STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

PETE WILSON, Governor

DEPARTMENT OF HEALTH SERVICES
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December 7, 1995

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No.: 95-80

THE 1995 QUALIFIED MEDICARE BENEFICIARY/SPECIFIED LOW-INCOME MEDICARE BENEFICIARY (QMB/SLMB) STANDARD AND PARENTAL ALLOCATION

Ref.: All County Welfare Directors Letters (ACWDL) No. 95-06 and No. 95-70

The purpose of this letter is to inform you of the 1996 QMB/SLMB "standard allocation" and the "parent allocation."

These allocations are based on the annual federal benefit rate (FBR) which is based on the cost-of-living adjustment (COLA). The standard allocation increased from $229 for 1995 to $235 for 1996 (the couple FBR minus the individual FBR). The parent allocation for 1996 is determined as follows:

1. When there is earned and unearned income or when there is unearned income only:

   - The parent allocation (if one ineligible parent lives with the child) is $470 (FBR for an individual); and

   - The parent allocation (if both ineligible parents live with the child) is $705 (FBR for a couple).

2. Where there is earned income only:

   - The parent allocation (when one ineligible parent lives with a child) is $940 (2 x FBR for an individual); and

   - The parent allocation (when both ineligible parents live with a child) is $1,410 (2 x FBR for a couple).

The 1996 Medicaid Part A premium is $289 or $317.90 with the 10 percent penalty for late enrollment. The Part A deductible is $736. The 1996 Medicare Part B premiums is $42.50. The Part B deductible is $100.

The Omnibus Budget Reconciliation Act of 1993 allows for a reduced Medicare Part A premium for an aged individual who is not entitled to free Part A but who has at least 30 quarters of coverage under Social Security. This reduced premium in 1996 will be $188 or $206.80 with a 10 percent penalty.

Please remember to disregard the Title II COLA for all poverty level programs except Qualified Working Disabled Individuals (QWDI) program until the new federal poverty levels are in effect (April 1, 1996).

If you have any questions regarding QMBS, please contact Marge Buzdas at (916) 657-0726. For questions regarding SLMBs and QWDIs, please contact Sylvia Finberg at (916) 657-0080.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch