



Highlights of [GAO-04-363](#), a report to congressional committees

## Why GAO Did This Study

To assist low-income beneficiaries with their share of premiums and other out-of-pocket costs associated with Medicare, Congress has created four Medicare savings programs. Historic low enrollment in these programs has been attributed to several factors, including lack of awareness about the programs, and cumbersome eligibility determination and enrollment processes through state Medicaid programs. Concerned about this low enrollment, Congress passed legislation as part of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA) requiring the Social Security Administration (SSA) to notify low-income Medicare beneficiaries of their potential eligibility for Medicare savings programs. The statute also required GAO to study the impact of SSA's outreach effort. GAO examined what outreach SSA undertook to increase enrollment, how enrollment changed following SSA's 2002 outreach, and how enrollment changed in selected states following SSA's outreach and what additional outreach efforts these states undertook.

GAO reviewed information obtained from SSA and the Centers for Medicare & Medicaid Services (CMS), analyzed enrollment data provided by SSA and CMS, and interviewed officials in and obtained data from six selected states (Alabama, California, Louisiana, New York, Pennsylvania, and Washington).

[www.gao.gov/cgi-bin/getrpt?GAO-04-363](http://www.gao.gov/cgi-bin/getrpt?GAO-04-363).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Kathryn G. Allen at (202) 512-7118.

# MEDICARE SAVINGS PROGRAMS

## Results of Social Security Administration's 2002 Outreach to Low-Income Beneficiaries

### What GAO Found

In response to a statutory requirement, SSA is carrying out an annual outreach effort to help increase enrollment in Medicare savings programs. This outreach effort consists of mailing letters to potentially eligible low-income beneficiaries nationwide as well as sharing data with states to assist with their supplemental outreach efforts. In 2002, SSA sent 16.4 million letters to low-income Medicare beneficiaries whose incomes from Social Security and certain other federal sources met the income eligibility criteria for Medicare savings programs. The 2002 letters provided eligibility criteria for programs in the beneficiary's home state and urged beneficiaries interested in enrolling to call a state telephone number provided. In addition to sending these letters, SSA provided states with a data file containing information on the beneficiaries to whom it sent letters. In 2003, SSA sent another 4.3 million letters to potentially eligible beneficiaries, and indicated that it intends to repeat the outreach mailing annually to newly eligible beneficiaries and a portion of prior letter recipients.

Following SSA's outreach efforts in 2002, GAO estimated that more than 74,000 additional eligible beneficiaries enrolled in Medicare savings programs, 0.5 percent of all 2002 letter recipients, than would have likely enrolled without the letter. CMS enrollment data also showed that growth in Medicare savings programs enrollment for the year following SSA's mailing was nearly double that for each of the 3 prior years. Of the 74,000 additional enrollees, certain states and demographic groups had somewhat larger increases in enrollment than other groups. The highest additional enrollment increase was in Alabama, where 2.9 percent of letter recipients enrolled, followed by Delaware at 2.0 percent. Beneficiaries less than 65 years old, persons with disabilities, racial and ethnic minorities, and residents in southern states also had higher enrollment rates than other groups.

The percentage of letter recipients newly enrolling in Medicare savings programs following SSA's 2002 mailing ranged from 0.3 to 2.9 percent among the six states GAO reviewed. The varying effects on enrollment by state could be attributable to several factors, including the share of eligible beneficiaries enrolled in Medicare savings programs prior to the outreach, each state's ability to handle increased call and application volume, and a state's income and asset limits. Four states GAO reviewed reported increases in the numbers of calls received or applications mailed or received following the SSA mailing and then decreases after the mailing period ended. Each of the states GAO reviewed reported that the state or other stakeholders conducted additional outreach during SSA's 2002 outreach.

SSA generally agreed with GAO's findings. CMS stated that it did not have specific comments on the report.