid costs they incur. CMS initiated the study described in this report in order to examine participation in the Medicaid Buy-In program and to build the foundation for a longitudinal database that will provide answers to key policy questions about enrollment trends and participant characteristics.

This report profiles Buy-In participation in 2002 for 21 states with Medicaid Buy-In programs and Medicaid Infrastructure Grants (MIGs) and provides a comprehensive, quantitative description of the national Medicaid Buy-In program in 2002. Information in this report will be useful to states, CMS, and other stakeholders in their efforts to understand early enrollment trends and to define critical questions and issues that need further attention.

This early profile of Medicaid Buy-In participation uses several sources of data provided by the states, including the quantitative data that states submitted in their Annual Buy-In Reports. To gather information for their reports, states used different combinations of various databases, including the state Medicaid Management Information System (MMIS) files, statewide or multi-agency eligibility systems, Social Security Administration (SSA) files, state billing and collection records, and state unemployment insurance (UI) data systems. Data submitted by states were checked for completeness and any questionable items were referred back to the states for verification or revision.

The final data set used in this profile was mostly complete with only a few data items not available for all 21 states. At the same time, our analysis of these data uncovered some anomalies that suggest that the reporting system, which is only in its second year, needs further refinement. Our study also suggests that a comprehensive analysis of the Buy-In program requires use of additional data sources, particularly with respect to Buy-In participants' earnings and the various elements of state Medicaid programs and service environments that affect Buy-In participation.

Despite the few data limitations, three themes emerge clearly from our analysis of data provided by the states:

- Enrollment in the Medicaid Buy-In programs has increased substantially since 1999. On December 31, 2002, almost 44,000 individuals had enrolled in the 21 states with Medicaid Buy-In programs that supplied data for this report (that is, those with a Buy-In program and a Medicaid Infrastructure Grant). Since the inception of these programs, more than 63,000 individuals have enrolled. Enrollment is likely to continue to grow as more states implement Buy-In programs and awareness of the program spreads.
- The majority of individuals who enrolled in the 21 Medicaid Buy-In programs for the first time in 2002 were already connected with public health insurance and disability-related programs. Prior to their enrollment in the Buy-In program, 75 percent of these new participants had Medicaid coverage, and almost 75 percent were receiving SSDI at the time of their enrollment. Seventy-five percent of participants enrolled for the fourth quarter of 2002 had Medicare coverage.
- Few participants in the Medicaid Buy-In program had reported earnings over \$800 per month, the level SSA uses to define substantial gainful employment. Just over half of the participants who were enrolled in one of the 21 Medicaid Buy-In programs for the entire fourth quarter of 2002 had any earnings reported in the states' Unemployment Insurance systems for that quarter. Of those participants with reported earnings, 78 percent had monthly earnings of \$800 or less.

Beyond these broad trends, states varied widely in the enrollment and benefit policies of their Buy-In programs and, as a result, patterns of participation differ substantially across the states. For example, in 2002:

- The number of participants enrolling in the program varied from fewer than 150 to more than 8,000
- In some states, all or almost all of the participants who first enrolled in 2002 were Medicaid beneficiaries prior to enrollment; in other states, less than 25 percent were Medicaid beneficiaries
- Of the 20 states that charged monthly premiums to Buy-In participants, the average premiums ranged from \$12 to \$321 per month

- Average monthly earnings for those Buy-In participants for whom earnings were reported varied among the states, ranging from \$422 to \$1,265
- Average monthly Medicaid expenditures for health services provided to Buy-In participants varied from \$260 to \$2,260

This early profile of the Buy-In programs identified several important policy questions that should be addressed in future studies:

- To what extent does the Medicaid Buy-In program promote employment among individuals with disabilities? Enrollment is likely to continue to increase, so it will be important to understand the extent to which enrollment into the Buy-In program changes participants' work patterns. Future analyses of employment will need to consider individuals whose employment is not recorded in the Unemployment Insurance data used in this preliminary report. CMS is investigating the use of alternative data that may provide a more complete picture.
- What are the implications of enrollment into the Medicaid Buy-In program for SSDI beneficiaries? As other reports have noted (GAO 2003), the Buy-In programs are especially attractive to those Medicare beneficiaries who obtain Medicaid coverage through medically needy programs. With the availability of the Buy-In program, these individuals can qualify for Medicaid directly without having to spend down their resources to meet the medically needy limits. Thus, there is interest in whether the Buy-In programs help SSDI beneficiaries obtain additional services that help them increase their employment and financial self-sufficiency.
- To what extent does the Buy-In program offer advantages to SSI recipients over other Medicaid-related work incentive programs? To what extent does the Buy-In program supplement other SSI work incentives to enable beneficiaries to build their work experiences and increase their earnings beyond limits set by the SSI program?
- How are health expenditures and earnings related? Medicaid can be particularly valuable to individuals with disabilities because it covers prescription drugs and, in some states, personal assistance services. To what extent does the use of these and other health services influence work and earnings? Understanding more about the relationship between service use and work would be of substantial interest to policymakers and program administrators.
- How does the design of a state Medicaid Buy-In program affect patterns of enrollment, earnings, and health service use? States vary widely in how they have structured asset and income eligibility criteria, cost-sharing procedures, and outreach efforts. Although some work on this issue has been completed, further analysis is needed to understand better the links between administrative features of the Buy-In program and its outcomes.

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I. INTRODUCTION

Working-age adults with disabilities face numerous barriers to employment and, as a result, the unemployment rate among individuals with disabilities is quite high (Kaye 2002; Taylor 2001). One major obstacle is the lack of adequate employer-based health insurance coverage. Workers who become disabled may feel that they have to seek public insurance because the severity or chronicity of their disabling condition makes private coverage expensive or completely unavailable. In addition, many individuals receiving Social Security Disability Insurance (SSDI) benefits or Supplemental Security Income (SSI) fear that increased earnings and employment-related savings will cause them not only to lose their cash benefits, but also to lose Medicaid or Medicare coverage (Yelowitz 1998). Other beneficiaries may find that their medical condition improves to the point where they no longer qualify for cash disability assistance, but they may still require help obtaining health insurance that will cover their basic medical needs and support their efforts to work. Working age adults who have Medicare coverage may find that limitations in the benefit package (such as lack of prescription medication coverage and personal assistance services) limit access to services they need to find or maintain employment.

The Medicaid Buy-In program aims to address these problems by making Medicaid coverage available to individuals with disabilities who are working (GAO 2003). Federal legislation allows states much latitude in designing the program and, consequently, states have adopted different approaches to its implementation. Overall, the Medicaid Buy-In program is an important component of a broad federal and state effort to enhance employment opportunities for individuals with disabilities.

The Centers for Medicare and Medicaid Services (CMS) are responsible for monitoring the state implementation of the Medicaid Buy-In program, tracking enrollment trends, and examining patterns of participation. These activities require comprehensive data on several important factors, including:

- The number of individuals entering state Medicaid Buy-In programs
- The number of participants who were Medicaid beneficiaries prior to enrollment in the Buy-In program
- Participant earnings, and the extent to which earnings change over time
- Medicaid costs for participants

CMS initiated the study described in this report in order to examine participation in the Medicaid Buy-In program and to build the foundation for a longitudinal database that can be used to answer key policy questions about enrollment trends and participant characteristics. Overall, this report provides a comprehensive, quantitative description of participation in the Medicaid Buy-In programs that states currently offer.

A. OVERVIEW OF REPORT

The rest of this introduction reviews the data used in the report. Chapter II describes briefly the legislative background for the federal Medicaid Buy-In program and documents the growth in the number of state Buy-In programs. In addition, we note some of the differences in how states have elected to implement the program.

Chapter III presents the results of our analyses using combined quantitative data submitted by the 21 states that had Buy-In programs and Medicaid Infrastructure Grants (MIGs) in 2002. We include charts showing overall enrollment trends, participants' Medicaid eligibility and insurance status prior to enrollment into the Buy-In program, participants' earnings, and Medicaid expenditures for Buy-In participants. In Chapter IV, we document the extensive variation among states in measures of participation.¹ We summarize our findings in Chapter V and outline key policy questions that should be addressed in future efforts to monitor and evaluate state Medicaid Buy-In programs.

B. DATA SOURCES AND QUALITY

For the analyses in this report, we used data from the following 21 states: Alaska, California, Connecticut, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, Oregon, Pennsylvania, Utah, Vermont, Washington, and Wisconsin. These states have both a Medicaid Buy-In program and a Medicaid Infrastructure Grant (MIG)² and submit the following reports to CMS:

1. Quarterly progress reports, which describe the administrative features of each program and the total enrollment as of the last day of each quarter
2. Annual Buy-In Reports, which include enrollment and participation data

In addition, the following three states had a Medicaid Buy-In program (but no MIG grant) in 2002: Arkansas, Mississippi, and South Carolina. These states submit only the quarterly progress reports to CMS. Wyoming did have both a Buy-In program and a MIG, but had too few participants to be included.

The majority of the analyses in this report rely on the states' Annual Buy-In Reports for 2002.³ To ensure consistency in reporting across the states and to build a foundation for a

¹Appendix C provides supporting tables for each of the charts presented in Chapters II through IV.

²MIGs provide states with annual grants of at least \$500,000 up to \$1.5 million to improve the capacity of Medicaid programs to support the competitive employment of individuals with disabilities. To date, 36 states have received a MIG (see www.cms.hhs.gov/twwiia/infrast.asp).

³States with a Medicaid Buy-In program and a MIG in 2001 also submitted an Annual Report for 2001. The Annual Report form was extensively revised for 2002.

longitudinal database, the Annual Report asks states to provide specific information for defined groups of individuals, such as those who enrolled in the Buy-In program for the first time in 2002 or those who were enrolled for the entire fourth quarter of 2002. Appendix A contains a copy of the Annual Buy-In Report form.

To complete the Annual Medicaid Buy-In Report, states often differed in the specific information sources they used. The most common sources include their state Medicaid Management Information System (MMIS) files, statewide or multi-agency eligibility systems, files supplied to states by the Social Security Administration (SSA), state billing and collection records, and unemployment insurance (UI) data systems. Appendix B lists the sources of data that each state used for each item in the report and a chart identifying data elements that states were unable to provide. The analyses presented in this report are based on reports or revisions submitted as of August 31, 2003.

Overall, states were able to provide all or most of the data elements requested for their Annual Buy-In reports. Data submitted by states were checked for completeness and any questionable items were referred back to the states for verification or revision. Nevertheless, some data anomalies remain. For example, several states reported the number of participants receiving SSDI that differed substantially from the number on Medicare. While some difference may be attributable to SSDI recipients who are waiting for Medicare enrollment, the large differences observed for these states suggests that some data problems remain. Throughout the report we highlight the anomalies that we identified, although it is likely that some additional data issues will emerge as analysis continues. This situation is not uncommon for a new data reporting system, and we expect the states will continue to improve the completeness and accuracy of the data they provide.

One area where the available data may prove inadequate for a comprehensive analysis is employment. It appears that the data reported by the states is likely to miss some employment among Buy-In participants. The most common source of data on employment and earnings was the states' unemployment insurance (UI) data systems. The UI system relies on data provided by employers, who are required in all states to report quarterly data on employment and wages to state Employment Security Agencies. Employers required to report data include private firms, state colleges, universities, hospitals, and state and local governments. According to the Bureau of Labor Statistics, in 2001, UI (including the associated Unemployment Compensation for Federal Employees) program covered 99.7 percent of wage and salary civilian employment and about 94.8 percent of the wage and salary component of personal income.

Despite that broad coverage, there are several exclusions from UI coverage. These include self-employed workers, most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, employees of certain small nonprofit organizations and persons working in sheltered workshops or in vocational rehabilitation programs. In addition, states do not generally report earnings data for workers employed outside of the state and do not have access to earnings for workers who have casual employment. Because the UI system is based on positive reporting of earnings, it is not possible to distinguish between individuals who have no earnings and individuals who have earnings that are not reported to the UI system. Thus, the states are likely to over-count individuals with zero earnings but are not likely to miss participants with substantial earnings.

Despite its limitations, the UI system is the best available information on earnings of Buy-In participants. Most states can readily access these data and the data reports are fairly timely and available on a quarter-by-quarter basis. Thus, states can use UI data to examine the continuity of employment and changes in employment during the year. Federal tax return data would be more complete since they capture all earnings regardless of the state where work was done and also capture self-employment. However, those data are generally not available to the states because they are protected by confidentiality restrictions. The earnings reported in connection with FICA taxes offer similar advantages, but are typically available only after a lag of 12 to 14 months following the end of a calendar year and cover only full-calendar years. However, we are looking into using these data for subsequent reports.

C. BUY-IN ENROLLMENT LEVELS

Enrollment figures for the Buy-In programs provide a general sense of program scale and the variation among states (Table I.1). To provide a comprehensive perspective, we use three measures of enrollment in this report: the number of participants who enrolled in the program for the first time in 2002, the number enrolled for the entire fourth quarter of 2002, and the number enrolled at the end of the year.

TABLE I.1
NUMBER OF PARTICIPANTS ENROLLED IN MEDICAID BUY-IN PROGRAMS
IN 21 STATES, 2002

State	First-time Participants	Fourth-quarter Participants	Enrollment at End of Year
Alaska	131	186	162
California	403	651	669
Connecticut	1,534	2,075	2,514
Illinois	421	177	323
Indiana	3,769	2,344	3,589
Iowa	2,253	4,811	4,890
Kansas	516	384	513
Maine	451	617	673
Massachusetts	3,777	5,918	6,957
Minnesota	1,706	5,932	6,092
Missouri	8,122	4,736	8,461
Nebraska	47	91	114
New Hampshire	1,084	880	968
New Jersey	419	516	603
New Mexico	630	712	794
Oregon	291	531	591
Pennsylvania	1,476	888	1,250
Utah	265	138	180
Vermont	298	336	423
Washington	142	136	144
Wisconsin	2,722	3,339	3,837
Total	30,457	35,398	43,747

SOURCE: State data submitted to CMS on the 2002 Annual Buy-In Report Form and the quarterly progress reports. Appendix B describes the specific data sources states used to complete their Annual Reports.

NOTE: *First-time participants* are individuals who enrolled in the Buy-In for the first time in 2002. These data comes from their 2002 Annual Report. *Fourth-quarter participants* are individuals who were enrolled in the Buy-In program for the entire fourth quarter of 2002. *End of Year Enrollment* provides a count of those participants enrolled in the Buy-In program as of December 31, 2002. For Alaska, the number of participants enrolled at the end of the year was reported to be less than the number of fourth quarter participants because different data sources may have been used to calculate these figures.

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II. BACKGROUND

A. AUTHORIZING LEGISLATION

The Medicaid Buy-In program was established to expand availability of Medicaid coverage for people with disabilities who are working and to support their efforts to earn substantial incomes as a pathway toward economic self-sufficiency. States can add a Buy-In program to their Medicaid program by creating a new eligibility group as stipulated in either of two federal laws. The first, passed as part of the Balanced Budget Act (BBA) of 1997 (P.L. 105-33, Section 4733), allows states to provide Medicaid coverage to individuals with disabilities who are working and who cannot qualify for Medicaid because their income is too high. Individuals with incomes up to 250 percent of poverty (after disregarding certain types of income) can participate in Medicaid Buy-In programs established under the BBA.

The second law, the Ticket to Work and Work Incentives Improvement Act of 1999 (P.L. No. 106-170, 113 Stat.1860, also known as the Ticket Act), permits states to establish their own income and resource standards, including the possibility of having no income limits (GAO 2003). The Ticket Act also added a new eligibility group termed the Medical Improvement Group. Individuals with disabilities who qualify for the Buy-In program under this eligibility category must have a medical condition that has improved to the point where SSA determines that he or she is no longer disabled under the SSA definition (for more information see www.cms.hhs.gov/twwiia/eligibl). Although a few states have established the provisions for a Medical Improvement eligibility group, no state has yet used this category to qualify an individual for the Buy-In program.

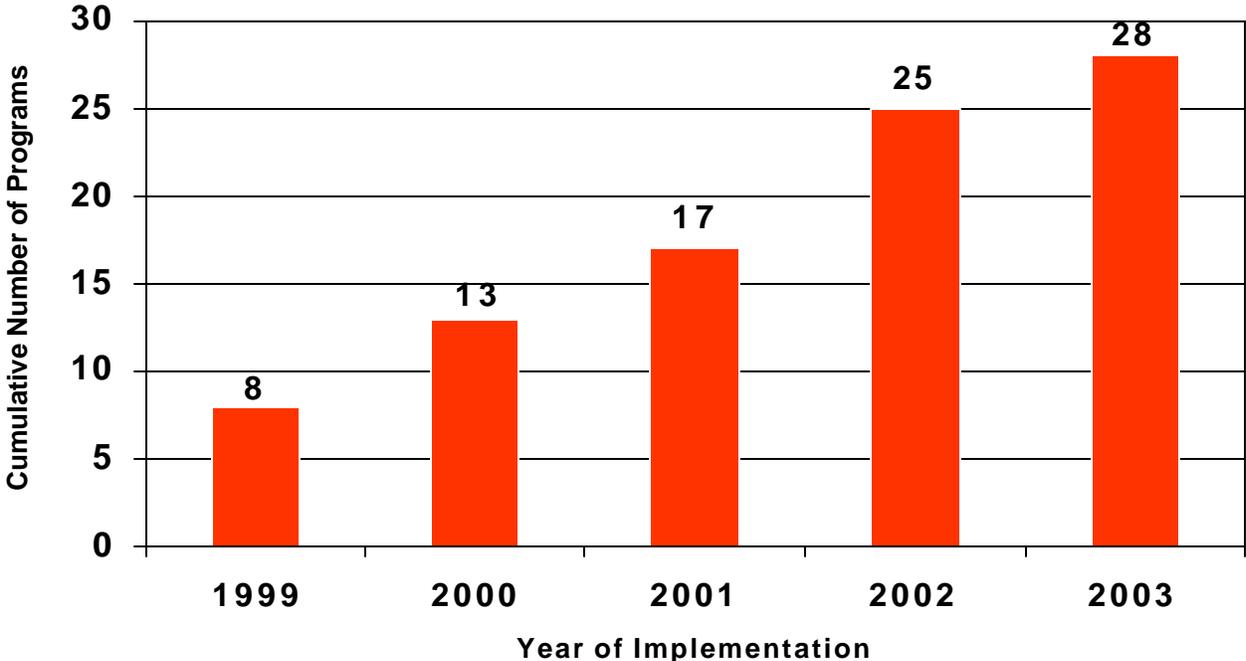
As of December 2002, a total of 25 states had a Medicaid Buy-In program, as Figure II.1 shows. At the end of 1999, 8 states had implemented a Buy-In program. By December 2002 that number had more than tripled, bringing the total number of Buy-In programs to 25. In 2003, three more states (Arizona, New York, and West Virginia) initiated Buy-In programs.

For this report, as noted in Chapter I, we focus on the 21 states that had both a Medicaid Buy-In program and a MIG in 2002. Table II.1 shows the legislative authority and date of first enrollment for each of these programs. As the table indicates, 10 states have implemented their Buy-In programs under the BBA and a similar number have implemented them under the Ticket Act. In 1997, Massachusetts initiated a Buy-In program under an 1115 waiver.¹

¹Section 1115 of the Social Security Act gives the Secretary of the Department of Health and Human Services authority to waive aspects of the federal Medicaid law to permit states to undertake special research and demonstration projects.

FIGURE II.1

CUMULATIVE NUMBER OF STATES ADOPTING MEDICAID €
BUY-IN PROGRAMS, 1999-2003€



SOURCE: State data submitted to CMS.

TABLE II.1

BUY-IN PROGRAM CHARACTERISTICS, 21 STATES

State	Federal Authority	Date of 1st Enrollment
Alaska	BBA 1997	July 1999
California	BBA 1997	April 2000
Connecticut	TWWIIA Basic and Medical Improvement	October 2000
Illinois	TWWIIA Basic	February 2002
Indiana	TWWIIA Basic	July 2002
Iowa	BBA 1997	March 2000
Kansas	TWWIIA Basic	July 2002
Maine	BBA 1997	August 1999
Massachusetts	1115 Waiver	June 1997
Minnesota	TWWIIA Basic	July 1999
Missouri	TWWIIA Basic	July 2002
Nebraska	BBA 1997	July 1999
New Hampshire	TWWIIA Basic	February 2002
New Jersey	TWWIIA Basic	February 2001
New Mexico	BBA 1997	January 2001
Oregon	BBA 1997	February 1999
Pennsylvania	TWWIIA Basic and Medical Improvement	January 2002
Utah	BBA 1997	July 2001
Vermont	BBA 1997	January 2000
Washington	TWWIIA Basic and Medical Improvement	January 2002
Wisconsin	BBA 1997	March 2000

SOURCE: Quarterly reports submitted to CMS

NOTE: BBA is the Balanced Budget Act. TWWIIA is the Ticket to Work and Work Incentive Improvement Act.

