STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY PETE WILSON, Governor

DEPARTMENT OF HEALTH SERVICES
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November 17, 1997

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County MEDS Coordinators
All County QMB/SLMB Coordinators

Letter No.: 97-45

TWO NEW SPECIFIED LOW-INCOME MEDICARE BENEFICIARY (SLMB) PROGRAMS AT 135 PERCENT AND 175 PERCENT OF THE FEDERAL POVERTY LEVEL

This All County Welfare Directors Letter is to advise the counties that two new SLMB programs were authorized by Section 4732 of the Balanced Budget Act of 1997. Medi-Cal Policy staff are currently working on the State Plan Amendment, Procedures, Forms, and Regulations. In addition, we are also requesting the implementation of two new aid codes, 8D and 8E. Aid Code 8D will identify the first new SLMB "Qualifying Individual-1," (QI-1) group that has income between 120 percent and 135 percent of the federal poverty level, and Aid Code 8E will identify the second SLMB, QI-2 group that has income between 135 percent and 175 percent of the federal poverty level. Neither group is allowed to be eligible for any other Medi-Cal program, nor will the SLMB beneficiary receive a Medi-Cal card.

The first group mentioned, (income between 120 - 135 percent of poverty level), will be eligible for reimbursement of their Medicare Part B premiums. The second group, (income between 135 to 175 percent of poverty level), will be eligible for payment of the Home Health Care portion of Medicare Part A that was transferred to Medicare Part B. The State will be reimbursed for both programs from January 1, 1998 to December 31, 2002, at 100 percent funding up to a predetermined allocation.

These two new programs differ from the original SLMB (Aid Code 8C) program (where income is 100 to 120 percent of the federal poverty level) because the beneficiaries in Aid Code 8C may be eligible for other Medi-Cal programs.

All three SLMB programs, 8C, 8D, and 8E are eligible for three months of retroactive benefits. Aid Code 8C is eligible for retroactive benefits back to January 1, 1993 and Aid Codes 8D and 8E are only eligible for retroactive benefits back to January 1, 1998. Similarly, all three programs may have resources that exceed the regular Medi-Cal limit; that is, the limits in these programs are $4,000 for a single individual and $6,000 for a couple. At the present time, we do

not know when Aid Code 8D and 8E will be activated. However, counties will be notified by either E-Mail or All County Letter of the projected implementation date.

If you have any questions, please contact Sylvia Finberg of my staff at (916) 657-0080.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch