

REALITY CHECK

# THE COSTS OF LIVING FOR MEDICAID BENEFICIARIES IN VERMONT



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 Vermont,

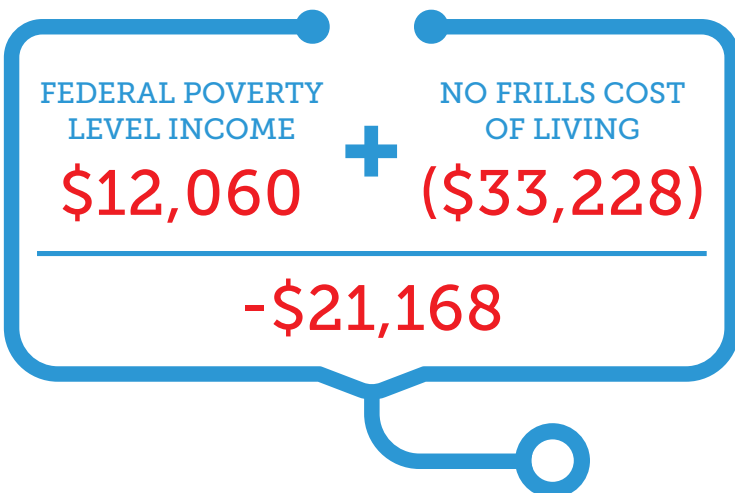
- 66,200 Vermonters live at or below the Federal Poverty Level
- 97,100 Vermonters live between 100-199% of the Federal Poverty Level



## WHO QUALIFIES FOR MEDICAID?

- In Vermont, individuals with modified adjusted gross incomes above \$16,647 do not 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



## THE REAL COSTS OF LIVING IN BURLINGTON, VT

A no-frills budget, excluding health care costs, for an individual in Burlington is \$33,228.

The cost of living in rural Vermont is \$455 less per month.

HOUSING 1 BR Apartment	\$923	\$2,000
FOOD/\$9 a day	\$271	
TAXES/UTILITIES	\$539	\$1,000
TRANSPORTATION	\$459	
OTHER: clothing, toiletries, etc	\$577	

\$2,769



Many states, including Vermont, 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 Vermont, more than 29,600 people have a serious mental illness, including schizophrenia, bipolar disorder or depression. Persons affected by these conditions may benefit from services and supports to improve their ability to obtain and maintain housing, employment, interpersonal relationships and other aspects of a healthy, safe, and satisfied life.

By 2015, over 2 million people were addicted to prescription opioids and 591,000 people were addicted to heroin. In Vermont, 99 people lost their lives to drug overdoses.

**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.