States have implemented their Medicaid Buy-In programs with different asset and income standards, and different methods for setting Buy-In premiums.² Some states waive premiums until earnings rise above a certain level; others use a sliding scale; and still others use combined methods for setting premiums. Some states have elected to maintain Buy-In eligibility (and therefore Medicaid coverage) for participants who lose their job but intend to find another one. The length of time for this transitional eligibility and coverage varies across states. As a result, states may differ with respect to the number of Buy-In participants who are not working at any given time. In Appendix B, we include a table that illustrates the variation among states in the administrative procedures they use to implement the Medicaid Buy-In program.

B. INTERACTIONS WITH OTHER MEDICAID ELIGIBILITY GROUPS

In addition to Medicaid Buy-In programs under the BBA or the Ticket Act, there are several pathways to Medicaid eligibility for working disabled persons who are living in the community. The majority of disabled persons who qualify for Medicaid are eligible because they receive SSI benefits. In most states, persons who receive cash assistance under the SSI disability program (including SSI supplements) automatically qualify for Medicaid benefits. SSI rules allow SSI beneficiaries to have earnings up to specified limits. Although 11 states in 2002 opted to use somewhat more restrictive rules than the SSI program to determine Medicaid eligibility for SSI recipients (this is referred to as the 209(b) option), most SSI beneficiaries in these states qualified for full Medicaid benefits, and most of these programs provided some incentive for earnings.³

The SSI 1619 option is a second pathway to Medicaid eligibility. Under the 1619 provisions, States are required to provide Medicaid coverage to “qualified severely impaired individuals,” defined as individuals who remain disabled but whose earnings are above the level that indicates substantial gainful activity or are sufficiently high to reduce their cash benefits to zero. A particularly important aspect of the 1619 provisions is that individuals are able to continue receiving Medicaid benefits until they are determined to be able to purchase their own private coverage equivalent to Medicaid. (For more information about 1619 provisions and other SSI work incentives see http://www.ssa.gov/work/ResourcesToolkit/redbook_page.html).

A third pathway to Medicaid involves medically needy programs. States have the option to establish medically needy programs that extend Medicaid eligibility to disabled persons whose income and/or assets are too high for them to qualify for the SSI program. Since the income of many beneficiaries with Social Security Disability Income (SSDI) prevents them from qualifying for SSI, this is an important route to Medicaid eligibility. By including medically needy coverage, a state makes Medicaid available to disabled persons of any income level, assuming (1) their otherwise uncovered medical bills are high enough to reduce their income to the medically needy income level and (2) they satisfy the applicable asset requirements. Under medically needy programs, applicants’ medical expenses must be deducted from their income to

²For case studies of selected Buy-In programs and a discussion of program variations see Jensen et al. 2002a.

³The following states included in this study have opted to use 209(b) provisions: Connecticut, Illinois, Indiana, Minnesota, Missouri, and New Hampshire.

determine eligibility (the so-called “spend-down” process). State medically needy programs have income and asset levels that usually differ from those used for SSI. Medically needy programs generally do not provide any incentive for earnings, since income above the medically needy income limit is subject to the spend-down provisions. In 2002, 35 states including the District of Columbia had medically needy programs that covered individuals with disabilities. The 11 states that use more restrictive rules to determine the eligibility of SSI recipients (the so-called 209(b) states) also are required to allow applicants to spend-down their income to Medicaid eligibility levels.

Finally, there are other optional and mandatory pathways to Medicaid eligibility, involving fewer numbers of non-institutionalized individuals with disabilities. For example, states are required to extend Medicaid to SSDI recipients who lose their eligibility for SSI due to SSDI cost of living adjustments. States have the option to extend Medicaid coverage to persons with disabilities whose medical conditions improve, so that they no longer meet the SSI/SSDI definition of disability. Another option is that states can extend full Medicaid benefits to all persons with disabilities who have income less than 100 percent of the federal poverty level and with assets below state specified resource limits. Finally, states are required to extend limited Medicaid benefits to low-income SSDI beneficiaries who also qualify for Medicare. For Medicare beneficiaries with income less than 100 percent of the federal poverty level and resources less than twice the SSI standard, state Medicaid programs are required to cover all Medicare cost-sharing expenses (Medicare premiums, copayments and deductibles). Medicare beneficiaries with income at higher levels may qualify for Medicaid to pay Part B premiums, but not copayments or deductibles. For certain disabled Medicare beneficiaries who have returned to work, state Medicaid programs are required to pay Medicare Part A premiums.

Since individuals with disabilities can sometimes qualify under more than one set of rules for Medicaid eligibility, this array of pathways can be daunting. At times, there are rather obscure tradeoffs, making it better to qualify under one pathway than another. The tradeoffs can be particularly difficult to understand for persons with disabilities who are working and want to earn more.

The advantage that the Medicaid Buy-In program offers over other Medicaid eligibility pathways for working persons with disabilities is that it generally allows individuals to (1) have higher earnings or more assets, or both, and (2) retain more of their earnings and assets. It also offers the advantage of a predictable monthly premium (or even no premium in many states) rather than an unpredictable spend-down amount.

Neither the BBA nor the Ticket Act, however, establishes a minimum standard for the number of hours to be worked during a period of time or a minimum level of earnings needed to qualify for the Medicaid Buy-In program (although states may do so). This feature allows people with disabilities who may not have worked in the past to start working for a few hours in order to gain experience and confidence. It also increases the likelihood that some beneficiaries in medically needy programs will work for a limited number of hours in order to qualify for the Buy-In and obtain Medicaid coverage, rather than engaging in the spend-down process that is necessary to qualify for Medicaid under the medically needy program (Fishman and Cooper 2002).

In sum, the Medicaid Buy-In program was designed to be an attractive option for certain groups of individuals with disabilities who are working, including:

1. Working SSDI/Medicare beneficiaries who have to spend down to qualify for Medicaid
2. Working SSDI beneficiaries in the waiting period for Medicare
3. Working SSDI beneficiaries who are willing to forego cash assistance
4. Working SSI beneficiaries who want to work at a level where their income and resources would exceed SSI eligibility limits
5. Workers who are not receiving Medicaid or SSI but who meet the SSA disability definition except that their income and resources exceed designated limits to qualify for those benefits

Multiple factors influence how many individuals from these target groups actually enroll in a state's Buy-In program, including the larger Medicaid environment, characteristics of a state's SSI program, the specific income (earned and unearned) and asset standards that states use to determine eligibility and enrollment, and the amount and structure of premium payments for the Medicaid Buy-In program (Jensen et al 2002). In addition, some states also pay premiums for private health insurance coverage for certain Medicaid beneficiaries with disabilities, while others do not.

III. NATIONAL ENROLLMENT TRENDS AND MEASURES OF PARTICIPATION IN STATE BUY-IN PROGRAMS

Three main themes emerge from our analyses of the data combined from all 21 states with a Medicaid Buy-In program and a MIG of the data combined. First, since 1999 enrollment in the Medicaid Buy-In programs has increased substantially. On December 31, 2002 enrollment stood at almost 44,000 individuals in the 21 states. Since they began, these programs have enrolled more than 63,000 individuals. Enrollment is likely to grow as more states implement Buy-In programs and awareness of the program spreads.

Second, the majority of individuals who enrolled in the 21 Medicaid Buy-In programs for the first time in 2002 were already enrolled in public health insurance and disability-related programs. Three-quarters of newly-enrolled participants had Medicaid coverage prior to enrollment in the Buy-In program, 73 percent of new participants in 2002 were receiving SSDI at the time of their enrollment into the Medicaid Buy-In program, and 75 percent of participants enrolled in the fourth quarter of 2002 had Medicare coverage.

Third, about one-fifth of participants in the 21 Medicaid Buy-In programs who had reported earnings earned over the substantial gainful activity (SGA) level of \$800 per month. Just over half of the participants who were enrolled in these programs for the entire fourth quarter of 2002 had reported earnings during this quarter.¹ Of those participants with reported earnings, 78 percent had monthly earnings of \$800 or less.

In this chapter, we present information about 2002 Buy-In activity for the combined 21 states with respect to the following participant characteristics:

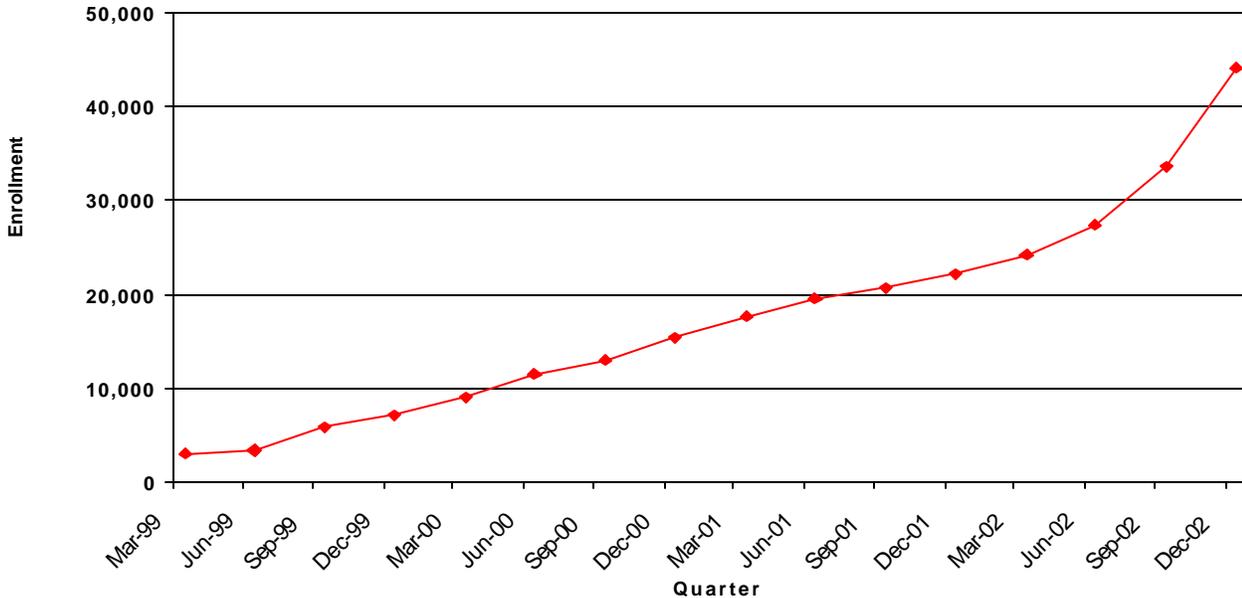
- Buy-In enrollment and prior Medicaid status
- Enrollment in other benefit and health insurance programs
- Earnings
- Premiums and cost-sharing
- Medicaid expenditures

As expected, we also found extensive state variation in measures of program participation, which we discuss in the next chapter.

¹As noted in Chapter II, states used Unemployment Insurance (UI) data to report earnings. This data source leads to an undercount of individuals with earnings because some Buy-In participants are self-employed or work in jobs that do not report their salaries to the UI system. Hence, they would not be counted as having earnings, when in fact they do.

FIGURE III.1

TOTAL NATIONAL ENROLLMENT IN THE MEDICAID BUY-IN PROGRAM,
BY QUARTER, 1999 – 2002, 21 STATES



SOURCE: State data submitted to CMS in quarterly progress reports. (Table C.4)

A. ENROLLMENT TRENDS AND PRIOR MEDICAID STATUS

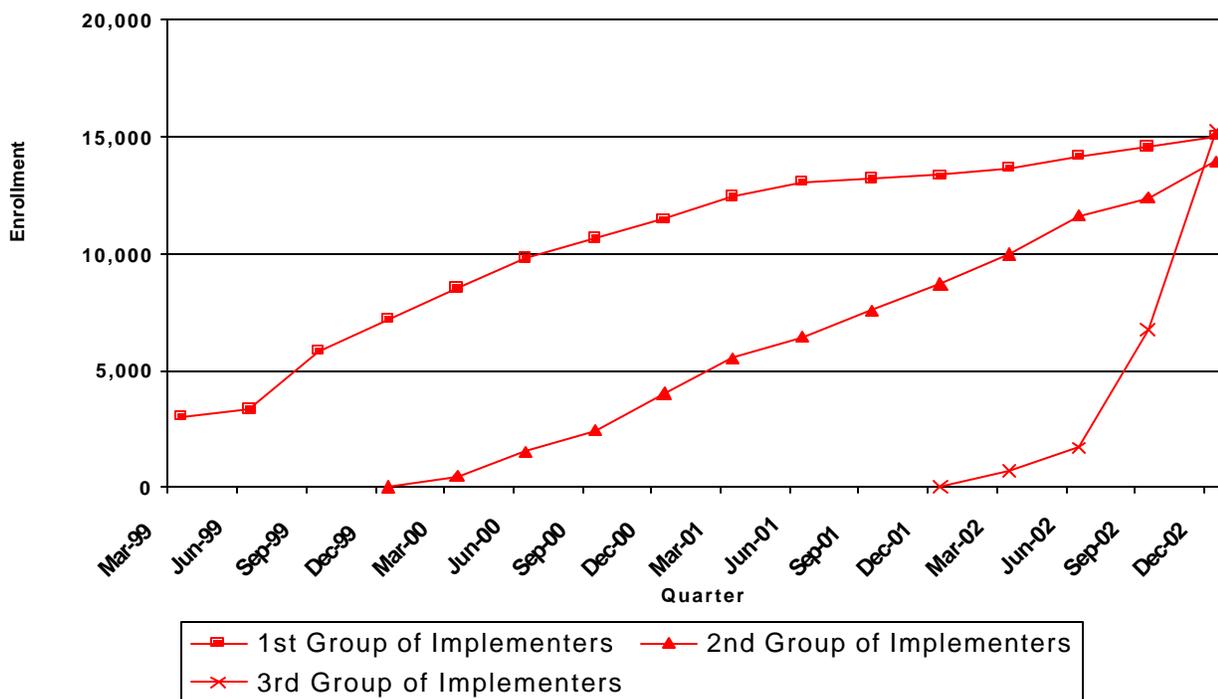
As Figure III.1 illustrates, enrollment in the 21 states Medicaid Buy-In programs with MIGs has increased consistently since the first programs began. On December 31, 2002, a total of 43,713 persons were enrolled in the 21 Medicaid Buy-In programs in states with MIGs. If we include participants in the four states that had a Medicaid Buy-In program, but did not complete an Annual Buy-In Report because they did not have a MIG, the total enrollment would be 44,228. In 2002 alone, total enrollment in all state Buy-In programs increased by 100 percent (from 22,094 on December 31, 2001 to 44,228 on December 31, 2002).

As shown in Figure III.2, we also examined enrollment trends separately for states grouped by the years in which their Buy-In programs were implemented. The first group of implementers includes six states that implemented their program in or before 1999; the second group consists of eight programs that began in 2000 or 2001; the third group consists of seven programs that began in 2002.²

²States in the first group of implementers are Alaska, Maine, Massachusetts, Minnesota, Nebraska, and Oregon. The second group of implementers includes California, Connecticut, Iowa, New Jersey, New Mexico, Utah, Vermont, and Wisconsin. The third group of implementers includes Illinois, Indiana, Kansas, Missouri, New Hampshire, Pennsylvania, and Washington.

FIGURE III.2

TOTAL NATIONAL ENROLLMENT IN THE MEDICAID BUY-IN PROGRAM, BY QUARTER AND IMPLEMENTATION GROUP, 1999-2002, 21 STATES



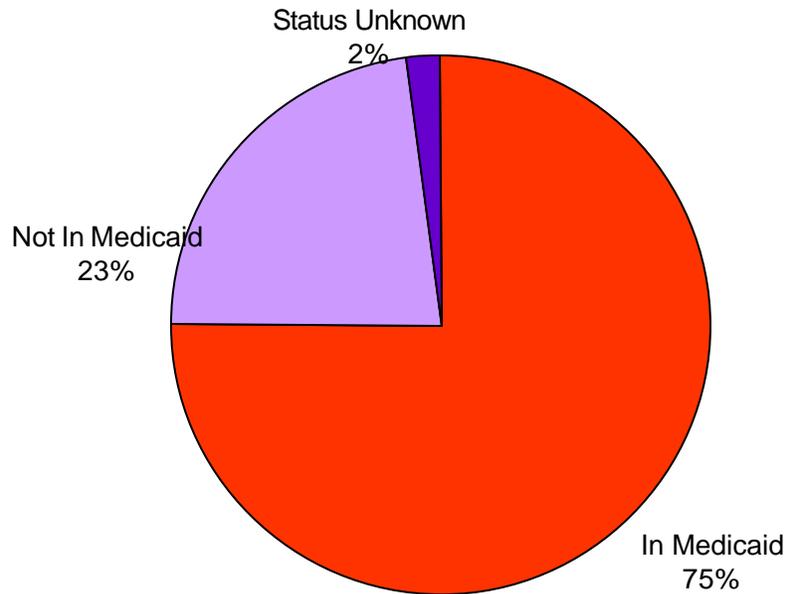
SOURCE: State data submitted to CMS in quarterly progress reports. (Table C.4)

Figure III.2 shows a general pattern of relatively rapid increase in enrollment during the first year or two of implementation, followed by more gradual growth. The increase in total nationwide enrollment, therefore, was driven largely by the addition of new state programs rather than by rapid growth in established ones. We would expect growth in total enrollment to continue as more state programs become operational. In addition, several states with existing Medicaid Buy-In programs are considering new public-awareness initiatives (for example, California; see Jee and Menges 2003). If successful, especially in large states with a potentially large pool of participants, these efforts also may contribute to increased rates of enrollment in future years.

The majority of new participants in 2002 in the 21 states with a Medicaid Buy-In program and a MIG were on Medicaid prior to enrollment in the Buy-In program. Specifically, 75 percent of Buy-In participants were Medicaid beneficiaries before their first enrollment into the Buy-In program, and 23 percent were not on Medicaid (Figure III.3). Medicaid status could not be determined for 2 percent of participants.

FIGURE III.3

MEDICAID ELIGIBILITY STATUS FOR NEW PARTICIPANTS PRIOR TO ENROLLMENT IN THE MEDICAID BUY-IN PROGRAM, 21 STATES, 2002



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.5)

This finding indicates that many individuals are switching from one Medicaid eligibility group to another when they enroll in the Medicaid Buy-In program. Further analysis of the eligibility group status of Buy-In participants prior to enrollment showed the following.³

- 37 percent were in the cash assistance category, which includes individuals receiving SSI payments
- 26 percent were in medically needy programs
- 16 percent were in poverty-related programs, which include individuals who are Qualified Medicare Beneficiaries (QMBs), Specified Low-Income Medicare Beneficiaries (SLMBs), and Qualified Disabled Working Individuals (QDWIs).
- 18 percent were in the other category, which includes a variety of special groups of blind and disabled individuals

³These analyses excluded data from Indiana and Missouri because they are 209(b) states that have a medically needy program only for SSI beneficiaries. Individuals in these state programs do not fit precisely into the definitions of the standard Medicaid eligibility groups, and hence were not included in this analysis. See Appendix D for definitions of Medicaid eligibility groups.

