

## DEPARTMENT OF HEALTH SERVICES

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TO: All County Welfare Directors  
All Medi-Cal Policy Liaisons

March 13, 1991  
Letter No. 91-24

SUBJECT: QUALIFIED MEDICARE BENEFICIARIES (QMBs)

REFERENCE: 89-98, 89-116, 90-02, 90-71, 91-09

Technical difficulties, which prevented our receipt of the Social Security Administration's (SSA) confirmation of Part A eligibility for Qualified Medicare Beneficiaries (QMBs), have been resolved. The Department of Health Services (DHS) can now sort and compile lists of QMBs which will allow County Welfare Department (CWD) staff to: 1) send approval/denial Notices of Action (NOAs) to beneficiaries who applied for the QMB program and 2) update MEDS and individual county systems with accurate eligibility status information.

Refer to ACWDL 89-98 for more details on the Medicare status codes referred to in this letter. Refer to ACWDL 90-02 for information on NOAs.

#### Listings

DHS produced 5 lists which contain all individuals reported to MEDS as of MEDS Renewal for November, 1990, who are in either pending (899) status, active status, ineligible status, may require further case review, or have no MEDS record. Each list will require different county actions, as noted below.

NOTE: Only one copy of these lists will be sent to the Medi-Cal Program Liaison in each county. A matrix (Enclosure #1) indicates which list(s) your county will receive.

When your staff review these lists, they will find some QMB records with a MEDS eligibility status of 799 (hold pending status) or 999 (terminated status). These cases must be evaluated to determine if QMB eligibility should be reestablished on MEDS. Some counties had systems problems which were inadvertently terminating QMB records on MEDS but not county systems.

#### List Processing

Each list is annotated with an explanation of the action required by county staff. The annotations and action explanations are listed below:

**LIST: Ineligible- Beneficiary identified as ineligible for Medicare**  
Individuals on this list have a Medicare status code of 99 and no Health Insurance Claim Number (HIC#). The Medicare information on MEDS indicates these beneficiaries are aliens and therefore not eligible for the QMB program. These beneficiaries must be sent a denial NOA. Refer to "Processing Steps" for further information.

**LIST: Active- Beneficiary currently entitled to Medicare Part A**  
In June, 1990, DHS received a tape of Part A confirmations for QMBs who had sent SSA 795s to the SSA processing center in Great Lakes, Chicago. After the tape was processed, DHS converted the pending MEDS records to an active status. Because of possible discrepancies (discussed below), this list requires comparison of MEDS and county QMB records.

These beneficiaries have a Medicare status code of either 32 (free Part A, Part B Buy-In), 12 (paid Part A and Part B Buy-In) or 22 (Buy-in for Part A and Part B). Processing situations:

- 1) If the record is in active status (on county and on MEDS) and an approval NOA has been sent, no action is required.
- 2) If the record is in active status on MEDS, pending on county, activate the county record and send an approval NOA.
- 3) If the record is in pending on MEDS, active on county, activate the MEDS record and send an approval NOA.
- 4) If the record is pending (on county and on MEDS), update both systems to active status and send an approval NOA.

The effective date of active status for cases with the Medicare status codes of 12, 22, and 32 will be either July, 1990 or the first month of continuous Part A eligibility, whichever is later.

**NOTE:** Per ACWDL 90-02, Medically Needy Only beneficiaries with free Part A do not receive NOAs.

**LIST: Pending status- Beneficiary not currently entitled to Part A**  
These individuals need to resubmit SSA 795s to Great Lakes, Chicago, before the end of the open enrollment period (March 31, 1991) because SSA has not confirmed Part A eligibility. Therefore, DHS sent notices and SSA 795s (Enclosure #2) to these individuals. If the record is already in a pending status on the list, no action is required. If the record is in an active status on the list, the MEDS status must be changed to pending and the appropriate NOA must be sent. If the beneficiary contacts your office and

states he/she is paying the Part A premium, review his/her Medicare card as outlined in "Processing Steps", and take appropriate actions.

LIST: Review case file to determine appropriate QMB status  
These beneficiaries will receive notification from DHS (Enclosure #3) that they should go to their local SSA office, apply for Medicare Part A benefits, and request a confirming document. The beneficiary may bring either the SSA document, his/her Medicare card, and/or the DHS notice when applying for QMB benefits at the CWD. County staff must review the case file, following the instructions noted in "Processing Steps", to determine the appropriate QMB status.

