

REALITY
CHECK

THE COSTS OF LIVING FOR MEDICAID BENEFICIARIES IN INDIANA



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 Indiana,

- 928,627 Hoosiers live at or below the Federal Poverty Level
- 1,193,949 Hoosiers live between 100-199% of the Federal Poverty Level



WHO QUALIFIES FOR MEDICAID?

- In Indiana, individuals with incomes above \$16,763 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

(\$23,892)

-\$11,832

THE REAL COSTS OF LIVING IN INDIANAPOLIS, IN

A no-frills budget, excluding health care costs, for an individual in Indianapolis is \$23,892.

The cost of living in rural Indiana is only \$56 less per month.

HOUSING/
1 BR Apartment
\$506

FOOD/
\$9 a day
\$271

TAXES/
UTILITIES
\$364

TRANSPOR-
TATION
\$475

OTHER:
clothing,
toiletries, etc
\$375

\$1,991

\$2,000

\$1,000



Many states, including Indiana, 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 Indiana, over 300,000 people have a serious mental illness, including schizophrenia, bi-polar 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 Indiana alone, 1,245 Hoosiers lost their lives to drug overdoses, a 7 percent increase over 2014 and one of the higher rates in the country.

WHAT IS?

SUPPLEMENTAL SECURITY INCOME (SSI) AND SOCIAL SECURITY DISABILITY INSURANCE (SSDI)

People diagnosed with a serious mental illness often qualify for Medicaid through their eligibility for Social Security disability benefits. Individuals who qualify for SSDI receive on average \$13,578 per year, and those who qualify for SSI receive up to \$8,820 per year. SSDI and SSI are provided to individuals who cannot work due to a serious medical or mental illness, condition, or injury. In most states, eligibility for SSI confers eligibility for Medicaid. Generally, SSDI recipients are eligible for Medicare after two years, but may also qualify for Medicaid.