- 3 percent were in 1115 waiver programs

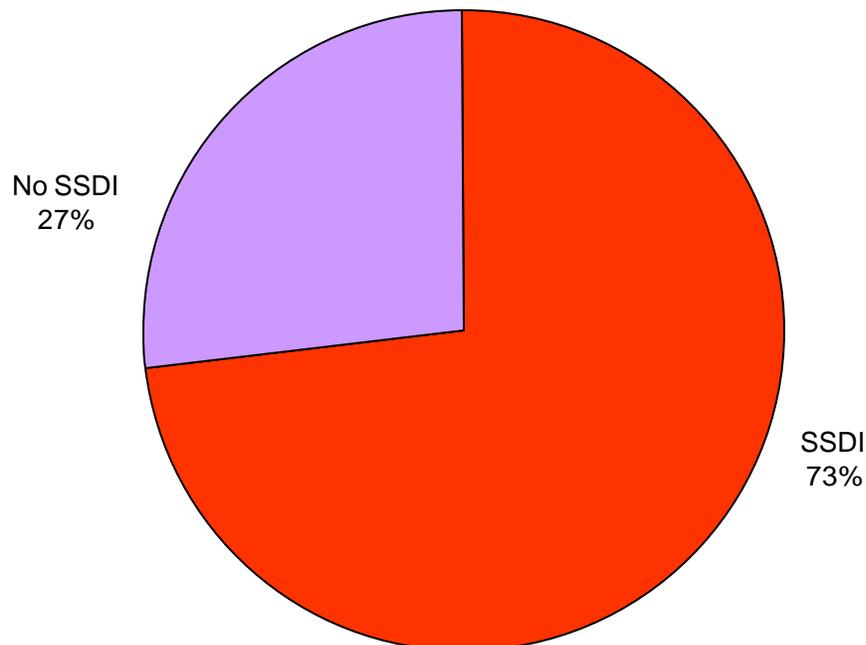
While these summary figures indicate the general level and type of prior Medicaid participation, they hide the extensive state variation in prior enrollment status, which we address further in Chapter IV. Overall, the group of Medicaid beneficiaries with disabilities who enroll in the Medicaid Buy-In program will be determined by a variety of factors, including characteristics of the state Medicaid and SSI programs, the particular income and asset limits that the state establishes for the Buy-In program itself, and the structure of premiums or cost-sharing procedures. Further discussion of this issue may be found in other descriptions of the state Medicaid Buy-In programs (e.g., GAO 2002; Hanes and Folkman 2003; Jensen et al. 2002).

B. ENROLLMENT IN OTHER BENEFIT AND HEALTH INSURANCE PROGRAMS

As Figure III.4 shows, 73 percent of Buy-In participants who first enrolled in the program in 2002 were receiving SSDI prior to their enrollment. This finding indicates that most Buy-In participants have some work experience (at least enough to qualify for SSDI benefits). These data also reflect the attractiveness of the Buy-In program to SSDI recipients. However, additional information beyond what is currently available will be needed to determine the extent to which SSDI recipients are using the Buy-In program to enhance their earnings.

FIGURE III.4

SSDI STATUS OF NEW PARTICIPANTS PRIOR TO ENROLLMENT IN THE MEDICAID BUY-IN PROGRAM, 21 STATES, 2002



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.6)

Note: SSDI percentages only shown for those participants whose status could be determined. Indiana could not determine the SSDI status for any participants. Wisconsin could not determine the SSDI status for some participants

In light of the large percentage of participants who were receiving SSDI payments prior to enrollment into the Buy-In program, it is not surprising that a large percentage of Buy-In participants also had Medicare coverage. (Medicare coverage is available to SSDI beneficiaries who have been receiving SSDI payments for at least two years.) Three-quarters of all Buy-In participants who were enrolled in the Medicaid Buy-In for the entire fourth quarter of 2002 were dually enrolled in Medicaid and Medicare. Across the 21 states, less than 20 percent of participants had only Medicaid and no other health insurance coverage during this time period.

C. EARNINGS

As we have noted in Chapter I, states used UI data to report earnings of participants in the Medicaid Buy-In program. However, some Buy-In participants are self-employed or working in jobs for which their salaries are not reported to the UI system; hence, they would not be counted as having earnings, when in fact they do. Thus, the data presented in this section are likely to undercount employment and earnings for participants in the state Medicaid Buy-In programs.⁴

As Figure III.5 shows, just over half of the participants who were enrolled in 19 state Buy-In programs for the entire fourth quarter (October to December) of 2002 had reported earnings. (Two states, Massachusetts and New Jersey did not provide these data.)

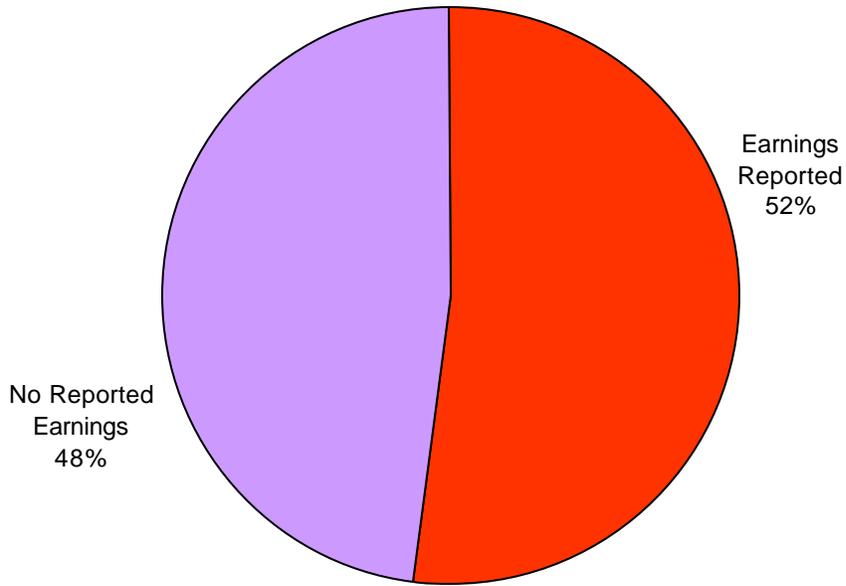
Figure III.6 shows percent of Medicaid Buy-In participants with reported earnings in selected earning categories. Adding the percentages of participants in the first four categories, we found that 78 percent of participants with reported earnings made \$800 or less per month. About 35 percent of the participants made \$400 or less. (A person who works for the minimum wage of \$5.15 per hour and works 40 hours per week for four weeks will make \$824 in a month; if the person had reported earnings of \$200 per month, he or she would be working for less than 10 hours per week at minimum wage.)

It is possible that there is a substantial drop-off in the number of participants who are making over \$800 per month because this amount is close to the 2002 Substantial Gainful Activity (SGA) level of \$780. Many Buy-In participants who are SSDI or SSI recipients may be unwilling to earn more than this amount because they are concerned that they will no longer be judged as disabled and that they will lose cash benefits. Additional information will be needed to further understand the extent to which the SGA level limits the earnings of Buy-In participants.

⁴To establish a standard group that could be compared across states, the Annual Buy-In Report asked states to indicate fourth-quarter earnings for individuals enrolled for the entire fourth quarter of 2002. The figures provided by the states were divided in three to estimate average monthly earnings.

FIGURE III.5

PERCENT OF BUY-IN PARTICIPANTS WITH UI EARNINGS REPORTED,
19 STATES, 2002

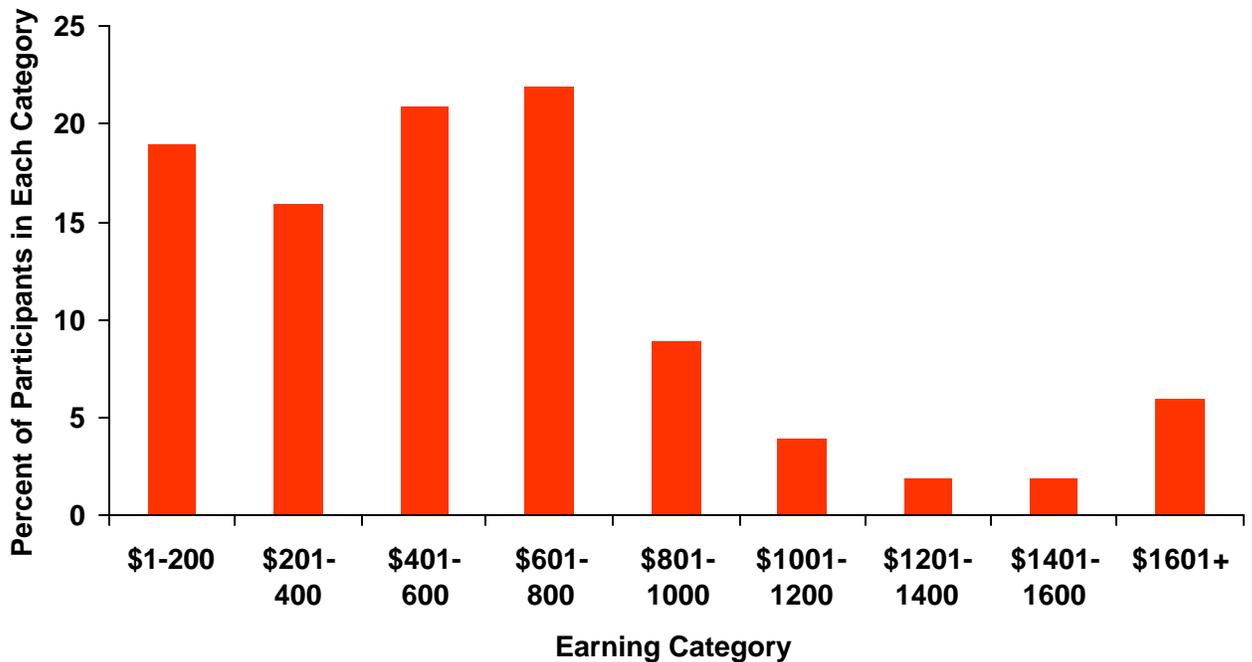


SOURCE: 2002 State Annual Buy-In Report Form. (Table C.11)

NOTE: Massachusetts and New Jersey did not submit earnings data.

FIGURE III.6

PERCENT OF BUY-IN PARTICIPANTS WITH REPORTED UI EARNINGS ACROSS
SELECTED MONTHLY EARNING CATEGORIES, 19 STATES, 2002



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.11)

NOTE: Massachusetts and New Jersey did not submit earnings data.

Twelve states that had operational Buy-In programs in both 2001 and 2002 submitted data on the extent to which earnings changed over a 12-month period for participants who were enrolled for the entire fourth quarters of both years. For this group, the change in earnings from the fourth quarter of 2001 to the fourth quarter of 2002 ranged from -16 percent to +15 percent in these 12 states.⁵ Three-quarters of the states reported that total earnings decreased. However, these data must be interpreted cautiously because information on what changes would have happened in the absence of the Buy-In is currently unavailable.

D. PREMIUMS AND COST-SHARING

Federal legislation did not set uniform standards or procedures for the premium or cost-sharing structure used to buy into the Medicaid Buy-In program. As a result, states have adopted varied approaches. Some states, for example, do not begin charging premiums until income exceeds 150 percent of the federal poverty level (FPL); for other states, the level is 200 percent of the FPL. Many states charge premiums based on a sliding scale linked to earnings. (Appendix B includes a table with additional information on the states' procedures for charging premiums.)

Overall, 47 percent of participants who were in 21 state Medicaid Buy-In programs for the entire fourth quarter of 2002 were required to buy-in with premiums, co-payments, or cost-sharing.⁶ If earnings are as low as Figure III.6 indicates, then it is likely that many participants are not paying premiums because their earnings are below the level at which the state begins to collect premiums. For participants who did pay a premium, the average monthly premium was \$64 across all states.

Seventeen of 20 states with available data use premiums as the only method for buying-in. Alaska asks participants to share costs of Medicaid services with co-payments in addition to premiums. Oregon uses cost-sharing in addition to premiums. New Mexico uses only co-pays as a buy-in method. New Jersey did not collect premiums in 2002 because the anticipated costs of doing so outweighed the expected amount of collections.

E. MEDICAID EXPENDITURES

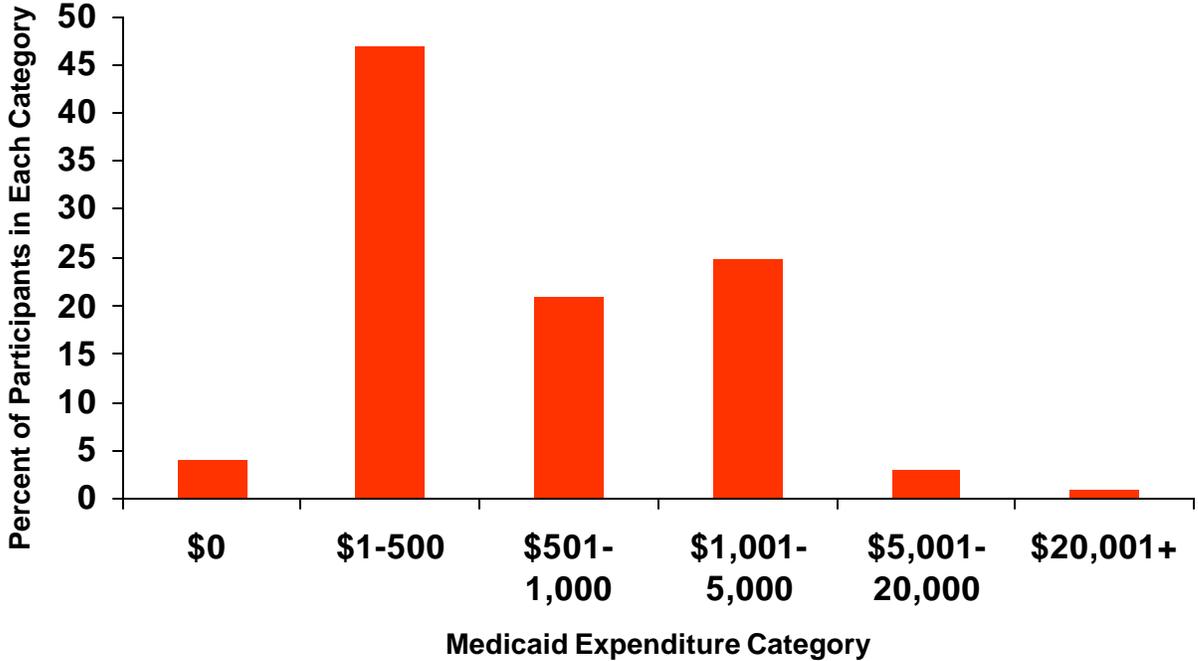
As shown in Figure III.7, about half of the participants who were enrolled in the Medicaid Buy-In program for the fourth quarter of 2002 had average monthly Medicaid expenditures that were under \$500; fewer than 5 percent had average monthly expenditures exceeding \$5,000. (Average monthly expenditures were calculated by summing expenditures for all months of 2002 in which the participant was enrolled and dividing this figure by the number of months enrolled.)

⁵Although the states reported earning changes for the group of individuals who were enrolled in the fourth quarters of both 2001 and 2002, the actual number of individuals who worked during these quarters may vary from one year to the next. For example, some individuals may have worked for the entire fourth quarter of 2001 but not for 2002.

⁶States only reported co-payments and cost-shares specific to Buy-In participants and not those applying to all Medicaid eligibles.

FIGURE III.7

PERCENT OF BUY-IN PARTICIPANTS IN SELECTED CATEGORIES OF MONTHLY MEDICAID EXPENDITURES, 21 STATES, 2002



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.15)

The average per member per month Medicaid expenditure in 2002 for all participants in the fourth-quarter group was \$916. No data are available to compare expenditures for the Medicaid Buy-In population in these states with expenditures for an equivalent group in similar states. However, average expenditure data are available for Medicaid beneficiaries with disabilities by eligibility group (see cms.hhs.gov/Medicaid/miss/msis99sr.asp). Analyses of these data indicate average 2000 per member per month (PMPM) expenditures for individuals designated as blind or disabled ranged from \$288 to \$1,467, depending on eligibility group.⁷ However, further examination of expenditure data for Medicaid Buy-In participants will help to clarify the relation between health service use and employment. One important question is the extent to which Medicaid Buy-In participants use personal assistance services and prescription drugs to support their efforts to work.

⁷Total Medicaid expenditures for 2000 were divided by the number of blind or disabled eligibles in each Medicaid Assistance Status (MAS) category to obtain the average expenditure for the year, which was then divided by 12. These figures are not adjusted for partial year enrollment. In addition, there are other Medicaid beneficiaries who have disabilities who may not be designated as the blind or disabled. Specific PMPM amounts for blind and disabled beneficiaries in each MAS category in 2000 are as follows: Cash assistance, \$733; Medically Needy, \$1,440; Poverty Related, \$420; Other, \$1,467; and 115 Waiver, \$288.

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IV. STATE VARIATION IN ENROLLMENT AND PARTICIPATION

Taking advantage of the flexibility provided under the federal legislation, states have used different administrative approaches to implement their Medicaid Buy-In programs. As noted in Chapter II, states vary with respect to the standards they use to establish Buy-In eligibility and the procedures for determining premiums and cost-shares. In addition, state Medicaid and SSI programs differ with respect to important programmatic provisions such as whether a state has a medically needy program. As a result of multiple administrative and programmatic differences, state Medicaid Buy-In programs vary considerably in terms of the target groups that are most likely to enroll. In turn, cross-state variation in the composition of the Buy-In participant group contributes to differences in patterns of reported earnings and Medicaid expenditures.

In this chapter we highlight state variation in the Medicaid Buy-In programs in terms of measures of participation. The results of our analyses underscore the diversity of strategies for the Buy-In programs and suggest the potential value to CMS of examining these different strategies to identify effective practices and implications for program outcomes.

A. BUY-IN ENROLLMENT AND PRIOR MEDICAID STATUS

As noted in Chapter I, in 2002 the 21 states enrolled 30,457 participants into their Medicaid Buy-In programs for the first time. However, the number of individuals who enrolled in 2002 varied widely among the states: eight states enrolled over 1,000 individuals; three states enrolled less than 150. Missouri was one of the states that began a Medicaid Buy-In program in 2002, and enrolled slightly over 8,000 individuals.

Table IV.1 shows the cumulative number of individuals enrolled in the 21 state Medicaid Buy-In programs and the number of years the program was in operation as of December 31, 2002. Overall, slightly more than 63,000 individuals have enrolled in three state Medicaid Buy-In programs since their inception. As the table shows, states vary widely in the relationship between cumulative enrollment and program duration. Factors that may account for this variation include state differences in outreach, target population, and program administration.

In most states, the majority of participants who enrolled in the Medicaid Buy-In program in 2002 were already in Medicaid (Figure IV.1). Three states (Connecticut, New Jersey, and Pennsylvania) are exceptions to this general pattern. However, Connecticut could not determine the prior Medicaid status for 40 percent of the 2002 enrollees, and hence, the percent with prior Medicaid enrollment may be higher than Figure IV.1 indicates. Identifying the reasons for the enrollment patterns in New Jersey and Pennsylvania would require additional information from the states.

Although the majority of participants in most state Buy-In programs were enrolled in Medicaid prior to enrolling in the Buy-In program, their distribution across Medicaid eligibility groups varied widely among the state programs. Table IV.2 shows this variation for participants who were in Medicaid prior to enrollment in the Buy-In program.

