

REALITY CHECK

# THE COSTS OF LIVING FOR MEDICAID BENEFICIARIES IN NEW JERSEY

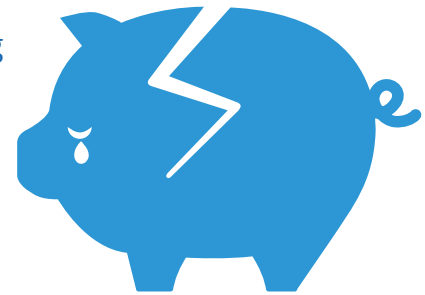


Challenging Math for People Living with Disabling Mental Illness and Substance Use Disorders

## WHAT "COUNTS" AS POVERTY?

According to the federal government, poverty is a single person earning \$12,060 or less per year. This equals \$1,005 per month. In New Jersey,

- 1,009,600 New Jerseyans live at or below the Federal Poverty Level
- 1,176,100 New Jerseyans live between 100-199% of the Federal Poverty Level



## WHO QUALIFIES FOR MEDICAID?

- In New Jersey, individuals with incomes above \$16,642 cannot qualify for Medicaid.
- Medicaid is the primary source of health care for people living with mental illness and a growing resource for people living with addiction.

### REAL NUMBERS, HARD MATH

FEDERAL POVERTY LEVEL INCOME

**\$12,060**

+

NO FRILLS COST OF LIVING

**(\$34,980)**

**-\$22,920**

## THE REAL COSTS OF LIVING IN NEWARK, NJ

A no-frills budget, excluding health care costs, for an individual in Newark, NJ is \$34,980.

The cost of living in Trenton, New Jersey is \$223 less per month, which is still more than twice the federal poverty level.

HOUSING  
1 BR Apartment  
**\$1,022**

FOOD/\$9 a day  
**\$271**

TAXES/  
UTILITIES  
**\$523**

TRANSPOR-  
TATION  
**\$475**

OTHER:  
clothing,  
toiletries, etc  
**\$624**

**\$2,915**

\$2,000

\$1,000



Many states have increased cost-sharing requirements for Medicaid recipients. Cost sharing can include copayments, cost-sharing and monthly premiums.



For people with significant health care needs and who are living in poverty, cost-sharing can prevent access to effective and essential services.



After increasing cost-sharing in Oregon and Wisconsin, significant numbers of people left the health care program and resorted to the emergency room for care. Further, the administrative costs of the program may exceed the funds received from enrollees.



**THE PRICE OF  
INCREASING  
COST-SHARING  
IN MEDICAID  
DOESN'T ADD UP**

**WHAT IS?**

## **SERIOUS MENTAL ILLNESS AND SUBSTANCE USE DISORDERS**

More than 1 in 5 uninsured adults with an opioid addiction have a serious mental illness.

Nationally, uninsured adults are less likely to have received treatment for addiction than those covered by Medicaid, and drug addiction is the leading cause of accidental death in the U.S.

In New Jersey, 274,388 people have a serious mental illness, including schizophrenia, bipolar disorder or depression. These conditions often impact a person's ability to communicate with others, take care of themselves, and understand the world around them.

By 2015, over 2 million people were addicted to prescription opioids and 591,000 people were addicted to heroin. In New Jersey, 1,454 people lost their lives to drug overdoses, a 16.4% increase over 2014.

**WHAT IS?**

## **Social Security Income (SSI) and Social Security Disability Income (SSDI) Limits**

People diagnosed with a serious mental illness often qualify for Medicaid through the Social Security program. Individuals who qualify for SSDI Income for 2017 earn \$14,040 per year, and those who qualify for SSI income earn \$8,820 per year, with New Jersey providing some supplemental income. SSDI and SSI are only provided to individuals who cannot work due to a medical condition or injury, and the federal government restricts these individuals from receiving any additional income. Individuals with addiction disorders cannot qualify for SSDI.