State of California—Health and Human Services Agency
Department of Health Services

California Department of Health Services

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Director

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December 4, 2002

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL QMB/SLMB/QI COUNTY COORDINATORS

Letter No: 02-56

SUBJECT: THE 2003 MEDICARE PREMIUMS AND SUPPLEMENTAL SECURITY INCOME STANDARD AND PARENT ALLOCATIONS FOR THE QUALIFIED MEDICARE BENEFICIARY (QMB)/SPECIFIED LOW-INCOME MEDICARE BENEFICIARY (SLMB)/QUALIFYING INDIVIDUAL-1 (QI-1) AND OTHER PROGRAMS

Ref.: All County Welfare Directors Letter Nos. 99-73, 00-65, 01-66

This letter is to inform you of the 2003 "Supplemental Security Income Standard Allocation" and the "Parent Allocation" amounts to be used in various programs, such as the 250 Percent Working Disabled and QMB/SLMB/QI-1 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 $272 to $277 (the couple FBR minus the individual FBR). The Parent Allocation for 2003 is determined as follows:

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

- The parent allocation (if one ineligible parent lives with a child) is $552 (FBR for an individual); and
- The parent allocation (if both ineligible parents live with a child) is $829 (FBR for a couple).

The 2003 Medicare Part A premium will drop to $316 for persons who do not receive Medicare free Part A. The reduced Medicare Part A premium will drop to $175 for persons with 30-39 quarters of Medicare covered employment. Both have a ten percent penalty for late enrollment.

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The Part A deductible will be $840 (for benefit period) for the first 60 days of inpatient care and $210 a day for the 61st through 90th day. For days 91 through 150, the deductible will be $420. The skilled nursing facility deductible is $105 a day for the 21st through 100th day (there is no deductible for day 1 through 20).

The 2003 Medicare Part B premium will be $58.70. The annual deductible will remain at $100. The QI-2 program is discontinued effective December 31, 2002, and there is no QI-2 benefit.

Disregard the Title II COLA for all programs where eligibility is based on the federal poverty level (FPL) except the Qualified Disabled Working Individuals program until the new FPLs are in effect on April 1, 2003. These programs include the Income Disregard program, 133 Percent, and 100 Percent program for children, the 250 Percent Working Disabled program, and the QMB/SLMB/QI-1 program.

If you have any questions regarding this letter, please call Ms. Vicki Partington at (916) 654-5909 or E-mail Vparting@dhs.ca.gov.

ORIGINAL SIGNED BY

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