TABLE IV.1

NUMBER OF YEARS SINCE THE INCEPTION OF THE MEDICAID BUY-IN PROGRAM
AND CUMULATIVE ENROLLMENT, AS OF DECEMBER 2002, BY STATE

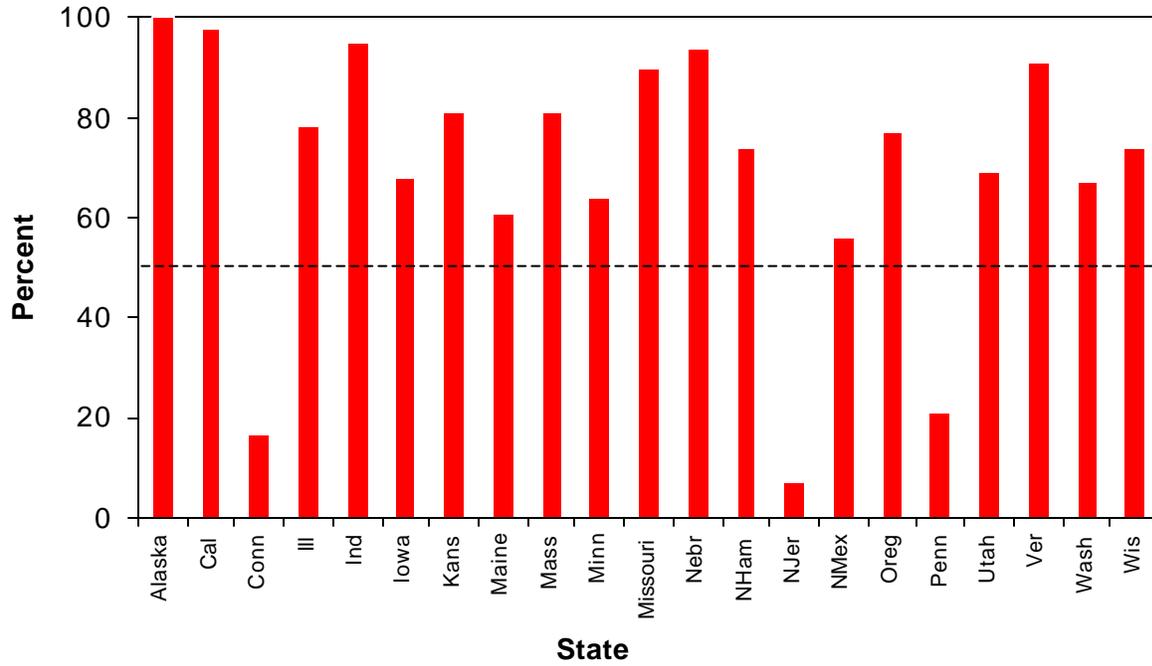
State	Number of Years Since First Enrollment	Cumulative Number of Participants
Alaska	3.5	338
California	2.7	1,205
Connecticut	3.2	3,829
Illinois	0.8	421
Indiana	0.5	3,769
Iowa	2.8	6,625
Kansas	0.5	516
Maine	3.3	1,696
Massachusetts	5.6	12,554
Minnesota	3.5	10,948
Missouri	0.5	8,122
Nebraska	3.5	257
New Hampshire	0.8	1,084
New Jersey	1.8	723
New Mexico	2.0	1,195
Oregon	3.8	993
Pennsylvania	1.0	1,476
Utah	1.5	463
Vermont	3.0	942
Washington	1.0	142
Wisconsin	2.8	5,762
Total		63,060

SOURCE: 2002 State Annual Buy-In Report Form and quarterly progress reports

NOTE: Cumulative number of participants includes individuals who enrolled at any time between program inception and December 31, 2002.

FIGURE IV.1

PERCENT OF PARTICIPANTS IN MEDICAID PRIOR TO ENROLLMENT IN THE BUY-IN PROGRAM, 21 STATES



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.5)

TABLE IV.2

NUMBER (PERCENT) OF PARTICIPANTS IN MEDICAID ELIGIBILITY GROUPS
PRIOR TO ENROLLMENT IN MEDICAID BUY-IN PROGRAMS, BY STATE, 2002

State	Total Participants	Cash Assistance		Medically Needy		Poverty-related		Other		1115 Demonstration		Status Unknown	
Alaska	131	118	(90)	0	(0)	1	(1)	12	(9)	0	(0)	0	(0)
California	395	17	(4)	51	(13)	54	(14)	273	(69)	0	(0)	0	(0)
Connecticut	257	0	(0)	1	(0)	249	(97)	7	(3)	0	(0)	0	(0)
Illinois	328	2	(1)	292	(89)	34	(10)	0	(0)	0	(0)	0	(0)
Indiana	3,596	0	(0)	0	(0)	3596	(100)	0	(0)	0	(0)	0	(0)
Iowa	1,539	428	(28)	435	(28)	437	(28)	239	(16)	0	(0)	0	(0)
Kansas	416	21	(5)	213	(51)	2	(0)	180	(43)	0	(0)	0	(0)
Maine	274	77	(28)	2	(1)	127	(46)	57	(21)	0	(0)	11	(4)
Massachusetts	3,057	2,400	(79)	0	(0)	512	(17)	0	(0)	145	(5)	0	(0)
Minnesota	1,094	185	(17)	419	(38)	44	(4)	426	(39)	20	(2)	0	(0)
Missouri	7,278	292	(4)	5,868	(81)	559	(8)	544	(7)	15	(0)	0	(0)
Nebraska	44	8	(18)	4	(9)	32	(73)	0	(0)	0	(0)	0	(0)
New Hampshire	797	254	(32)	505	(63)	33	(4)	5	(1)	0	(0)	0	(0)
New Jersey	30	22	(73)	0	(0)	0	(0)	7	(23)	1	(3)	0	(0)
New Mexico	354	269	(76)	0	(0)	31	(9)	54	(15)	0	(0)	0	(0)
Oregon	223	3	(1)	60	(27)	24	(11)	102	(46)	34	(15)	0	(0)
Pennsylvania	307	35	(11)	201	(65)	59	(19)	12	(4)	0	(0)	0	(0)
Utah	182	20	(11)	63	(35)	81	(45)	18	(10)	0	(0)	0	(0)
Vermont	270	25	(9)	165	(61)	2	(1)	9	(3)	69	(26)	0	(0)
Washington	95	9	(9)	64	(67)	9	(9)	13	(14)	0	(0)	0	(0)
Wisconsin	2023	487	(24)	617	(30)	171	(8)	659	(33)	89	(4)	0	(0)
Total	22,690	4,672	(21)	8,960	(39)	6,057	(27)	2,617	(12)	373	(2)	11	(0)

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: See Appendix D for definition of eligibility groups. The above data is shown for individuals who enrolled for the first time in 2002.

In six states (Illinois, Kansas, New Hampshire, Pennsylvania, Vermont, and Washington), more than half of the participants who enrolled in 2002 came from medically needy programs. Because Missouri is a 209(b) state and therefore must offer a medically needy option to qualifying individuals with disabilities, it classified these individuals as being in a medically needy program even though technically it does not have such a program (Crowley 2003). Therefore, we excluded Missouri data from certain analyses because these individuals may be dissimilar to individuals in medically needy programs in other states.

In four states (Alaska, Massachusetts, New Jersey, and New Mexico¹), more than half of participants who enrolled in 2002 were receiving cash assistance. Over half of the participants were from poverty-related programs in Connecticut,² Nebraska and Indiana. Like Missouri, however, Indiana is a 209(b) state; unlike Missouri, it classified individuals to whom it offered a medically needy option as being in the poverty-related eligibility category. We excluded Indiana data from certain analyses because these individuals may be dissimilar to individuals in poverty-related programs in other states.

Overall, these findings underscore state differences in the mix of Medicaid beneficiaries who have enrolled in the Medicaid Buy-In program. Further examination of the relationship between program features and enrollment patterns in selected states may be found in other reports (e.g., Jensen et al. 2002).

B. ENROLLMENT IN OTHER BENEFIT AND HEALTH INSURANCE PROGRAMS

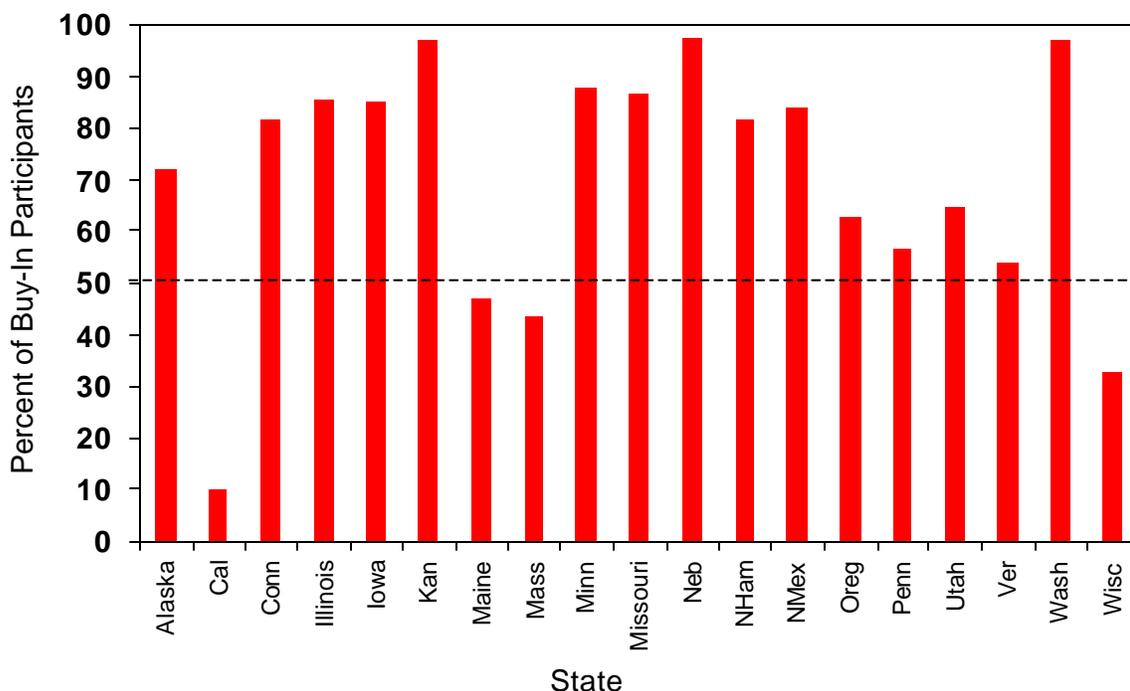
Most Medicaid Buy-In participants are involved with other federal cash or health insurance programs when they enter the program, and most have work experience. As Figure IV.2 shows, over 80 percent of the Buy-In participants newly enrolled in 2002 in 10 states were SSDI beneficiaries prior to enrollment. In only four states (California, Maine, Massachusetts, and Wisconsin) were fewer than 50 percent receiving SSDI. In Wisconsin, however, SSDI status could not be determined for 36 percent of the new enrollees in 2002, and hence SSDI enrollment may be higher than Figure IV.2 indicates. These findings underscore that the majority of Buy-In participants in most states are also SSDI beneficiaries, which means that they have some work experience. Further information is needed to determine the amount and nature of this experience and whether SSDI beneficiaries with certain types of experience are especially likely to enroll in the Medicaid Buy-In program.

¹New Mexico's Medicaid Buy-In program enrolls "Medigap" individuals—that is, persons who lost SSI because they received Social Security Disability Income and are in the two-year waiting period to receive Medicare. According to the March 30, 2002 quarterly MIG report from New Mexico, these individuals do not have to be working to qualify for the Medicaid Buy-In program, but they do have to meet income and resource limits.

²Connecticut's figure is based on the 60 percent of the new enrollees for whom prior Medicaid status could be determined.

FIGURE IV.2

PERCENT OF MEDICAID BUY-IN PARTICIPANTS RECEIVING SSDI BENEFITS PRIOR TO ENROLLMENT, 19 STATES, 2002



SOURCE: 2002 State Annual Buy-In report Form. (Table C.6)

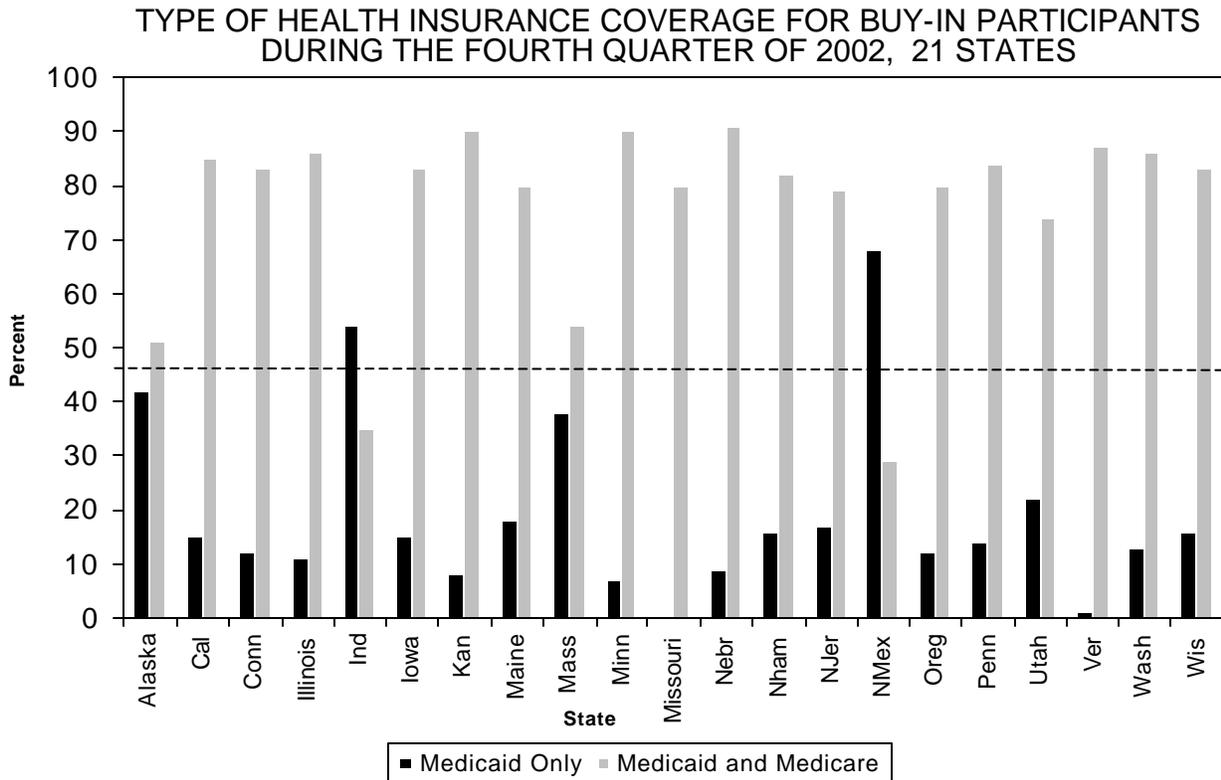
NOTE: Indiana and New Jersey did not submit SSDI participation data.

As Figure IV.3 shows, in most states (16 of the 21) over 70 percent of the participants who were enrolled in the Medicaid Buy-In program for the entire fourth quarter were dually enrolled in both Medicaid and Medicare. This finding is not surprising in light of the large enrollment of SSDI beneficiaries, many of whom have Medicare.

In five states (Alaska, Indiana, Massachusetts, New Mexico, and Utah) more than 20 percent of the participants have only Medicaid prior to enrollment in the Buy-In program. New Mexico has a very large percentage of Buy-In participants who are only covered by Medicaid because the state is enrolling a large proportion of SSDI beneficiaries who are in the Medicare waiting period. This figure, therefore, may decrease as these participants gain access to Medicare. Further information from the other states is needed to determine the reasons for the reported percentage of Buy-In participants with only Medicaid coverage.

Overall, an important issue for further study involves the enrollment dynamics between the Buy-In program, Medicare, and other Medicaid work incentive programs. For example, it would be worth investigating the extent to which individuals in the Buy-In programs who are receiving SSDI are in the waiting period for Medicare, and the implications of this status for their earnings under the Medicaid Buy-In program.

FIGURE IV.3



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.7)

NOTE: Missouri did not submit data on participants who have Medicaid only.

C. EARNINGS

As Table IV.3 shows, states varied widely in the percentage of participants who had reported UI earnings in the fourth quarter of 2002. In Indiana, 93 percent of participants had reported earnings; in New Mexico, 25 percent had earnings. In 11 of the 19 states for which data were available, more than 70 percent of participants had earnings. In 6 states, 50 percent or fewer had earnings. As we noted in Chapter I, states relied on UI data to report earnings, and as a result, these figures are likely to undercount the actual number of Buy-In participants who were working for pay in 2002.

Table IV.3 also shows the percent of participants who were in selected UI earnings categories. In most states, the majority of participants had reported earnings of less than \$800 per month. However, in six states (Alaska, Maine, Nebraska, New Mexico, Oregon, and Pennsylvania) more than 10 percent of the participants had monthly earnings that exceeded \$1,601. Again, additional information from the states would be needed to examine how different administrative features relate to patterns of participants' reported earnings.

States were given the option of reporting self-employment income for Medicaid Buy-In participants enrolled for the fourth quarter of 2002, and eight states did so (see Appendix C, Table C.12) using data from the state's Medicaid or public assistance eligibility files or case records. In most of these states, less than 10 percent of the fourth-quarter participants had self-employment income.

TABLE IV.3

NUMBER AND PERCENT OF PARTICIPANTS
WITH REPORTED UI EARNINGS IN FOURTH QUARTER OF 2002, BY STATE

	Number of Fourth- Quarter Participants	Participants with Earnings		Percent of Individuals with Earnings in Selected Categories								
		Number	Percent	\$1-200	\$201- 400	\$401- 600	\$601- 800	\$801- 1000	\$1001- 1200	\$1201- 1400	\$1401- 1600	\$1601+
Alaska	186	67	36	12	10	13	10	13	9	7	1	16
California	651	562	86	26	16	19	15	7	4	3	1	9
Connecticut	2,075	1542	74	19	17	23	20	6	4	3	1	7
Illinois	177	127	72	12	13	33	26	5	2	2	6	2
Indiana	2,344	2189	93	1	5	19	43	22	7	2	1	1
Iowa	4,811	1570	33	28	21	20	18	5	2	2	1	2
Kansas	384	282	73	23	31	24	15	4	1	0	0	1
Maine	617	359	58	13	16	18	16	7	9	7	4	11
Minnesota	5,932	3196	54	24	18	22	19	6	2	2	1	5
Missouri	4,736	1229	26	26	20	22	15	6	4	2	2	3
Nebraska	91	75	82	3	4	31	29	9	5	3	4	12
New Hampshire	880	628	71	24	21	22	16	5	3	3	1	4
New Mexico	712	178	25	10	10	15	20	16	7	5	4	13
Oregon	531	381	72	14	15	19	18	7	6	2	3	16
Pennsylvania	888	691	78	0	4	23	20	9	8	6	3	27
Utah	138	63	46	32	21	30	8	3	0	0	3	3
Vermont	336	246	73	14	20	20	26	6	4	2	3	6
Washington	136	109	80	19	21	17	26	10	2	3	0	3
Wisconsin	3,339	1480	44	26	19	22	18	6	2	2	1	4
Total	28,964	14,974	52	19	16	21	22	9	4	2	2	6

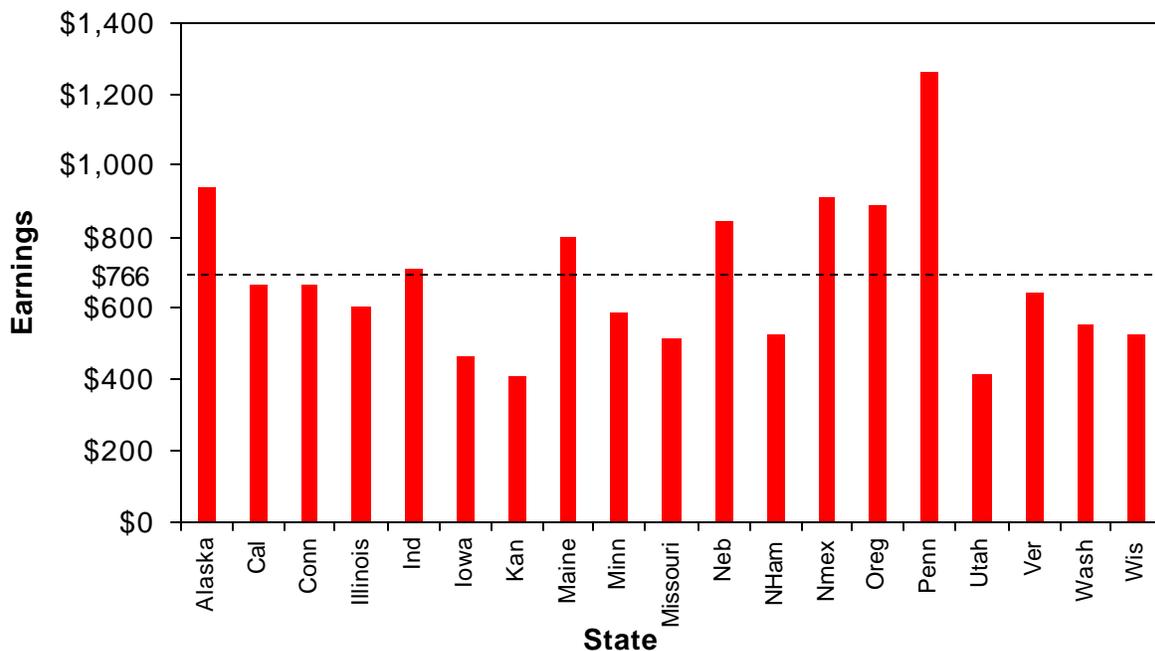
SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: New Jersey and Massachusetts did not submit earnings data. Fourth-quarter participants include individuals enrolled in the Medicaid Buy-In program for the entire fourth quarter of 2002.