LIST: Update MEDS- no QMB record on MEDS  
These individuals are on the Part A Buy-In tape but do not have a QMB record on MEDS. Review the case file for an application. If there is an application on file and the beneficiary met the QMB eligibility requirements, process as follows: 1) if the Medicare status is 02, put the record in pending status on both MEDS and the county system; and 2) if the Medicare status is 12, 22, or 32, put the record in active status on both MEDS and the county system. Send an approval NOA for both steps 1 and 2 above. If there is no application on file or, the beneficiary was found ineligible for the QMB program, send a DHS 6166 to the Medicare Buy-In Unit and send a denial NOA, if appropriate. Review Processing Steps below.

#### Processing Steps

Medicare Card- Check the case file for a copy of the Medicare card.

- A. If there is Part A coverage on the card (i.e., HI or Hospital Insurance) the case should be in active status.
  1. If the record is already in active status, no action is required.
  2. If the record is in active status but, no HIC# is posted on MEDS, report the HIC# to MEDS.
  3. If the record is in pending status, activate record and send an approval NOA, if none has been sent.
- B. If there is no Part A coverage on the card and the HIC# suffix is M, J3, or K3, the case should be in pending status.
  1. If the record is in active status, the status MUST be changed to pending and an appropriate NOA sent.
  2. If the record is already in pending status, no action required.
  3. If the record is in pending status but no HIC# is on MEDS, report the HIC# to MEDS.

C. If there is no Medicare card in the case file, you may:

1. Deny the QMB eligibility. If denying eligibility, MEDS eligibility should be terminated and the beneficiary sent the appropriate denial NOA. Or,
2. Request the missing information from the beneficiary. If requesting additional information, put the MEDS record in pending if active. If the record is already pending, no MEDS action required.

NO HIC# - If the case record has no HIC#, DHS cannot attempt to Buy-In for Part A eligibility. If the HIC# is in the case file, remember to update both your county system and MEDS with this information. NOTE: QMB eligibility should never be established without a HIC# on the case record. If there is no HIC# for the beneficiary, deny the QMB application and refer the beneficiary to SSA.

Deceased Beneficiaries - We have received many questions regarding the processing of QMB cases for deceased beneficiaries. If the beneficiary is/was dually eligible for Medi-Cal/QMB, you must submit separate transactions to discontinue both the Medi-Cal and QMB cases. If the beneficiary is/was dually eligible for SSI/QMB and SSI has posted a death code and death date on the MEDS record, you must contact your DHS MEDS Liaison to help you discontinue the QMB record.

Medicare Coding Discrepancy - If you find there is a discrepancy between the beneficiary's documentation and the Medicare Part A or Part B status codes on MEDS, complete a DHS 6166 and send it to the Medicare Buy-In Unit. This discrepancy may be the reason we have not been able to pay the Part A or Part B premiums.

If you have any policy questions, please contact Marge Buzdas at (916) 324-4972. If you have any Systems questions, please contact Michele White at (916) 445-2043. If you have any questions relating to Medicare Buy-In issues, please contact Jo Monday at (916) 739-3208.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

Enclosures

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

## ==== Record Counts by Type of QMB Report =====

County	Active	Review	Pending	Ineligible	Determination
01	712	92	114	1	2
02	-	-	-	-	-
03	-	-	-	-	-
04	2	-	-	-	-
05	1	-	-	-	-
06	-	-	-	-	-
07	92	3	7	1	-
08	1	-	-	-	-
09	1	1	-	-	-
10	30	4	8	-	-
11	-	-	-	-	1
12	3	-	-	-	-
13	79	29	1	-	-
14	-	-	-	4	-
15	10	-	-	-	-
16	-	-	-	-	-
17	-	-	-	-	-
18	-	-	-	-	-
19	3,414	1,944	523	857	-
20	2	1	3	-	6
21	29	6	10	1	-
22	1	-	-	-	-
23	-	-	1	-	-
24	22	-	-	-	-
25	-	-	-	-	-
26	-	-	-	-	-
27	2	-	1	-	-
28	7	-	-	-	-
29	9	2	-	-	-
30	359	63	75	-	-
31	7	3	1	12	-
32	-	-	-	-	-
33	141	13	5	-	-
34	52	8	17	-	-
35	1	1	-	-	-
36	25	1	8	-	-
37	1,033	1,475	182	-	-
38	883	49	242	105	1
39	46	-	6	4	-
40	6	-	-	-	1
41	64	13	18	1	-
42	10	1	1	1	-
43	725	29	57	-	-
44	16	5	3	7	5
45	8	-	-	-	-
46	-	-	-	-	-
47	-	-	-	-	-
48	51	3	10	-	-
49	21	3	16	-	-
50	4	-	2	-	-
51	2	-	-	-	-
52	3	2	1	1	-
53	1	-	-	-	-
54	23	12	4	-	-
55	-	-	-	-	-
56	111	6	9	-	-
57	14	2	1	-	1
58	1	1	-	1	-



