STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

PETE WILSON Governor

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December 3, 1998

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

Letter No.: 98-57

THE 1999 MEDICARE PREMIUMS AND SUPPLEMENTAL SECURITY INCOME STANDARD AND PARENTAL ALLOCATION FOR THE QUALIFIED MEDICARE BENEFICIARY/SPECIFIED LOW INCOME MEDICARE BENEFICIARY (QMB/SLMB) AND OTHER PROGRAMS

Ref.: All County Welfare Directors Letter No. 96-67 and 97-59

The purpose of this letter is to inform you of the 1999 "Supplemental Security Income standard allocation" and the "parent allocation" amounts which are used in various programs, such as the QMB/SLMB programs.

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 $247 for 1998 to $251 for 1999 (the couple FBR minus the individual FBR). The Parent Allocation for 1999 is determined as follows:

When there is earned, unearned income or a combination of income:

- The parent allocation (if one ineligible parent lives with the child) is $500 (FBR for an individual); and

- The parent allocation (if both ineligible parents live with the child) is $751 (FBR for a couple).

The 1999 Medicare Part A premium will remain at $309 or $339.90 with the ten percent penalty for late enrollment. For persons entitled to a reduced Medicare Part A premium (at least 30 quarters of coverage), the premium is still $170 or $187 for late enrollment.

The Part A deductible is $768. Coinsurance is $192 a day for the 61st through the 90th day for each benefit period. For day 91 through 150, the rate is $384 per day. Skilled nursing facility coinsurance is $96 a day for the 21st through 100th day.

The 1999 Medicare Part B premium is $45.50. The Part B deductible remains at $100 per year.

Please remember to disregard the Title II COLA for all programs where eligibility is based on federal poverty level (FPL) except the Qualified Working Disabled Individuals (QWDI) program until the new FPLs are in effect (April 1, 1999). These programs include the Income Disregard program, 133 Percent and 100 Percent programs for children, and the QMB/SLMB programs. Also note that the FPL chart that we publish each year is the net nonexempt income limit after the any income deduction of $20 has been applied. This is not to be confused with the federal QMB/SLMB brochure or the QMB or SLMB information Notices (MC 008 and MC 014) which in past added the $20 to the poverty level amount.

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

Sincerely,

ORIGINAL SIGNED BY

ANGELINE MRVA, Chief
Medi-Cal Eligibility Branch