States also vary widely in the average monthly earnings reported for Buy-In participants. As Figure IV.4 shows, the range of earnings for the fourth quarter of 2002 varies from a low in Kansas where participants report average monthly earnings of \$422 to a high in Pennsylvania where participants report earnings of \$1,265. The dotted line represents the mean of the average monthly earnings across the 19 states. Average monthly earnings must be interpreted cautiously because they mask variation within a state’s program and because income criteria for program eligibility vary across states.

FIGURE IV.4

AVERAGE MONTHLY EARNINGS IN THE FOURTH QUARTER FOR BUY-IN PARTICIPANTS WITH REPORTED UI EARNINGS, 19 STATES, 2002



SOURCE: 2002 State Annual Buy-In Report Form. (Table C.11)

NOTE: New Jersey and Massachusetts did not submit earnings data. Dotted line represents the mean across the 19 states.

D. PREMIUMS AND COST-SHARING

Most states require participants to “buy-in” to the state program, although the way in which premiums are structured and the actual amount of the premium varies widely both within and across states. Many states, for example, base premiums on a sliding scale and may waive premiums below certain levels. Some states do not charge premiums until earnings reach a certain amount.

As Table IV.4 shows, two states (California and Washington) required all Buy-In participants to pay premiums in 2002. In contrast, 3 percent of participants in Nebraska were required to pay a premium. This variation reflects the substantially different approaches that states have taken to use premiums to help reduce overall costs to the program. More information is needed from states to relate this pattern to the programs’ structure and administrative procedures.

TABLE IV.4

NUMBER OF PARTICIPANTS REQUIRED TO PAY PREMIUMS AND AVERAGE
MONTHLY PREMIUMS, BY STATE, 2002

State	Fourth-Quarter Participants	Premiums		
		Participants Required to Pay Premiums		Average Monthly Premium
		Number	Percent	In Dollars
Alaska	186	91	49	43
California	651	651	100	35
Connecticut	2,075	347	17	40
Illinois	177	176	99	48
Indiana	2,344	1,020	44	64
Iowa	4,811	1,376	29	35
Kansas	384	227	59	67
Maine	617	97	16	12
Massachusetts	5,918	4,357	74	44
Minnesota	5,932	4,950	83	40
Missouri	4,736	509	11	65
Nebraska	91	3	3	72
New Hampshire	880	93	11	34
Oregon	531	11	2	30
Pennsylvania	888	829	93	43
Utah	138	113	82	321
Vermont	336	40	12	18
Washington	136	136	100	81
Wisconsin	3,339	439	13	131
Total	34,170	15,465	45	64

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: New Jersey did not submit premium data. New Mexico is not included because it does not charge premiums, but does ask Buy-In participants to share the cost of medical services when they are provided. Participants include individuals enrolled in the Medicaid Buy-In for the entire fourth quarter of 2002. Average monthly premium amounts are calculated for participants who pay premiums.

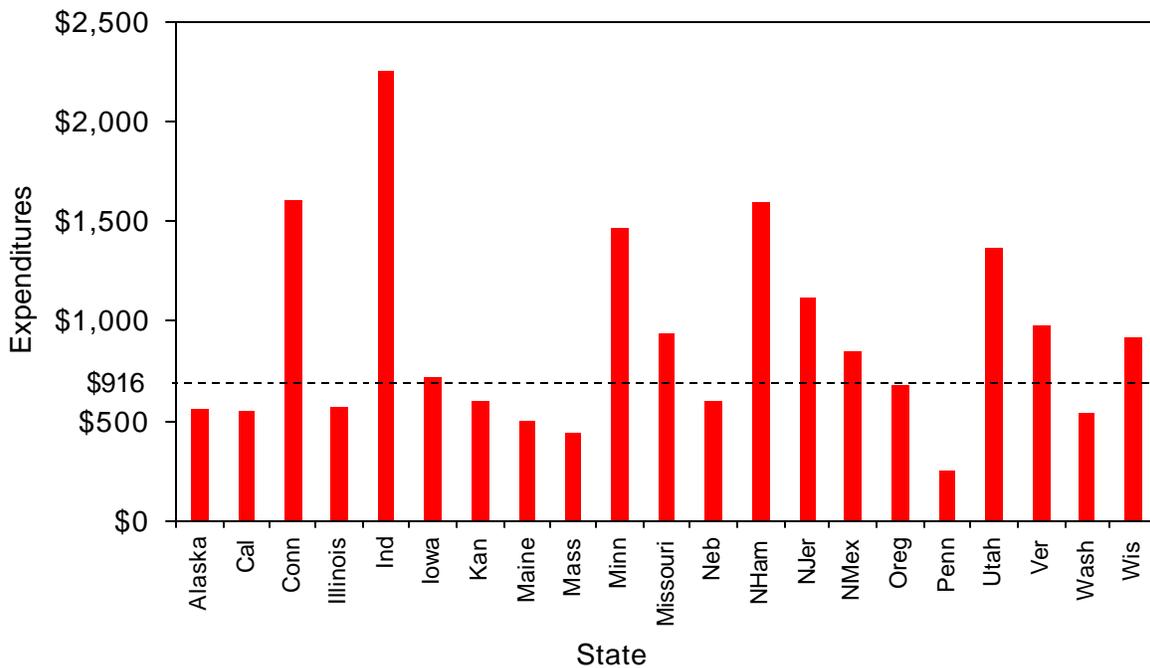
Overall, for participants who are required to pay premiums, the average amount ranges from \$12 to \$321. Maine and Vermont charge an average monthly premium of less than \$18 to participants. Utah increased its monthly premium in 2002 because of a sharp decrease in legislative appropriations for its Buy-In program, and charged participants, on average, more than \$320 per month. Four states, including Utah and Wisconsin, have average premiums that are greater than \$70. These figures should be interpreted carefully because premiums in any particular state can be both higher and lower than this amount, depending on the sliding scale. In many states, some participants will not be charged any premium.

E. MEDICAID EXPENDITURES

As Figure IV.5 shows, in 15 of the 21 states, average monthly Medicaid expenditures for Buy-In participants enrolled in the fourth quarter were less than \$1,000, and in 11 states this figure was less than \$750. Indiana spent an average of \$2,260 per month per participant, nearly 10 times more than Pennsylvania (which spent \$260 per month). Two other states, New Hampshire and Connecticut, spent more than \$1,600 per person.

FIGURE IV.5

AVERAGE MONTHLY MEDICAID EXPENDITURES FOR BUY-IN PARTICIPANTS, 21 STATES, 2002



SOURCE: 2002 State Annual Buy-In Report Form. (Table C15)

NOTE: Dotted line represents the mean across the 21 states

Additional data on the number of individuals with expenditures in selected categories is in Appendix C (Table C.15). Excluding Indiana, less than 7 percent of each state's Medicaid Buy-In participants who were enrolled in the fourth quarter of 2002 had expenditures greater than \$5,000. In Indiana, 17 percent had expenditures between \$5,000 and \$20,000, and 4 percent had expenditures that exceeded \$20,000.

These figures provide an overview of variation in state Medicaid expenditures for services provided to Medicaid Buy-In participants, but they yield little insight into the services that were provided or the factors that account for state variation. Further information is needed to determine the extent to which the services assisted the participants to remain in jobs and to identify the factors that contribute to variation across states. An important issue for future work will involve understanding the relationship between use of health care and employment status for participants in the Medicaid Buy-In program.

F. SUMMARY OF STATE VARIATION

This chapter has documented the extensive state variation in quantitative measures of participation in the Medicaid Buy-In program. Table IV.5 collects some of these key quantitative indices and illustrates the diversity in participation in state Medicaid Buy-In programs. The data in this table should be examined with several considerations in mind.

First, for a few of the indices, states were unable to provide all of the data requested. For example, Connecticut was unable to provide information on prior Medicaid enrollment for 40 percent of new enrollees in 2002 and Wisconsin could not determine SSDI status for slightly more than a third of its new enrollees. As the table indicates, for certain data elements, some states were unable to provide the requested information for any portion of the participants. Although most states did provide the information requested using the recommended data source (see Appendix B), undetected problems still may be present. Data for 2003 will be important for helping to examine the reliability of the information provided on the Annual Buy-In Report form for 2002.

Second, the patterns in Table IV.5 raise more questions than can be answered using this data source alone. For example, in California, the percent of newly enrolled participants with SSDI prior to enrollment in the Medicaid Buy-In program is much lower than the percent of fourth quarter participants who were enrolled in Medicare (10 percent versus 85 percent). Maine's and Vermont's data show a similar pattern (47 versus 80 percent and 54 versus 87 percent, respectively). This finding is somewhat counterintuitive because one would think that Buy-In participants who are enrolled in Medicare would also be SSDI beneficiaries. It may be that some data are inaccurate. Available information does not shed light on the reasons for this pattern, and studies of individual states (e.g., Jee and Menges, 2003; Payne et al. 2003) do not address this particular issue. Identifying the factors that account for these findings will require collecting additional information.

In contrast to California and Maine, New Mexico and, to a lesser extent, Alaska have relatively few participants enrolled in Medicare compared to the percent who are SSDI beneficiaries. In New Mexico, this pattern is likely to result from the emphasis on enrolling individuals who are in the waiting period for Medicare.

TABLE IV.5

PERCENT OF PARTICIPANTS ENROLLED IN MEDICAID,
SSDI, AND MEDICARE, BY STATE, 2002

State	% in Medicaid At Buy-In Enrollment	% in SSDI At Buy-In Enrollment	% Dually Enrolled in Medicare	Average Monthly Earnings	Average PMPM Medicaid Expenditures
Alaska	100	72	51	\$942	\$572
California	98	10	85	\$668	\$559
Connecticut	17	82	83	\$665	\$1,616
Illinois	78	86	86	\$607	\$575
Indiana	95	---	35	\$713	\$2,260
Iowa	68	85	83	\$471	\$722
Kansas	81	97	90	\$415	\$609
Maine	61	47	80	\$806	\$505
Massachusetts	81	44	54	---	\$441
Minnesota	64	88	90	\$590	\$1,467
Missouri	90	87	80	\$513	\$950
Nebraska	94	98	91	\$851	\$605
New Hampshire	74	82	82	\$530	\$1,602
New Jersey	7	--	79	---	\$1,128
New Mexico	56	84	29	\$917	\$854
Oregon	77	63	80	\$895	\$690
Pennsylvania	21	57	84	\$1,265	\$260
Utah	69	65	74	\$422	\$1,372
Vermont	91	54	87	\$645	\$980
Washington	67	97	86	\$554	\$551
Wisconsin	74	33	83	\$532	\$919
Total	74	70	75	\$685	\$916

NOTE: New Jersey did not submit SSDI status or earnings data. Indiana did not submit SSDI data. Massachusetts did not submit earnings data. Enrollment in SSDI and Medicaid is shown for the first-time group, which includes those individuals who enrolled in the Buy-In program for the first time in 2002. Enrollment in Medicare, average earnings, and average expenditures are shown for the fourth-quarter group, which includes those individuals who were enrolled in the Medicaid Buy-In program for the entire fourth quarter of 2002.

Finally, the data underscore issues that need further examination. For example, average reported monthly earnings and average monthly Medicaid expenditures are not related in a straightforward manner. In some states (e.g., Indiana, Minnesota), the earnings are low relative to expenditures; in other states (e.g., Maine, Pennsylvania), the pattern is reversed. To understand the relationship between employment and health service use for Medicaid Buy-In participants, additional studies will be needed.

V. SUMMARY AND CRITICAL POLICY QUESTIONS

A. SUMMARY OF FINDINGS

The Medicaid Buy-In program was initially established by the Balanced Budget Act of 1997, with further authorizing provisions added by the Ticket to Work and Work Incentive Improvement Act (the Ticket Act) of 1999. Since 1998, the number of state Buy-In programs has grown consistently, with corresponding increases in program enrollment. On December 31, 2002, a total of 43,713 persons were enrolled in the 21 Medicaid Buy-In programs in states with MIGs. Including the four states that had a Medicaid Buy-In program, but no MIG, the total enrollment was 44,228.

Seventy-five percent of the individuals who enrolled in 21 Buy-In programs in 2002 were already on Medicaid and about 75 percent were receiving SSDI. Three-quarters of the participants who were enrolled for the fourth-quarter were on Medicare. About 50 percent of the Medicaid Buy-In participants enrolled in the fourth-quarter had reported earnings, although this is likely to be an undercount of the number of individuals who were working for pay. Of participants who had reported earnings, 78 percent had monthly earnings of \$800 or less.

Our analyses also showed extensive variation among states. For example:

- The number of participants enrolling in state Medicaid Buy-In programs in 2002 varied from less than 150 to more than 8,000
- In some states, all or almost all of the participants who first enrolled in 2002 were Medicaid beneficiaries prior to enrollment; in a few states, less than 25 percent were Medicaid beneficiaries
- Of the 20 states that charge monthly premiums to Buy-In participants, the average premium ranged from \$12 to \$321 per month
- Average monthly reported earnings ranged from \$422 to \$1,265
- Average monthly Medicaid expenditures varied from \$260 to \$2,260

B. CRITICAL POLICY QUESTIONS

Continued collection and analysis of data on enrollment and participation in state Medicaid Buy-In programs will help CMS and other stakeholders monitor program growth, track participant characteristics, and understand further the relationship between access to insurance, earnings from employment, and use of health services. Key policy questions that should be addressed include the following:

- To what extent does the Medicaid Buy-In program promote increased employment among individuals with disabilities who are working? How can program policies

contribute not only to increased enrollment but also increased earnings? Enrollment is likely to grow, and it will be important to understand the extent to which enrollment into the Buy-In program changes participants' work patterns.

- What are the implications of enrollment into the Medicaid Buy-In program for SSDI recipients? As other reports have noted (GAO 2003), the Buy-In programs are especially beneficial for these individuals because a large proportion of them are in medically needy programs. With the availability of the Buy-In program, these individuals can qualify for Medicaid directly without having to spend down their resources. Does the program also lead to increased earnings over time?
- To what extent does the Buy-In program offer advantages to SSI recipients over other Medicaid-related work incentive programs? SSI recipients are likely to have a different and possibly more limited work history than individuals receiving SSDI. To what extent does the Buy-In program allow them to build on their work experiences and extend earnings beyond limits set by other work incentive programs?
- How are health expenditure and earnings related? Medicaid is valuable because it covers prescription drugs and, in some states, personal assistance services. To what extent does the use of these and other health services influence work and earnings? Understanding more about the relationship between service use and work would be of substantial interest to policymakers and program administrators.
- How does the design of a state Medicaid Buy-In program affect patterns of enrollment, earnings, and health service use? States vary widely in how they have structured asset and income eligibility criteria, cost-sharing procedures, and outreach efforts. Although some work on this issue has been completed, further analysis is needed to understand better the links between administrative features of the Buy-In program and its outcomes.

CMS can consider several activities to address these questions. First, most states with Buy-In programs will continue to provide quantitative data on enrollment and participant characteristics by submitting standardized annual reports. As these data accumulate, CMS will have the opportunity to conduct longitudinal analyses of program development, enrollment trends, and patterns of participation.

Second, the substantial variation among state Buy-In programs provides a valuable opportunity to learn about the implications of different approaches for enrollment and participation. Taking advantage of this opportunity will require linking detailed qualitative information on program operations and processes with quantitative data on program enrollment and participation. This approach may point toward effective strategies for increasing the attractiveness of the program to people with disabilities and supporting their efforts to find and keep employment. Several states also are conducting evaluations of their Medicaid Buy-In programs and findings from these studies may provide further insights into the implications of state variations in program structure and administration.

Third, the emerging database of quantitative information on participation in the Buy-In program can be strategically enhanced by adding data from other existing federal sources, such as the Social Security Administration (SSA) databases, the Medicaid Statistical Information

System (MSIS) files, and the Medicare files. This approach would allow CMS to develop an individual-level database on health expenditures, which would have significant policy benefits by providing CMS with analytic flexibility to answer important policy questions that cannot be addressed by the group-level data received from states. Also, it would reduce the states' reporting burden because they could focus resources on providing only information that could not be obtained from federal databases. Finally, it would allow for information from new databases to be added as they became available, and over time, contribute to a national monitoring system on employment of people with disabilities.

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APPENDIX A

**INSTRUCTION GUIDE FOR THE
2002 STATE ANNUAL BUY-IN REPORT FORM**

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DRAFT

The Medicaid Buy-In Program: Completing the Annual State Report on Program Participation in Calendar Year 2002

Instruction Guide

Prepared by Mathematica Policy Research, Inc.
for the Centers for Medicare and Medicaid Services

Data Element 1: Enrollment Totals

A. Wording

1(a) How many individuals enrolled for the first time in the Medicaid Buy-In during the 2002 calendar year? (The "first-time" group)

1(b) How many individuals re-enrolled in the Medicaid Buy-In during the 2002 calendar year? (The "re-enrolled" group)

1(c) Of the individuals in 1(b), how many times did these individuals re-enroll in 2002?

- 1) 1
- 2) 2
- 3) 3
- 4) 4-6
- 5) 7 or more

6) Number of people with re-enrollments - sum of 1) thru 5)

7) If there is a difference between 1(b) and 1(c)6), please explain:

1(d) How many individuals were enrolled in the Buy-In program for the entire 12 months of 2002? (The "continuously enrolled" group)

1(e) How many individuals were enrolled in the Buy-In program for the entire fourth quarter of 2002? (The "fourth-quarter" group)

1(f) How many individuals were enrolled in the Buy-In for the entire fourth quarter of 2002 and for the entire fourth quarter in 2001? (The "longitudinal" group)

1(g) How many individuals have been enrolled in the Buy-In program since its inception? (The "cumulatively enrolled" group)

Recommended data source for Element 1: MMIS eligibility file

B. Instructions

A person is considered "enrolled" if that person is included in the Buy-In program as of December 31st as indicated in the state eligibility files.

Item 1(a) is presumed to be an unduplicated count of individuals enrolled for the first time. These include individuals who have either never participated in the Buy-In program or have not participated since January 2000. States are not expected to search their enrollment records for dates prior to January 2000.

Item 1(b) defines the *re-enrolled group*. This group reflects the “churning” or turnover rate for this program. “Re-enrolled” individuals are defined as those who had a previous enrollment in the Buy-In program, became disenrolled, and then enrolled again in the Buy-In program at any time since the inception of the program or since January 2000, whichever is later. (States are not expected to search their enrollment records for dates prior to January 2000.) This includes individuals who first enrolled in 2002. An individual should not be considered “re-enrolled” unless there is an actual gap in Medicaid Buy-In coverage. For example, an individual may be disenrolled but is then re-enrolled retroactive to when they were disenrolled (thus making his or her enrollment continuous). For the purposes of this item, this individual would not be considered re-enrolled.

Item 1(c) asks for the number of re-enrollments that each individual in the *re-enrolled group* amassed during 2002.

Item 1(d) refers to the *continuously enrolled group* and reflects those individuals who remain on the Buy-In for the entire year.

Item 1(e) refers to the *fourth-quarter group*. This group provides a standard count of participants who have been enrolled for a discrete period of time.

Item 1(f) refers to the *longitudinal group*. This group provides a standard approach for tracking how earnings change for participants who have been in the program for at least two quarters in two consecutive years. To be included in this group, individuals do not have to be continuously enrolled between the two quarters.

Item 1(g) refers to the *cumulatively enrolled group*. We recognize that reporting this information will be more difficult for some states than others depending on the program start date. For states whose programs started in 2002, the number in the cumulatively enrolled group will equal the number in the *first-time group*. Going forward, the cumulatively enrolled can be calculated by adding the counts of first-time enrolled in each year. For programs that started prior to 2002, we are asking states to determine an unduplicated cumulative count as accurately as possible using available data going back to the program’s inception or January 2000, whichever is later.

Data Element 2: Medicaid Eligibility Status

A. Wording

2. How many individuals in the first-time group were enrolled in Medicaid for at least 30 consecutive days in the 12 months immediately prior to the date they became enrolled in the Buy-In program and in what eligibility category were they enrolled?

(a) Number enrolled in Medicaid for at least 30 days in prior year - sum of 1) thru 6) below:

- 1) Receiving Cash or Eligible under Section 1931 (SSI):
- 2) Medically needy:
- 3) Poverty-related:
- 4) Other:
- 5) 1115 Demonstration:
- 6) Medicaid status unknown:

(b) Number not enrolled in Medicaid for at least 30 days in prior year:

(c) Number for whom Medicaid status is undetermined:

(d) Number of first-time enrollees - sum of boxes (a), (b), and (c):

(e) Number from Data Element 1(a):

(f) If there is a difference between lines (d) and (e), please explain:

Recommended data source for Element 2: MMIS eligibility file

B. Instructions

Categories 1) thru 5) under 2(a) correspond to the Medicaid Assistance Status (MAS) categories as described in the Medicaid Statistical Information System (MSIS).