## THE QUALIFIED MEDICARE BENEFICIARY PROGRAM

If you applied at your county department of social services for the Qualified Medicare Beneficiary (QMB) Program in 1990 but the state has not begun payment of your Medicare hospital insurance (Part A) premium and you have not received a new Medicare card showing hospital insurance benefits, please read this notice.

If you are paying for your Medicare Part A hospital insurance, please call your local county department of social services. Please have your Medicare card ready. Do not fill out the enclosed SSA 795 form.

If you have Medicare Part A hospital insurance without any cost, NO ACTION IS REQUIRED.

The State is unable to pay your Medicare Part A hospital insurance premium because the Social Security Administration (SSA) records do not show that you are eligible. You must first apply for this benefit at SSA by sending in the enclosed SSA 795 form to the address listed on the form before March 31, 1991.

If you already sent this form last year, please send this form to SSA again. Some SSA 795 forms were not accepted by SSA because they could not read your name or Medicare claim number. Your Medicare claim number is on your red, white, and blue Medicare Social Security Health Insurance card. If you do not have a Medicare card, please contact the SSA office and ask for your Medicare claim number.

You cannot apply for Medicare Part A with this SSA 795 form unless you have a Medicare claim number. Please be sure that you clearly print your name on the top line of the form. If SSA cannot read your name and Medicare claim number or if the number is not correct, you will not get QMB benefits.

Your benefits should begin in July 1991 and you should receive a new Medicare card showing your Part A hospital insurance benefits in September 1991. If you have any questions, please contact your local county department of social services.

Enclosure

## COVER SHEET FOR THE SSA 795 MEDICARE HOSPITAL INSURANCE ENROLLMENT FORM

### A NEW BENEFIT MAY BE AVAILABLE TO YOU- MEDICARE HOSPITAL INSURANCE

There is a new benefit under the Medi-Cal program you may want to have. Under a new law, if you want to have Medicare Hospital Insurance (Part A), we may be able to buy it for you and pay the premiums, deductibles, and coinsurance. We are already paying for your Medicare Medical Insurance (Part B), for doctors' services and some other medical items and services. However, before we can pay for your Part A Hospital Insurance, you must be a "Qualified Medicare Beneficiary".

### WHY SHOULD YOU ENROLL FOR HOSPITAL INSURANCE?

With Medicare Hospital Insurance, you may have a wider choice of hospitals in which to receive care depending on where you live. Medicare Hospital Insurance may provide slightly different benefits than the Medi-Cal program.

### WHAT HAPPENS IF YOU DO NOT WISH TO BECOME A QUALIFIED MEDICARE BENEFICIARY?

If you do not wish to enroll, we will continue to pay your Part B Medicare Medical Insurance, coinsurance and deductible, and your regular Medi-Cal will continue unless you no longer meet the eligibility requirements for the Medi-Cal program. You still are covered for all necessary medical care, including full hospitalization.

### WHO CAN BECOME A "QUALIFIED MEDICARE BENEFICIARY?"

To become a Qualified Medicare Beneficiary:

1. Your income must be at or below a federal limit which is a percentage of the federal poverty level.
2. Your property must be at or below twice that of the Medi-Cal property limit.
3. You must meet other requirements of the regular Medi-Cal program such as residency.
4. You must have Medicare Part A Hospital Insurance.

If you are not entitled to free Medicare Hospital Insurance and must pay a monthly premium, we will pay the premium for you if you meet the 4 requirements shown above.

