STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY GRAY DAVIS Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941

December 4, 1999

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

Letter No.: 99-69

SOCIAL SECURITY REDUCED CHECKS FOR CERTAIN IN-HOME SUPPORTIVE SERVICES BENEFICIARIES

As you are aware, approximately 16,410 Medi-Cal/Medicare beneficiaries who receive in-home supportive services were notified by the Social Security Administration (SSA) that their November 1999 Social Security checks would be reduced by $136.50. SSA also told these beneficiaries that the State was no longer paying their Medicare Part B premiums.

This reduction was triggered by a State computer error which inadvertently indicated to SSA that the State was no longer paying (Buying-In) the Medicare Part B premiums for affected beneficiaries. SSA then deducted three months of Part B premiums ($45.50 per month) from the November checks of these beneficiaries. The State informed SSA that the discontinuance of Buy-In was incorrect and that Medicare premium coverage is to be restored.

The Department of Health Services (DHS) has been working with SSA to expedite the issuance of an SSA refund in the amount of the reduced November payment. DHS sent these beneficiaries a letter on November 1, 1999, explaining the situation and what is being done. Because counties have asked for a copy of that letter, we are providing that copy as an enclosure to this letter.

If you have any questions about this letter, please contact either Lea Shalabi at (916) 654-5689 or Marlene Ratner at (916) 657-0715.

ORIGINAL SIGNED BY

ANGELINE MRVA, Chief
Medi-Cal Eligibility Branch

Enclosure

STATE OF CALIFORNIA-HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF HEALTH SERVICES
714 P STREET, Room 950
P.O. BOX 942732
SACRAMENTO, CA 94234-7320
1-800-952-5294

ENCLOSURE

November 1, 1999

Dear Medi-Cal Beneficiary:

The Social Security Administration sent you a letter recently. That letter stated that your benefits were being reduced to pay for your Medicare premiums. **PLEASE IGNORE THAT LETTER. THE STATE WILL CONTINUE TO PAY YOUR MEDICARE PREMIUMS.** In addition, your Retirement, Survivors, and Disability Insurance payment was reduced. Both the letter and the payment reduction were a result of a computer system error at the Department of Health Services.

WE ARE WORKING WITH THE SOCIAL SECURITY ADMINISTRATION TO REFUND YOUR $136.50 AS SOON AS POSSIBLE. We are optimistic that you will be receiving this refund immediately.

We are sorry this error occurred. The State of California will do everything it can to make sure this does not happen again. If you have any questions, please contact the Department of Health Services at 1-800-952-5294.

Sincerely,

Barbara Hooker

Barbara Hooker, Chief
Payment Systems Division