In determining if an individual is “eligible for Medicaid for at least 30 consecutive days,” account for the following:

- If an individual has been in more than one eligibility group in the designated period, select and record the most recent eligibility group.
- Include those individuals who are eligible to receive services, but they do not need to have received services.
- Include individuals who may have been enrolled in an 1115 waiver or any HIFA Waiver.

- Do not include any individuals who did not meet their spend-down and therefore never become eligible for Medicaid.
- Do not include any State-only funded programs in this group.

Individuals with any variation of SSI payments, including 1619(a) or state Supplementation, will be counted in line 2(a)1).

The “Other” group includes individuals in 1619(b), DAC with no SSI, Disabled Widows, Widowers with no SSI, and persons who are eligible for QMB and/or SLMB (Qualified Medicare Beneficiary and/or Specified, Low-Income Medicare Beneficiary).

Item 2(a)6), Medicaid status unknown, and item 2(c), Medicaid status undetermined, are mutually exclusive. The former indicates that an individual is enrolled in Medicaid but the category is unknown, while the latter indicates that the state could not determine if the individual is enrolled in Medicaid.

See Appendix A for a definition of the groups in 2.(a)1) through 2.(a)5).

Data Element 3: SSDI Status

A. Wording

3. How many individuals in the first-time group were receiving SSDI benefits at the time of their enrollment?

- (a) Number receiving SSDI benefits:
- (b) Number not receiving SSDI benefits:
- (c) SSDI status undetermined:
- (d) Number of first-time enrollees - sum of boxes (a), (b), and (c):
- (e) Number from Data Element 1(a):
- (f) If there is a difference between lines (d) and (e), please explain:

Recommended data source for Element 3: MMIS eligibility file

B. Instructions

This count only includes individuals receiving benefits at the time of enrollment.

When considering an individual's eligibility to receive SSDI benefits:

- Do not include spouses' SSDI or other Title II benefits.
- Do not include individuals who have not yet been determined eligible to receive SSDI.

If some or all of the SSDI records for your state has been over-written since individuals' time of enrollment, include the new SSDI status and note this occurrence in item 3(f).

Data Element 4: Other Health Coverage

A. Wording

4. How many individuals in the 2002 fourth-quarter group also had other health care coverage through public or private third-party insurance at any point during the fourth quarter of 2002? In what type of plans were these individuals enrolled? For how many of these individuals did the state pay premiums?

(a) Number with health care coverage in addition to Medicaid:

1) Medicare:

Number of these individuals (in line 1) for whom the state paid the premiums at any time in the fourth quarter:

2) Other public plan:

3) Private plan:

4) Other:

Number of these individuals (total of lines 2-4) for whom the state paid premiums at any time in the fourth quarter:

(b) Number with only Medicaid:

(c) Number in the fourth-quarter group - sum of boxes (a) and (b):

(d) Number from Data Element 1(e):

(e) If there is a difference between lines (c) and (d), please explain:

Recommended data source for Element 4: MMIS eligibility file

B. Instructions

This count only reflects coverage that enrollees had during the fourth quarter of 2002.

Examples of entries in item 4(a)2) are VA and CHAMPUS. An example of 4(a)3) is employer-based insurance.

The category of "Other" in line (a)4) includes individuals with any other health insurance coverage even if this other insurance coverage is not specified or known.

Data Element 5: Premiums and Cost-sharing

A. Wording

5. Of those individuals in the 2002 fourth-quarter group, how many were required to pay premiums, cost-shares, or co-payments during this time, and what was the average amount?

- (a) Number of participants required to pay premiums:
- (b) Average monthly premium due for fourth quarter of 2002 for those in 5(a):
- (c) Number of participants required to cost-share:
- (d) Average monthly cost share due for fourth quarter of 2002 for those in 5(c):
- (e) Number of participants required to co-pay:
- (f) Average monthly co-pay due for fourth quarter of 2002 for those in 5(e):

Recommended data source for Element 5: Billing and Collection System

B. Instructions

Items (a), (c), and (e) are not mutually exclusive.

Count individuals who would be required to cost-share or co-pay for services if they actually used services, even though they may not have used services during this period.

This item asks for how much was owed, not how much was actually collected. When calculating this dollar amount, please use the following guidelines:

- Subtract any refunds due back to individuals due to disenrollment or any other reason.
- Do not count premiums past due during, but not for, the fourth quarter.

For the purposes of this form, cost-share is defined as paying a given percentage of costs for a service, visit, or episode of treatment. Co-payment is defined as paying a given dollar amount per service, visit, or episode of treatment.

Data Element 6: Fourth Quarter Earnings

A. Wording

6. What were the monthly earnings for individuals in the 2002 fourth-quarter group during the fourth quarter of 2002?

(a) Total earnings for the entire 2002 fourth-quarter group for the fourth quarter of 2002:

(b) Number of individuals with 2002 monthly earnings during the fourth quarter in the following categories:

- 1) No earnings reported (or \$0)
- 2) \$1 – 200
- 3) \$201 – 400
- 4) \$401 – 600
- 5) \$601-800
- 6) \$801-1,000
- 7) \$1,001-1,200
- 8) \$1,201-1,400
- 9) \$1,401-1,600
- 10) \$1,601+

(c) Number with 2002 monthly earnings during the fourth quarter - sum of 2) thru 10):

(d) Number of people in the fourth-quarter group (from Data Element 1(e)):

(e) If there is a difference between lines (c) and (d), please explain:

Recommended data source for Element 6: Unemployment Insurance System

B. Instructions

States should use the Unemployment Insurance system to identify quarterly earnings.

For item 6(a), sum the total fourth quarter earnings across all individuals in the group.

For item 6(b), calculate total earnings for each individual by identifying the individual's earnings for the quarter and dividing by three.

Self-employment earnings will not be included (see Data Element 6A).

Data Element 6A: Self-employment Earnings

A. Wording

OPTIONAL - For those states that can report self-employment data, please answer the following question:

6A. How much did the fourth-quarter group earn through self-employment?

(a) Total self-employment earnings for the fourth quarter of 2002:

(b) Number with 2002 self-employment earnings during the fourth quarter in the following categories:

- 1) \$0
- 2) \$1 – 200
- 3) \$201 – 400
- 4) \$401 – 600
- 5) \$601-800
- 6) \$801-1,000
- 7) \$1,001-1,200
- 8) \$1,201-1,400
- 9) \$1,401-1,600
- 10) \$1,601+

(c) Number with 2002 self-employment monthly earnings during the fourth quarter - sum of 1) thru 10):

(d) Number of people in the fourth-quarter group (from Data Element 1(e)):

(e) If there is a difference between lines (c) and (d), please explain:

Recommended data source for Element 6: MMIS eligibility file

B. Instructions

States should use the Eligibility system to determine self-employment earnings.

For item 6A(a), sum the total fourth quarter earnings across all individuals in the group.

For item 6A(b), calculate total earnings for each individual by identifying the individual's earnings for the quarter and dividing by three.

Use gross earnings before taxes.

Data Element 7: Change in Earnings Over Time

A. Wording

7. For individuals in the longitudinal group, what were mean monthly earnings in the fourth quarter of 2002 as compared with their mean monthly earnings in the fourth quarter of 2001?

(a) Total earnings for fourth quarter of....

(b) Percent change from 2001 to 2002:

(c) Number with mean monthly earnings in the fourth quarter of 2001 and 2002:

- 1) No earnings reported (or \$0)
- 2) \$1 – 200
- 3) \$201 – 400
- 4) \$401 – 600
- 5) \$601-800
- 6) \$801-1,000
- 7) \$1,001-1,200
- 8) \$1,201-1,400
- 9) \$1,401-1,600
- 10) \$1,601+

(d) Number with monthly earnings during the fourth quarters of 2001 and 2002 - sum of 1) thru 10):

(e) Number in the longitudinal group (from Data Element 1(f)):

(f) If there is a difference between lines (d) and (e), please explain:

Recommended data source for Element 6: Unemployment Insurance System

B. Instructions

This data element should only be completed by states that had Buy-In programs that were operational prior to October 1, 2001.

States should use the Unemployment Insurance system to collect quarterly earnings and divide the earnings by 3 before entering the figure into the data chart.

We recognize that the UI system does not capture self-employment.

Data Element 8: Medicaid Expenditures

A. Wording

8. For individuals in the 2002 fourth-quarter group, what was the average per member per month Medicaid expenditure for the time spent in the Buy-In during 2002?

(a) Average per member per month expenditure in 2002:

(b) Number of individuals with average monthly expenditures in the following ranges:

- 1) \$0
- 2) \$1 – 500
- 3) \$501 – 1,000
- 4) \$1,001 - 5,000
- 5) \$5,001 - 20,000
- 6) \$20,001 and above

(c) Number of individuals with expenditures - sum of 1) thru 6):

(d) Number of individuals in the 2002 fourth-quarter group (from Data Element 1(e)):

(e) If there is a difference between lines (c) and (d), please explain:

Recommended data source for Element 6: MSIS claims files

Note that 8(a) and 8(b) use different methods to calculate average expenditures (see instructions).

B. Instructions

Item 8(a) should be calculated by:

- (1) Summing payments on all claims for all individuals across the selected months (i.e., the months in 2002 during which the individuals were enrolled in the Buy-In program),
- (2) Adding the total number of enrollment months (i.e., the number of months during which individuals were enrolled in the Buy-In program),
- (3) Dividing the sum of all payments by the sum of total number of enrollment months.

Item 8(b), the average monthly expenditure, is calculated by:

- (1) Summing payments on all claims for each individual across the selected months (i.e. the months in 2002 during which the individual was enrolled in the Buy-In program),
- (2) Dividing by the number of months to obtain a monthly average for each individual, and

(3) Calculating the frequency of individual monthly averages in the given ranges.

When calculating this element, please use the following guidelines:

- Include the total Medicaid costs (State and Federal dollars) for all Medicaid services, including waiver services.
- Include the monthly capitation payment for individuals enrolled in managed care programs (if applicable).
- Include those individuals in the average that had no services.
- Include the amount paid, not the amount billed.
- Do not include administrative costs.
- Do not include premiums paid for third-party insurance or Medicare.

Appendix A

Definitions of Groups in Data Element 2

The information in this appendix is from the CMS MSIS Data Dictionary. The tables pertain to the groups identified in Data Element 2, Items (a) 1) through (a) 5).

Item (a) 1) Individuals Receiving Cash Assistance Or Eligible Under Section 1931

DESCRIPTION	CFR/PL CITATIONS
Blind and/or disabled individuals receiving SSI, eligible spouses or persons receiving SSI pending a final determination of blindness, disability, and/or disposal of resources exceeding SSI dollar limits; and persons considered to be receiving SSI under Section 1619(b) of the Act.	42 CFR 435.120 §1619(b) of the Act Section 1902(a)(10)(A)(I)(11) of the Act, PL 99-643, §2
Blind and/or disabled individuals who meet more restrictive requirements than SSI and who are either receiving or not receiving SSI; or who qualify under Section 1619.	42 CFR 435.121 §1619(b)(3) of the Act, Section 1902(f) of the Act, PL 99-643, §7
Blind and/or disabled individuals receiving mandatory State supplements.	42 CFR 435.130
Blind and/or disabled individuals who receive a State supplementary payment (but not SSI) based upon need.	42 CFR 435.230 §1902(a)(10)(A)(ii) of the Act

Item (a) 2) Medically Needy

DESCRIPTION	CFR/PL CITATIONS
Blind and/or disabled individuals who would be ineligible if not enrolled in an HMO. Categorically needy individuals are covered under 42 CFR 435.212 and the same rules apply to medically needy individuals.	42 CFR 435.326
Blind/Disabled	42 CFR 435.322 42 CFR 435.324 42 CFR 435.330
Blind and/or disabled individuals who meet all Medicaid requirements except current blindness and/or disability criteria, and have been continuously eligible since 12/73 under the State's requirements.	42 CFR 435.340

Item (a) 3) Poverty Related

DESCRIPTION	CFR/PL CITATIONS
Qualified Medicare Beneficiaries (QMBs) who are entitled to Medicare Part A, whose income does not exceed 100% of the Federal poverty level, and whose resources do not exceed twice the SSI standard.	§§1902(a)(10)(E)(I) and 1905(p) of the Act; PL 100-203, Section 4118(p)(8); PL 100-360, Section 301(a) & (e); PL 100-485, Section 608(d)(14); PL 100-647, Section 8434
Specified Low-Income Medicare Beneficiaries (SLMBs) who meet all of the eligibility requirements for QMB status, except for the income in excess of the QMB income limit, but not exceeding 120% of the Federal poverty level.	§4501(b) of OBRA 90 as amended in §1902(a)(10)(E) of the Act
Qualifying individuals having higher income than allowed for QMBs or SLMBs.	§1902(a)(10)(E)(iv) of the Act
Qualified Disabled Working Individuals (QDWTs) who are entitled to Medicare Part A.	§§1902(a)(10)(E)(ii) and 1905(s) of the Act
Disabled individuals not described in §1902(a)(10)(A)(I) of the Act with income below the poverty level and resources within State specified limits.	§1902(a)(10)(A)(ii)(X), §1902(m)(1) and (m)(3) of the Act; PL 99-509, Subsections 9402(a) & (b)

Item (a) 4 Other Eligibles

DESCRIPTION	CFR/PL CITATIONS
Blind and/or disabled individuals who meet more restrictive requirements than SSI, including both those receiving and not receiving SSI payments	42 CFR 435.121 §1619(b)(3) of the Act;Section 1902(f) of the Act PL 99-643, §7
Blind and/or disabled individuals who are ineligible for optional State supplements or SSI due to requirements that do not apply under title XIX.	42 CFR 435.122
Blind and/or disabled essential spouses considered continuously eligible since 12/73; and some spouses who share hospital or nursing facility rooms for 6 months or more.	42 CFR 435.131
Institutionalized blind and/or disabled individuals who have been continuously eligible since 12/73 as inpatients or residents of Title XIX facilities.	42 CFR 435.132
Blind and/or disabled individuals who would be SSI/SSP, eligible except for the 8/72 increase in OASDI benefits.	42 CFR 435.134
Blind and/or disabled individuals who would be eligible for SSI but for title II cost-of-living adjustment(s).	42 CFR 435.13 Section 503 PL 94-566
Blind and/or disabled aliens who are not lawful, permanent residents or who do not have PRUCOL status, but who are otherwise qualified, and who require emergency care.	PL 99-509, §9406
Blind and/or disabled individuals who meet all Medicaid requirements except current blindness, or disability criteria, who have been continuously eligible since 12/73 under the State's 12/73 requirements.	42 CFR 435.133
Blind and/or disabled individuals, age 18 or older, who became blind or disabled before age 22 and who lost SSI or State supplementary payments eligibility because of an increase in their OASDI (childhood disability) benefits.	§1634(c) of the Act; PL 99-643, §6
Blind and/or disabled individuals who would be eligible for AFDC, SSI, or an optional State supplement if not in a medical institution.	42 CFR 435.21 §§1902(a)(10)(A)(ii) and 1905(a) of the Act
Qualified severely impaired blind or disabled individuals under age 65, who, except for earnings, are eligible for SSI.	§§1902(a)(10)(A)(I) (II) and 1905(q) of the Act; PL 99-509, §9404 and §1619(b)(8) of the ACT, PL 99-643, §7
Blind and/or disabled individuals who meet income and resource requirements for AFDC, SSI, or an optional State supplement.	42 CFR 435.210 §§1902(a)(10)(A)(ii) and 1905 of the Act

Item (a) 4) Other Eligibles, Continued

DESCRIPTION	CFR/PL CITATIONS
Working disabled individuals who buy-in to Medicaid	§1902(a)(10)(A)(ii)(XIII)
Blind and/or disabled individuals who have become ineligible who are enrolled in a qualified HMO or "§1903(m)(2)(G) entity" that has a risk contract.	42 CFR 435.212 §1902(e)(2) of the Act; PL 99-272, §9517; PL 100-203, §4113(d)
Blind and/or disabled individuals who, solely because of coverage under a home and community based waiver, are not in a medical institution and who would be eligible if they were.	42 CFR 435.217 §1902(a)(10)(A)(ii) (VI) of the Act; 50 PL 100-13
Blind and/or disabled individuals who elect to receive hospice care, and who would be eligible if in a medical institution.	§1902(a)(10)(A)(ii) (VII); PL 99-272, §9505
Blind and/or disabled individuals in institutions who are eligible under a special income level specified in Supplement 1 to Attachment 2.6-A of the State's title XIX Plan.	42 CFR 435.231 §1902(a)(10)(A)(ii) of the Act
Blind and/or disabled widows and widowers who have lost SSI/SSP benefits but are considered eligible for Medicaid until they become entitled to Medicare Part A.	§1634 of the Act, PL 101-508, §5103
Certain Disabled children, 18 or under, who live at home, but who, if in a medical institution, would be eligible for SSI or a State supplemental payment.	42 CFR 435.225; §1902(e)(3) of the Act
Continuation of Medicaid eligibility for disabled children who lose SSI benefits because of changes in the definition of disability	§1902 (a)(10)(A)(i)(II) of the Act; Section 4913 of P.L. 105-32

Item (a)5) Section 1115 Demonstration

DESCRIPTION	CFR/PL CITATION
Blind and/or disabled individuals made eligible under the authority of a Section 1115 waiver due to poverty-level-related eligibility	§1115(a)(1), (a)(2) & (b) of the Act; §1902(a)(10) and §1903(m) of the Act

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APPENDIX B

STATE SOURCES OF DATA

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APPENDIX B.1

SOURCES OF DATA USED TO COMPLETE STATE ANNUAL REPORT FORM, 2002

State Recommended Source	Data Element 1 MMIS eligibility file	Data Element 2 MMIS eligibility file	Data Element 3 MMIS eligibility file	Data Element 4 MMIS eligibility file	Data Element 5 Billing and Collection System	Data Element 6 Unemployment Insurance System	Data Element 6A MMIS eligibility file	Data Element 7 Unemployment Insurance System	Data Element 8 MSIS claims files
Alaska	MMIS eligibility file	MMIS eligibility file	EIS eligibility file	MMIS eligibility file	Billing and Collection	Unemployment Insurance System		Unemployment Insurance System	MSIS claims files
California	Medi-Cal Eligibility Data System File	Medi-Cal Eligibility Data System	Medi-Cal Eligibility Data System	Medi-Cal Eligibility Data System	Medi-Cal Eligibility Data System	Employment Development Department's Wage Data File and County Medicaid	Individual Medi-Cal recipient's case files	Income and Eligibility System, Medi-Cal recipient case files	MSIS claims files
Connecticut	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	Billing and Collection	Unemployment Insurance System	MMIS eligibility files	Unemployment Insurance System	MMIS claims files
Illinois	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	Billing and Collection	Unemployment Insurance System		n/a	MSIS claims files
Indiana	ICES eligibility file	ICES eligibility file	MMIS eligibility file	ICES eligibility file	AIM claims payment system	ICES eligibility system		n/a	AIM claims payment system
Iowa	MMIS eligibility file	MMIS eligibility file	BENDEX	MMIS eligibility file	Billing and collection system	Unemployment Insurance System (IWD)		Unemployment Insurance System (IWD)	MMIS eligibility file
Kansas	MMIS eligibility file	MMIS eligibility file	KS Automated Eligibility Child Support Enforcement System (KAECSES)	MMIS eligibility file	Billing & Collections System	Unemployment Insurance System	MMIS eligibility file & KAECSES	n/a	MMIS eligibility file
Maine	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file; TPL data	MMIS claims file; premium data file	Unemployment Insurance System		Unemployment Insurance System	MMIS claims files
Massachusetts	MMIS eligibility file	MMIS eligibility data	MMIS eligibility file	eligibility, premium	premium			DOR	claims data

TABLE B.1 (continued)