### WHAT YOU SHOULD DO TO ENROLL

You have already been determined to qualify for the first, second, and third steps because your income and property is at or below the federal limit and you meet other Medi-Cal program requirements. If you want to become a Qualified Medicare Beneficiary, the last step is to sign the enclosed Form SSA 795 and mail it by March 31st. to:

Great Lakes Program Service Center  
P. O. BOX 5740  
Chicago, Illinois 60680

The Social Security Administration will tell us when you meet the *Hospital Insurance* requirements.

### **WHAT HAPPENS IF YOU ENROLL IN HOSPITAL INSURANCE?**

If you meet all the requirements, we will then make you a Qualified Medicare Beneficiary and will begin paying your Medicare *Hospital Insurance* premiums, deductible, and coinsurance in July. You will receive the same Medicare Catastrophic benefits as other Medicare beneficiaries, plus the benefit of having the Medi-Cal program pay for other Part A costs. We will continue to pay your Part B Medicare Medical Insurance premium, deductible, and coinsurance.

### **WHAT HAPPENS IF YOU DON'T ENROLL ON TIME?**

To enroll this year, you must mail the enclosed form by March 31st. If you don't, you must wait until January, February or March of the following year for your next chance to enroll in *Hospital Insurance*.

### **WHAT HAPPENS IF YOU ARE NO LONGER A QUALIFIED MEDICARE BENEFICIARY?**

If you are no longer a Qualified Medicare Beneficiary because your income or property has increased, or you fail to meet other Medi-Cal requirements, we will not be able to continue to pay your *Hospital Insurance* premium. If you want to keep the Medicare *Hospital Insurance*, you will have to pay the premium yourself.

### **WHAT SHOULD YOU DO IF THE INFORMATION ON THE FORM IS INCORRECT?**

If your pre-printed name and Health Insurance Claim number is incorrect, please make pen and ink changes and please print. Then proceed to complete and mail the form.

### **MEDI-CAL ESTATE RECOVERY**

Medi-Cal benefits received by a beneficiary after age 65 are recoverable by the state after death under certain conditions. Recovery may be made from the estate or distributee/heir of the Medi-Cal beneficiary if the beneficiary does not leave a surviving spouse, minor children, or a totally disabled child.

### **IF YOU HAVE ANY QUESTIONS**

If you have any questions, you should call or write to your eligibility worker at your local welfare office for more information.

Name and Address

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REQUEST TO ENROLL FOR HOSPITAL  
INSURANCE UNDER MEDICARE

Name of Medicare Beneficiary

Medicare Claim Number

I wish to enroll for *Hospital Insurance* under Medicare on a monthly premium basis, which is in addition to my current coverage for medical insurance. I understand that the state will pay my premium based on my eligibility to Medicaid (Medi-Cal) as a qualified Medicare beneficiary. I also understand that if I am terminated under Medi-Cal as a qualified Medicare beneficiary I will have to pay my premium in order to keep my Medicare *Hospital Insurance*.

Please sign and date this form.

Signature

(First name, middle initial, last name)

Date

Return this form to:

Great Lakes Program Service Center  
P.O. Box 5740  
Chicago, IL 60680

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

P.O. BOX 942732

SACRAMENTO, CA 94234-7320



## THE QUALIFIED MEDICARE BENEFICIARY PROGRAM

If you applied at your county department of social services for the Qualified Medicare Beneficiary (QMB) Program in 1990 but the state has not begun payment of your Medicare hospital insurance (Part A) premium and you have not received a new red, white, and blue Medicare Social Security Health Insurance card showing hospital insurance benefits, please read this notice.

The state is unable to pay your Medicare Part A hospital insurance premium because the Social Security Administration (SSA) records do not show that you are eligible for Medicare Part A. You must apply for this benefit at SSA before March 31, 1991.

If you already applied at SSA last year, please contact SSA again. Inform them that you wish to apply for "conditional" Medicare Part A benefits. Request SSA to give you a letter that you are eligible for "conditional" Part A benefits. Take this letter, your Medicare card, and the letter from SSA to your local county department of social services. Tell them that you applied for QMB benefits in 1990. The county will tell you if you are eligible for QMB benefits.

If you have any questions, please contact your local county department of social services.