State Recommended Source	Data Element 1 MMIS eligibility file	Data Element 2 MMIS eligibility file	Data Element 3 MMIS eligibility file	Data Element 4 MMIS eligibility file	Data Element 5 Billing and Collection System	Data Element 6 Unemployment Insurance System	Data Element 6A MMIS eligibility file	Data Element 7 Unemployment Insurance System	Data Element 8 MSIS claims files
Minnesota	MMIS Eligibility File	MMIS Eligibility File	* Public Assistance System	MMIS Eligibility File	Billing and Collection System	Unemployment Insurance System	*Public Assistance Eligibility System	Unemployment Insurance System	MMIS Claims Files
Missouri	Income Maintenance Eligibility File	Income Maintenance Eligibility File and SDX (SSI) File	Income Maintenance Eligibility File	Income Maintenance Eligibility File and Medicare File	Income Maintenance Eligibility File	Employment Security File		n/a	Medicaid Paid Claims File
Nebraska	NFOCUS eligibility system	DataScan eligibility file	NFOCUS income tables	TPL subsystem	program staff	SEW file interface in NFOCUS		SEW file in NFOCUS interface	DataScan
New Hampshire	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	Billing and Collection	Unemployment Insurance System	MMIS eligibility files	n/a	MSIS claims files
New Jersey	MMIS eligibility file	MMIS eligibility file		MMIS eligibility file					MSIS claims files
New Mexico	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file		Unemployment Insurance System	MMIS eligibility file	Unemployment Insurance System	MMIS Claims Files
Oregon	MMIS Eligibility	MMIS Eligibility	SSA	MMIS Eligibility	Payment System	Unemployment Insurance System		Unemployment Insurance System	MMIS Claims Files
Pennsylvania	Client Information System(CIS)	CIS	CIS	CIS	CIS	CIS		n/a	Office of Medical Assistance Programs-Data Warehouse
Utah	PACMIS eligibility file	PACMIS eligibility file	PACMIS eligibility file	MMIS eligibility file	PACMIS eligibility file	Unemployment Insurance System	MMIS eligibility files	Unemployment Insurance System	MMIS claims files
Vermont	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	MMIS eligibility file	Billing and Collection	Unemployment Insurance System	MMIS eligibility files	Unemployment Insurance System	MMIS claims files
Washington	Automated Client Eligibility System (ACES)	ACES/Monthly SDX/503 LEADS	ACES Unearned Income	TPL Medicare; MMIS	Office of Financial Recovery	Unemployment Insurance System		n/a	MMIS (ticket to Work File)

TABLE B.1 (continued)

State Recommended Source	Data Element 1 MMIS eligibility file	Data Element 2 MMIS eligibility file	Data Element 3 MMIS eligibility file	Data Element 4 MMIS eligibility file	Data Element 5 Billing and Collection System	Data Element 6 Unemployment Insurance System	Data Element 6A MMIS eligibility file	Data Element 7 Unemployment Insurance System	Data Element 8 MSIS claims files
Wisconsin	MMIS eligibility file	MMIS eligibility file & MSIS eligibility file	CARES (Client Assistance for Re-employment and Economic Support System	MMIS and Health Insurance Purchase Plan (HIPP)	MMIS eligibility file	Unemployment Insurance System and MMIS eligibility file		Unemployment Insurance System and MMIS	MMIS

n/a = not applicable

TABLE B.2

STATUS OF DATA COLLECTION FOR 2002 STATE ANNUAL BUY-IN REPORT

State	Data Element 1	Data Element 2	Data Element 3	Data Element 4	Data Element 5	Data Element 6	Data Element 6A	Data Element 7	Data Element 8
Alaska	C	C	C	C	C	C	--	C	C
California	C	C	C	C	C	C	C	C	C
Connecticut	C	C	C	C	C	C	C	C	C
Illinois	C	C	C	C	C	C	--	N/A	C
Indiana	C	C	I	C	C	C	--	N/A	C
Iowa	C	C	C	C	C	C	--	C	C
Kansas	C	C	C	P	C	C	C	N/A	C
Maine	C	C	C	P	C	C	--	C	C
Massachusetts	C	C	C	C	C	I	--	I	C
Minnesota	C	C	C	C	C	C	C	C	C
Missouri	C	C	C	P	C	C	--	N/A	C
Nebraska	C	C	C	C	C	C	C	C	C
New Hampshire	C	C	C	C	C	C	C	N/A	C
New Jersey	C	C	I	P	I	I	--	I	C
New Mexico	C	C	C	C	C	C	C	C	C
Oregon	C	C	C	C	C	C	--	C	C
Pennsylvania	C	C	C	C	C	C	--	N/A	C
Utah	C	C	C	C	C	C	C	C	C
Vermont	C	C	C	C	C	C	C	C	C
Washington	C	C	C	C	C	C	C	N/A	C
Wisconsin	C	C	C	C	C	C	--	C	C

Note: Data element 6A was optional.

C = complete

P = partly complete

I = incomplete

N/A = not applicable, because the programs were not operational in 2001

TABLE B.3

BUY-IN PROGRAM CHARACTERISTICS, 21 STATES

State	Income Eligibility	Countable Income	Include Spousal Income	Method for Counting Unearned Income	Method for Counting Earnings	Resource Limit	Cost-Sharing Policy	Premium Threshold
Alaska	Up to 250% FPL	Before tax	Yes	SSI methodology	SSI methodology	\$2,000 for individual	Sliding scale Premium	100% FPL
California	Up to 250% FPL	After tax	Yes	SSI Methodology	SSI Methodology plus all disability-related income exempt plus Impairment Related Work Expenses (IRWE) deducted from annual income.	\$2,000 individual; \$3,000 couple	Sliding scale Premium	Premium begins in first month of enrollment, and at first dollar earned.
Connecticut	\$75,000 per year	Before tax	No	We pool the earned and unearned income, apply SSI methodology, and compare the total to the income eligibility limit above (\$75,000 per year).	SSI methodology	\$10,000	Sliding scale Premium	200% FPL
Illinois	Up to 200% FPL	After tax	Yes	Only SSI is deducted from assessment of unearned income	Provides for income disregards such as taxes, mileage deduction for travel to/from work, some day care, lunch and uniform disregards	\$10,000 of applicant and spouse(excluding home of residence and one automobile)	Sliding scale Premium & Co-pays	100% FPL
Indiana	Up to 350% FPL	After tax	No	SSI methodology	SSI methodology; Disregard \$10 for irregular earnings, \$15.50 /month general income, and IRWEs.	\$2,000	Sliding scale Premium	150% FPL
Iowa	Up to 250% FPL	Before tax	Yes	SSI methodology	SSI methodology	\$12,000	Sliding scale Premium	150% FPL

TABLE B.3 (continued)

State	Income Eligibility	Countable Income	Include Spousal Income	Method for Counting Unearned Income	Method for Counting Earnings	Resource Limit	Cost-Sharing Policy	Premium Threshold
Kansas	Up to 300% FPL	Before tax	Yes	SSI methodology	Social Security disregards of \$65.00, and then divide the remainder by two. Work related expenses also deducted from earned income.	\$15,000	Sliding scale Premium	100% FPL
Maine	Up to 250% FPL and unearned income limit of 100% FPL	Before tax	Yes	SSI methodology	SSI methodology	\$8,000	Sliding scale Premium & Co-pays	150% FPL
Massachusetts	Other (specify)	After tax	Yes	SSI methodology	SSI methodology	no limit	Sliding scale Premium	150% FPL
Minnesota	None	N/A	N/A	N/A	N/A	\$20,000	Sliding scale Premium	100% FPL
Missouri	Up to 250% FPL	Before tax	No	Other (specify): Based strictly on a gross income test. The amount of monthly gross income determines eligibility and premium level.	Other (specify): Based strictly on a gross income test. The amount of monthly gross income determines eligibility and premium level.	\$999.99	Sliding scale Premium	150% FPL
Nebraska	Up to 250% FPL. Two-step test disregarding unearned income if in trial work compared to FBR	Before tax	Yes	Unearned disregarded in step one if based on Trial work period and counted in step two for client	Not counted in first of two step income test for client.	\$4,000	Sliding scale Premium	200% FPL

TABLE B.3 (continued)

State	Income Eligibility	Countable Income	Include Spousal Income	Method for Counting Unearned Income	Method for Counting Earnings	Resource Limit	Cost-Sharing Policy	Premium Threshold
New Hampshire	Up to 450% FPL	After tax	Yes	SSI methodology. Section 1902 (2) used to disregard resources. Unearned income is added to net income.	SSI methodology	\$20,889 individual; \$31,334 married couple	Sliding scale Premium	150% FPL
New Jersey	Up to 250% FPL	Before tax	Yes	SSI methodology	SSI methodology	\$20,000 SINGLE - \$30,000 COUPLE	Sliding scale Premium (Not in use at this time)	150% FPL
New Mexico	Up to 250% FPL	Before tax	Yes	Section 1902 (2), additional disregard for unearned income and deemed income in the amount of the current SSI FBR	SSI methodology	\$10,000 for individual, \$15,000 for couple	Co-pay	Other (specify)
Oregon	Up to 250% FPL	Before tax	No	Excluded for eligibility; count for cost share	SSI methodology	\$12,000	Client contribution plus Sliding scale Premium	Any time income is incurred
Pennsylvania	Up to 250% FPL	Before tax	Yes	SSI methodology	SSI methodology	\$10,000	Sliding scale Premium	Premiums are 5% of a persons monthly countable income. If this is less than \$10 a month, then premium is waived
Utah	Up to 250% FPL	Before tax	Yes	SSI methodology	SSI methodology	\$15,000	Sliding scale Premium	100% FPL

TABLE B.3 (continued)

State	Income Eligibility	Countable Income	Include Spousal Income	Method for Counting Unearned Income	Method for Counting Earnings	Resource Limit	Cost-Sharing Policy	Premium Threshold
Vermont	Up to 250% FPL. After income disregards, must have net income below Protected Income Level or SSI Payment Level.	Before tax	Yes	SSI methodology	SSI methodology	\$2,000	Sliding scale Premium (Copays are required for some services)	185% FPL
Washington	Up to 220% FPL	Before tax	Yes	SSI methodology	SSI methodology	No asset test	Sliding scale Premium	All enrollees pay a premium
Wisconsin	Up to 250% FPL	After tax	Yes	SSI methodology	SSI methodology	\$15,000	Sliding scale Premium	150% FPL

SOURCE: State reports of program characteristics

APPENDIX C

SUPPORTING TABLES

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TABLE C.1

NUMBER OF PARTICIPANTS IN THE MEDICAID BUY-IN PROGRAM IN SELECTED ENROLLMENT GROUPS, BY STATE, 2002

State	First-time Group	Re-enrolled Group	Continuously Enrolled Group	Fourth-quarter Group	Longitudinal Group	Cumulative Group
Alaska	131	6	65	186	79	338
California	403	66	384	651	310	1,205
Connecticut	1,534	342	1,245	2,075	905	3,829
Illinois	421	10	5	177	N/A	421
Indiana	3,769	30	0	2,344	N/A	3,769
Iowa	2,253	303	3,067	4,811	2,729	6,625
Kansas	516	4	N/A	384	N/A	516
Maine	451	76	379	617	320	1,696
Massachusetts	3,777	466	3,588	5,918	3,237	12,554
Minnesota	1,706	799	4,447	5,932	4,389	10,948
Missouri	8,122	11	0	4,736	N/A	8,122
Nebraska	47	10	59	91	51	257
New Hampshire	1,084	43	0	880	N/A	1,084
New Jersey	419	9	251	516	169	723
New Mexico	630	23	301	712	217	1,195
Oregon	291	47	326	531	299	993
Pennsylvania	1,476	72	7	888	N/A	1,476
Utah	265	89	51	138	31	463
Vermont	298	127	153	336	141	942
Washington	142	15	5	136	0	142
Wisconsin	2,722	250	1,424	3,339	1,194	5,762
Total	30,457	2,798	15,757	35,398	14,071	63,060

SOURCE: 2002 State Annual Buy-In Report Form

NOTE: The **First-time Group** is an unduplicated count of individuals enrolled for the first time in the Medicaid Buy-In Program in 2002. The **Re-enrolled Group** are those individuals who had a previous enrollment in the Buy-In program at any time since the inception of the program, became disenrolled, and then enrolled again in the Buy-In program in 2002. The **Continuously Enrolled Group** reflects those individuals who remained on the Buy-In for the entire 2002 calendar year. The **Fourth-quarter Group** provides a standard count of participants who have been enrolled for the entire fourth quarter of the 2002. The **Longitudinal Group** provides a count of individuals enrolled in the Buy-In program for the entire fourth quarter of 2002 and for the entire fourth quarter of 2001. The **Cumulative Group** contains an unduplicated count of individuals enrolled in the Buy-In Program since its inception.

N/A = not applicable because the Buy-In programs did not exist in 2001

TABLE C.2

NUMBER OF PARTICIPANTS IN SELECTED ENROLLMENT GROUPS, BY TYPE OF LEGISLATIVE AUTHORITY AND IMPLEMENTATION GROUP, 2002

State	First-time Group	Re-enrolled Group	Continuously Enrolled Group	Fourth-Quarter Group	Longitudinal Group	Cumulative Group
All States	30,457	2,798	15,757	35,398	14,071	63,060
BBA States	7,491	997	6,209	11,412	5,371	19,476
TWWIIA States	19,189	1,335	5,960	18,068	5,463	31,030
1 st Group of Implementors	6,403	1,404	8,864	13,275	8,375	26,786
2 nd Group of Implementors	8,524	1,209	6,876	12,578	5,696	20,744
3 rd Group of Implementors	15,530	185	17	9,545	0	15,530

SOURCE: 2002 State Annual Buy-In Report Form

NOTE: **BBA states** include Alaska, California, Iowa, Maine, Nebraska, New Mexico, Oregon, Utah, Vermont, and Wisconsin. **TWWIIA states** include Connecticut, Illinois, Indiana, Kansas, Minnesota, Missouri, New Hampshire, New Jersey, Pennsylvania, and Washington. (Massachusetts is not included in either group because its program is authorized under an 1115 waiver.) **1st group of implementers** includes six states where programs started in 1997-1999: Alaska, Maine, Massachusetts, Minnesota, Nebraska, and Oregon. **2nd group of implementers** includes eight states where programs started in 2000-2001: California, Connecticut, Iowa, New Jersey, New Mexico, Utah, Vermont, and Wisconsin. **3rd group of implementers** includes seven states where programs started in 2002: Illinois, Indiana, Kansas, Missouri, New Hampshire, Pennsylvania, and Washington.

TABLE C.3
NUMBER OF RE-ENROLLMENTS FOR BUY-IN PARTICIPANTS,
BY STATE, 2002

State	Total Participants	Number of Re-enrollments			
		1	2	3	4-6
Alaska	6	6	0	0	0
California	66	59	7	0	0
Connecticut	342	144	189	9	0
Illinois	10	10	0	0	0
Indiana	30	29	1	0	0
Iowa	303	296	7	0	0
Kansas	4	4	0	0	0
Maine	76	76	0	0	0
Massachusetts	466	456	9	1	0
Minnesota	799	781	18	0	0
Missouri	11	11	0	0	0
Nebraska	10	10	0	0	0
New Hampshire	43	43	0	0	0
New Jersey	9	9	0	0	0
New Mexico	23	0	22	1	0
Oregon	47	46	1	0	0
Pennsylvania	72	58	10	3	1
Utah	89	68	13	3	5
Vermont	127	118	7	2	0
Washington	15	15	0	0	0
Wisconsin	250	246	4	0	0
Total	2,798	2,485	288	19	6

SOURCE: 2002 State Annual Buy-In Report Form

NOTE: These enrollments refer to individuals who had a previous enrollment in the Buy-In at any point since its inception, became disenrolled, and then enrolled again in 2002.

TABLE C.4

TOTAL QUARTERLY ENROLLMENT IN THE MEDICAID BUY-IN, 1999 - 2003, BY STATE

State	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03
Alaska			16	27	38	56	67	77	90	108	113	118	128	143	155	162	164	179
Arizona																	145	236
Arkansas									170	183	188	186	97	70	64	65	58	49
California					0	53	72	217	275	377	457	502	569	574	633	669	707	746
Connecticut								651	1,028	1,274	1,600	1,985	2,204	2,306	2,267	2,514	2,519	2,663
Illinois													16	82	167	323	403	454
Indiana															1,553	3,589	4,024	4,560
Iowa					274	1,131	1,550	1,957	2,338	2,630	2,937	3,338	3,637	4,092	4,436	4,890	5,121	5,496
Kansas															297	474	537	563
Maine			82	168	253	335	443	524	561	607	638	690	710	744	775	673	644	521
Massachusetts	2,979	3,199	3,379	3,448	3,731	4,039	4,241	4,464	4,778	5,112	5,227	5,391	5,781	6,227	6,515	6,957	6,928	6,968
Minnesota*			2,148	3,294	4,237	5,001	5,429	5,837	6,166	6,495	6,444	6,314	6,098	6,101	6,072	6,092	6,483	6,510
Mississippi			3	6	10	22	37	64	85	130	169	234	275	315	356	372	405	431
Missouri															2,402	8,461	10,954	12,954
Nebraska			9	22	30	55	88	90	96	92	95	88	87	87	90	114	114	114
New Hampshire													353	677	841	968	1,050	1,122
New Jersey									N/A	N/A	N/A	N/A	55	405	473	603	665	665
New Mexico									167	287	399	497	587	675	671	799	786	811
Oregon	25	84	125	166	209	252	263	335	396	434	444	464	502	521	546	591	739	690
Pennsylvania													299	869	1,356	1,250	1,599	1,599
South Carolina	8	22	27	37	43	53	56	68	83	84	88	84	82	67	69	77	70	46
Utah											96	161	183	230	170	180	190	190
Vermont					84	174	197	226	260	266	288	328	344	365	384	423	443	456
Washington													20	58	106	144	170	195
Wisconsin					80	284	605	942	1,234	1,386	1,568	1,714	2,310	2,869	3,313	3,837	4,282	4,655
Wyoming															1	1	1	1
Total	3,012	3,305	5,789	7,168	8,989	11,455	13,048	15,452	17,727	19,465	20,751	22,094	24,337	27,477	33,712	44,228	49,201	52,874

SOURCE: State data submitted to CMS in quarterly progress reports

NOTE: New York and West Virginia have Buy-In programs adopted in 2003 but have no reported enrollment.
N/A = not available. The program was operational but its enrollment data are not available.

TABLE C.5

MEDICAID STATUS OF BUY-IN PARTICIPANTS PRIOR TO ENROLLMENT,
BY STATE, 2002

State	Total Participants	Medicaid Status					
		Number and Percent Enrolled in Medicaid			Number and Percent Not Enrolled in Medicaid		Number and Percent Medicaid Status Undetermined
Alaska	131	131	100	0	0	0	0
California	403	395	98	8	2	0	0
Connecticut	1,534	257	17	663	43	614	40
Illinois	421	328	78	93	22	0	0
Indiana	3,769	3,596	95	173	5	0	0
Iowa	2,253	1,539	68	714	32	0	0
Kansas	516	416	81	100	19	0	0
Maine	451	274	61	177	39	0	0
Massachusetts	3,777	3,057	81	720	19	0	0
Minnesota	1,706	1,094	64	612	36	0	0
Missouri	8,122	7,278	90	844	10	0	0
Nebraska	47	44	94	3	6	0	0
New Hampshire	1,084	797	74	287	26	0	0
New Jersey	419	30	7	389	93	0	0
New Mexico	630	354	56	276	44	0	0
Oregon	291	223	77	68	23	0	0
Pennsylvania	1,476	307	21	1,169	79	0	0
Utah	265	182	69	83	31	0	0
Vermont	298	270	91	28	9	0	0
Washington	142	95	67	47	33	0	0
Wisconsin	2,722	2,023	74	699	26	0	0
Total	30,457	22,690	74	7,153	23	614	2

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: The above enrollment data refers to individuals who enrolled in the Buy-In for the first time in 2002.

TABLE C.6

SSDI STATUS AT BUY-IN ENROLLMENT FOR PARTICIPANTS,
BY STATE, 2002

State	Total Participants	SSDI Status				Number and Percent with Status Undetermined	
		Number and Percent with SSDI Benefits		Number and Percent with No SSDI Benefits			
Alaska	131	94	72	37	28	0	0
California	403	41	10	362	90	0	0
Connecticut	1,534	1,256	82	278	18	0	0
Illinois	421	363	86	58	14	0	0
Iowa	2,253	1,919	85	334	15	0	0
Kansas	516	500	97	16	3	0	0
Maine	451	212	47	239	53	0	0
Massachusetts	3,777	1,658	44	2,119	56	0	0
Minnesota	1,706	1,496	88	210	12	0	0
Missouri	8,122	7,048	87	1,074	13	0	0
Nebraska	47	46	98	1	2	0	0
New Hampshire	1,084	886	82	198	18	0	0
New Mexico	630	527	84	103	16	0	0
Oregon	291	182	63	109	37	0	0
Pennsylvania	1,476	835	57	641	43	0	0
Utah	265	173	65	92	35	0	0
Vermont	298	160	54	138	46	0	0
Washington	142	138	97	4	3	0	0
Wisconsin	2,722	907	33	842	31	973	36
Total	26,269	18,441	70	6,855	26	973	4

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Indiana and New Jersey were not able to determine SSDI status for their programs. The data refers to individuals who enrolled in the Buy-In program for the first time in 2002.

TABLE C.7

HEALTH INSURANCE STATUS FOR BUY-IN PARTICIPANTS DURING THE FOURTH QUARTER OF 2002, BY STATE

State	Total Participants	Medicaid Only	
		Number	Percent
Alaska	186	78	42
California	651	97	15
Connecticut	2,075	257	12
Illinois	177	19	11
Indiana	2,334	1,258	54
Iowa	4,811	720	15
Kansas	384	31	8
Maine	617	113	18
Massachusetts	5,918	2,235	38
Minnesota	5,932	416	7
Missouri	4,736	--	--
Nebraska	91	8	9
New Hampshire	880	141	16
New Jersey	516	88	17
New Mexico	712	481	68
Oregon	531	63	12
Pennsylvania	888	123	14
Utah	138	31	22
Vermont	336	4	1
Washington	136	17	13
Wisconsin	3,339	531	16
Total	35,388	6,711	19

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Missouri did not submit data on participants with Medicaid only. The above data represents those individuals enrolled for the entire fourth quarter of 2002.

TABLE C.8

NUMBER OF PARTICIPANTS WITH HEALTH INSURANCE IN ADDITION TO
MEDICAID DURING THE FOURTH QUARTER OF 2002, BY STATE

State	Health Insurance Status				
	Total Participants	Coverage in Addition to Medicaid			
		Medicare	Other Public Plan	Private Plan	Other
Alaska	186	94	31	13	0
California	651	554	36	32	0
Connecticut	2,075	1,725	0	93	0
Illinois	177	153	0	29	0
Indiana	2,334	816	0	591	0
Iowa	4,811	4,014	0	80	0
Kansas	384	347	0	49	0
Maine	617	491	0	52	0
Massachusetts	5,918	3,217	0	466	3
Minnesota	5,932	5,329	67	710	0
Missouri	4,736	3,775	--	--	--
Nebraska	91	83	0	3	4
New Hampshire	880	725	26	23	0
New Jersey	516	408	0	83	0
New Mexico	712	209	0	10	25
Oregon	531	427	124	77	0
Pennsylvania	888	747	1	177	0
Utah	138	102	5	3	0
Vermont	336	293	0	147	0
Washington	136	117	0	1	1
Wisconsin	3,339	2,786	0	56	0
Total	35,388	26,412	290	2,695	33

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Missouri did not submit data on participants with coverage in addition to Medicaid. The above data represents those individuals enrolled for the entire fourth quarter of 2002.

TABLE C.9

NUMBER OF PARTICIPANTS WITH MEDICAID AND MEDICARE DURING THE FOURTH QUARTER OF 2002, BY STATE

State	Total Participants	Medicaid and Medicare		Whom State Paid Premium	
		Number	Percent	Number	Percent
Alaska	186	94	51	94	100
California	651	554	85	554	100
Connecticut	2,075	1,725	83	376	22
Illinois	177	153	86	34	22
Indiana	2,334	816	35	816	100
Iowa	4,811	4,014	83	3,201	80
Kansas	384	347	90	N/A	
Maine	617	491	80	N/A	
Massachusetts	5,918	3,217	54	2,420	75
Minnesota	5,932	5,329	90	4,429	83
Missouri	4,736	3,775	80	1,828	48
Nebraska	91	83	91	83	100
New Hampshire	880	725	82	197	27
New Jersey	516	408	79	N/A	
New Mexico	712	209	29	126	60
Oregon	531	427	80	N/A	
Pennsylvania	888	747	84	438	59
Utah	138	102	74	102	100
Vermont	336	293	87	5	2
Washington	136	117	86	108	92
Wisconsin	3,339	2,786	83	163	6
Total	35,388	26,412	75	14,974	57

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Missouri did not submit data on participants with coverage in addition to Medicaid and Medicare. The above data represents those individuals enrolled for the entire fourth quarter of 2002.

N/A=Not available

TABLE C.10

NUMBER OF PARTICIPANTS REQUIRED TO PAY PREMIUMS, COST-SHARES, AND CO-PAYMENTS AND AVERAGE MONTHLY AMOUNTS, BY STATE, 2002

State	Total Participants	Premiums			Cost-Shares			Co-Payments		
		Number and Percent of Participants Required to Pay	Average Monthly Premium in \$		Number and Percent of Participants Required to Cost-share	Average monthly Cost- share in \$		Number and Percent of Participants Required to Co- Pay	Average Monthly Co-pay in \$	
Alaska	186	91	49	43	0	0	0	186	100	20
California	651	651	100	35	0	0	0	0	0	0
Connecticut	2,075	347	17	40	0	0	0	0	0	0
Illinois	177	176	99	48	0	0	0	0	0	0
Indiana	2,344	1,020	44	64	0	0	0	0	0	0
Iowa	4,811	1,376	29	35	0	0	0	0	0	0
Kansas	384	227	59	67	0	0	0	0	0	0
Maine	617	97	16	12	0	0	0	0	0	0
Massachusetts	5,918	4,357	74	44	0	0	0	0	0	0
Minnesota	5,932	4,950	83	40	0	0	0	0	0	0
Missouri	4,736	509	11	65	0	0	0	0	0	0
Nebraska	91	3	3	72	0	0	0	0	0	0
New Hampshire	880	93	11	34	0	0	0	0	0	0
New Mexico	712	0	0	0	0	0	0	712	100	n/a
Oregon	531	11	2	30	272	51	85	0	0	0
Pennsylvania	888	829	93	43	0	0	0	0	0	0
Utah	138	113	82	321	0	0	0	0	0	0
Vermont	336	40	12	18	0	0	0	0	0	0
Washington	136	136	100	81	0	0	0	0	0	0
Wisconsin	3,339	439	13	131	0	0	0	0	0	0
Total	34,882	15,465	44	1,223	272	1	85	898	3	20

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: New Jersey did not require participants to pay a premium because the amount to be collected was too small to justify administrative costs. The above data is shown for the those individuals who were enrolled for the entire fourth quarter of 2002.

TABLE C.11

PARTICIPANTS WITH 2002 FOURTH QUARTER UI EARNINGS AND AMOUNT OF EARNINGS, BY STATE

State	Average Quarterly Earnings in \$	Total Quarterly Earnings in \$	Total Participants	Total with No Reported UI Earnings	Total with UI Earnings	Number of Participants in Monthly Earning Categories								
						\$1-200	\$201- 400	\$401- 600	\$601- 800	\$801- 1000	\$1001- 1200	\$1201- 1400	\$1401- 1600	\$1601+
Alaska	2,826	189,343	186	119	67	8	7	9	11	9	6	5	1	11
California	2,003	1,125,521	651	89	562	145	92	108	82	38	22	15	7	53
Connecticut	1,996	3,077,796	2,075	533	1,542	295	264	350	307	91	57	44	20	114
Illinois	1,820	231,138	177	50	127	15	17	42	33	6	2	3	7	2
Indiana	2,140	4,683,882	2,344	155	2,189	21	102	409	940	485	144	49	21	18
Iowa	1,413	2,217,844	4,811	3,241	1,570	442	328	321	282	82	39	27	15	34
Kansas	1,244	350,797	384	102	282	66	87	68	43	12	2	1	0	3
Maine	2,418	868,056	617	258	359	45	59	64	58	26	31	24	14	38
Minnesota	1,771	5,661,454	5,932	2,736	3,196	776	573	697	611	200	78	63	46	152
Missouri	1,539	1,891,268	4,736	3,507	1,229	320	243	267	190	73	55	29	21	31
Nebraska	2,554	191,551	91	16	75	2	3	23	22	7	4	2	3	9
New Hampshire	1,590	998,677	880	252	628	151	132	140	100	34	20	19	8	24
New Mexico	2,751	489,652	712	534	178	18	18	26	36	28	12	9	8	23
Oregon	2,685	1,022,879	531	150	381	53	59	71	68	28	21	9	12	60
Pennsylvania	3,795	2,622,096	888	107	691	0	26	161	140	61	57	39	22	185
Utah	1,266	79,783	138	75	63	20	13	19	5	2	0	0	2	2
Vermont	1,935	476,027	336	90	246	34	49	49	64	15	9	4	8	14
Washington	1,661	181,084	136	0	109	21	23	18	28	11	2	3	0	3
Wisconsin	1,597	2,364,062	3,339	377	1,480	379	278	332	269	85	31	25	19	62
Total	2,053	28,722,910	34,882	12,391	14,974	2,811	2,373	3,174	3,289	1,293	592	370	234	838

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Massachusetts and New Jersey did not submit earnings data. The above data is shown for those participants who were enrolled for the entire fourth quarter of 2002.

TABLE C.12

NUMBER OF PARTICIPANTS WITH 2002 FOURTH QUARTER SELF-EMPLOYMENT UI EARNINGS, BY STATE

State	Average Quarterly Earnings in \$	Total Quarterly Earnings in \$	Total Participants	Total with No Self- Employment Earnings	Total with Self- Employment Earnings	Percent with Self- Employment Earnings	Number of Participants in Monthly Self-employment Earning Category						
							\$1-200	\$201- 400	\$401- 600	\$601- 800	\$801- 1000	\$1001- 1200	\$1201- 1400
California	394	32,682	651	0	83	13	45	12	7	5	5	1	3
Connecticut	2,311	62,400	2,075	2,048	27	1	5	7	4	4	1	1	0
Kansas	1,226	17,166	384	0	14	4	1	0	2	1	1	3	1
Minnesota	497	272,684	5,932	5,383	549	9	430	67	21	15	8	1	0
New Hampshire	1,083	28,150	880	854	26	3	11	4	5	4	0	1	1
New Mexico	1,277	20,438	712	0	16	2	1	3	3	1	0	0	0
Utah	796	23,073	138	109	29	21	12	7	1	0	4	0	0
Vermont	2,398	91,111	336	298	38	11	12	3	9	5	3	1	1

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Alaska, Illinois, Indiana, Iowa, Maine, Massachusetts, Missouri, Nebraska, New Jersey, Oregon, Pennsylvania, Washington and Wisconsin did not submit self-employment earnings data. The above data represents those individuals who were enrolled for the entire fourth quarter of 2002.

TABLE C.13

CHANGE IN TOTAL QUARTERLY UI EARNINGS FROM 2001 TO 2002, BY STATE

State	Total Participants	Total Quarterly Earnings		Percent Change in Earnings (%)
		2001	2002	
Alaska	79	\$87,966	\$74,228	-16%
California	310	\$461,195	\$472,706	1%
Connecticut	905	\$1,427,457	\$1,297,720	-9%
Iowa	2,729	\$1,469,660	\$1,438,213	-2%
Maine	320	\$472,313	\$441,632	-7%
Minnesota	4,389	\$4,236,221	\$4,197,400	-1%
Nebraska	51	\$119,964	\$111,454	-8%
New Mexico	217	\$120,970	\$141,954	15%
Oregon	299	\$747,970	\$693,448	-8%
Utah	31	\$20,334	\$21,791	7%
Vermont	141	\$176,392	\$178,756	1%
Wisconsin	1,194	\$1,135,705	\$1,065,541	-7%

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Massachusetts and New Jersey did not submit earnings data. Illinois, Indiana, Kansas, Missouri, New Hampshire, Pennsylvania, and Washington did not have Buy-In programs for the entire 2001 calendar year. The above data is shown for those individuals enrolled in the Buy-In for the entire fourth quarter of 2002 and for the entire fourth quarter of 2001.

TABLE C.14

MEAN QUARTERLY UI EARNINGS IN 2001 AND 2002, BY STATE

State	Total Participants	Earning Categories																			
		\$0		\$1-200		\$201-400		\$401-600		\$601-800		\$801-1,000		\$1,001-1,200		\$1,201-1,400		\$1,401-1,600		\$1,601+	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Alaska	79	49	51	2	1	3	2	6	7	5	5	2	5	4	4	2	1	1	0	5	3
California	310	101	108	28	36	33	22	52	45	41	40	18	22	15	13	5	5	3	1	14	18
Connecticut	905	131	236	127	131	148	110	205	164	165	138	53	44	15	19	12	12	13	9	36	42
Iowa	2,729	1,648	1,715	274	272	241	223	271	209	183	194	53	44	22	24	16	15	8	9	13	24
Maine	320	116	135	24	22	32	30	46	39	31	28	18	12	19	12	9	15	10	7	15	20
Minnesota	4,389	1,949	2,059	529	565	502	419	591	517	458	453	127	135	47	50	43	41	35	32	108	118
Nebraska	51	5	7	1	1	5	2	13	15	11	12	5	5	2	0	2	2	0	2	7	5
New Mexico	217	169	169	6	6	6	1	9	10	11	11	5	7	4	3	1	1	0	1	6	8
Oregon	299	84	86	17	25	36	33	32	34	33	34	15	15	14	11	10	8	10	11	48	42
Utah	31	0	2	11	9	3	3	7	6	2	2	0	0	0	0	0	0	0	1	0	0
Vermont	141	40	36	14	16	16	22	27	19	25	33	11	8	3	2	1	0	1	3	3	2
Wisconsin	1,194	94	112	122	134	156	121	169	160	156	136	34	36	14	8	8	8	5	9	25	24

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: Massachusetts and New Jersey did not submit earnings data. Illinois, Indiana, Kansas, Missouri, New Hampshire, Pennsylvania, and Washington did not have programs for the entire 2001 calendar year. The above data is shown for those individuals enrolled in the Buy-In for the entire fourth quarter of 2002 and for the entire fourth quarter of 2001.

TABLE C.15

AVERAGE PER MEMBER PER MONTH (PMPM) MEDICAID EXPENDITURES, BY STATE, 2002

State	Average PMPM in \$	Total Participants	Percent of Participants in Expenditure Categories					
			\$0	\$1-500	\$501-1,000	\$1,001- 5,000	\$5,001- 20,000	\$20,001+
Alaska	572	186	10	87	3	0	0	0
California	559	651	1	65	16	10	1	0
Connecticut	1,616	2,075	2	32	21	39	6	0
Illinois	575	177	7	50	27	16	1	0
Indiana	2,260	2,344	8	33	13	26	17	4
Iowa	722	4,811	0	50	28	21	0	0
Kansas	609	384	4	57	20	19	0	0
Maine	505	617	6	74	7	10	2	0
Massachusetts	441	5,918	8	67	15	10	0	0
Minnesota	1,467	5,932	2	37	20	36	6	0
Missouri	950	4,736	6	44	22	26	1	0
Nebraska	605	91	1	58	22	19	0	0
New Hampshire	1,602	880	2	28	22	42	6	0
New Jersey	1,128	516	4	37	21	35	3	0
New Mexico	854	712	3	33	47	16	1	0
Oregon	690	531	0	45	39	15	0	0
Pennsylvania	260	888	0	28	38	33	0	0
Utah	1,372	138	1	25	38	32	4	0
Vermont	980	336	2	49	14	35	1	0
Washington	551	136	1	65	20	14	0	0
Wisconsin	919	3,339	2	52	22	23	2	0
Total	916	35,398	4	47	21	25	3	< 1

SOURCE: 2002 State Annual Buy-In Report Form.

NOTE: The above data is shown for those individuals enrolled in the Buy-In for the entire fourth quarter of 2002.

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APPENDIX D

DEFINITIONS OF MEDICAID ELIGIBILITY GROUPS

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The information in this appendix is from the CMS MSIS Data Dictionary.

INDIVIDUALS RECEIVING CASH ASSISTANCE OR ELIGIBLE UNDER SECTION 1931 INCLUDE:

Blind and/or disabled individuals receiving SSI, eligible spouses or persons receiving SSI pending a final determination of blindness, disability, and/or disposal of resources exceeding SSI dollar limits; and persons considered to be receiving SSI under Section 1619(b) of the Act.

Blind and/or disabled individuals who meet more restrictive requirements than SSI and who are either receiving or not receiving SSI; or who qualify under Section 1619.

Blind and/or disabled individuals receiving mandatory State supplements.

Blind and/or disabled individuals who receive a State supplementary payment (but not SSI) based upon need.

INDIVIDUALS IN MEDICALLY NEEDEY PROGRAMS INCLUDE:

Blind and/or disabled individuals who would be ineligible if not enrolled in an HMO.

Categorically needy individuals are covered under 42 CFR 435.212 and the same rules apply to medically needy individuals.

Blind and/or disabled individuals who meet all Medicaid requirements except current blindness and/or disability criteria, and have been continuously eligible since 12/73 under the State's requirements.

INDIVIDUALS IN THE POVERTY RELATED GROUP INCLUDE:

Qualified Medicare Beneficiaries (QMBs) who are entitled to Medicare Part A, whose income does not exceed 100% of the Federal poverty level, and whose resources do not exceed twice the SSI standard.

Specified Low-Income Medicare Beneficiaries (SLMBs) who meet all of the eligibility requirements for QMB status, except for the income in excess of the QMB income limit, but not exceeding 120% of the Federal poverty level.

Qualifying individuals having higher income than allowed for QMBs or SLMBs.

Qualified Disabled Working Individuals (QDWIs) who are entitled to Medicare Part A.

Disabled individuals not described in §1902(a)(10)(A)(I) of the Act with income below the poverty level and resources within State specified limits.

INDIVIDUALS IN THE "OTHER" GROUP INCLUDE:

Blind and/or disabled individuals who meet more restrictive requirements than SSI, including both those receiving and not receiving SSI payments

Blind and/or disabled individuals who are ineligible for optional State supplements or SSI due to requirements that do not apply under title XIX.

Blind and/or disabled essential spouses considered continuously eligible since 12/73; and some spouses who share hospital or nursing facility rooms for 6 months or more.

Institutionalized blind and/or disabled individuals who have been continuously eligible since 12/73 as inpatients or residents of Title XIX facilities.

Blind and/or disabled individuals who would be SSI/SSP, eligible except for the 8/72 increase in OASDI benefits.

Blind and/or disabled individuals who would be eligible for SSI but for title II cost-of-living adjustment(s).

Blind and/or disabled aliens who are not lawful, permanent residents or who do not have PRUCOL status, but who are otherwise qualified, and who require emergency care.

Blind and/or disabled individuals who meet all Medicaid requirements except current blindness, or disability criteria, who have been continuously eligible since 12/73 under the State's 12/73 requirements.

Blind and/or disabled individuals, age 18 or older, who became blind or disabled before age 22 and who lost SSI or State supplementary payments eligibility because of an increase in their OASDI (childhood disability) benefits.

Blind and/or disabled individuals who would be eligible for AFDC, SSI, or an optional State supplement if not in a medical institution.

Qualified severely impaired blind or disabled individuals under age 65, who, except for earnings, are eligible for SSI.

Blind and/or disabled individuals who meet income and resource requirements for AFDC, SSI, or an optional State supplement.

Working disabled individuals who buy-in to Medicaid

Blind and/or disabled individuals who have become ineligible who are enrolled in a qualified HMO or "§1903(m)(2)(G) entity" that has a risk contract.

Blind and/or disabled individuals who, solely because of coverage under a home and community based waiver, are not in a medical institution and who would be eligible if they were.

Blind and/or disabled individuals who elect to receive hospice care, and who would be eligible if in a medical institution.

Blind and/or disabled individuals in institutions who are eligible under a special income level specified in Supplement 1 to Attachment 2.6-A of the State's title XIX Plan.

Blind and/or disabled widows and widowers who have lost SSI/SSP benefits but are considered eligible for Medicaid until they become entitled to Medicare Part A.

Certain Disabled children, 18 or under, who live at home, but who, if in a medical institution, would be eligible for SSI or a State supplemental payment.

Continuation of Medicaid eligibility for disabled children who lose SSI benefits because of changes in the definition of disability