

DATE: January 10, 2025

Medi-Cal Eligibility Division Information

Letter No.: I 25-01

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS

SUBJECT: REMINDERS ABOUT THE QUALIFIED MEDICARE BENEFICIARY
(QMB) PROGRAM FOR THE NON-SUPPLEMENTAL SECURITY
INCOME/NON-STATE SUPPLEMENTARY PAYMENT RECIPIENTS

The purpose of this Medi-Cal Eligibility Division Information Letter (MEDIL) is to provide counties with information and reminders regarding the Qualified Medicare Beneficiary (QMB) program for the members who do not receive Supplemental Security Income/ State Supplementary Payment (SSI/SSP). In this letter, these members are referred to as non-SSI or non-SSP individuals.

Background

Effective January 1, 2025, California has transitioned to a Medicare Part A Buy-In State. This transition under the Medicare Part A Buy-In agreement with the Centers for Medicare & Medicaid Services (CMS) allows for eligible full-scope Medi-Cal members who are enrolled in Medicare Part B if they qualify for the Qualified Medicare Beneficiary (QMB) program to be automatically enrolled in [Medicare Part A Buy-In](#) by the Department of Health Care Services (DHCS). The state will pay their Medicare Part A premiums. Once enrolled in the Medicare Part A Buy-In, QMB Medi-Cal members will have dual eligibility for Medicare and Medi-Cal covered services.

On September 21, 2023, CMS issued a [Final Rule](#) to streamline the enrollment and eligibility determination processes for Medicare Savings Programs (MSPs). This 2023 CMS final rule required states to automatically enroll current SSI/SSP recipients eligible for premium-free Medicare Part A into the QMB program starting October 1, 2024.

On October 10, 2023, Governor Newsom signed Senate Bill (SB) 311, which amended California Welfare and Institutions Code [§14005.11](#). This senate bill required DHCS to enter a Medicare Part A buy-in agreement with CMS for eligible Medicare members through a state plan amendment. Once California became a Medicare Part A buy-in state under this agreement, DHCS auto-enrolled all eligible SSI/SSP full-scope Medi-Cal members enrolled in Medicare Part B into the QMB program and the Medicare Part A buy-in. This policy took effect on January 1, 2025, as part of phase two of the 2023 CMS final rule.

January 10, 2025

Qualified Medicare Beneficiary (QMB) Program

The Qualified Medicare Beneficiary (QMB) program helps cover the Medicare costs for eligible individuals by paying for their Medicare Parts A and B premiums, deductibles, and coinsurance fees.

To qualify for the QMB program, an individual must meet the following criteria:

- Be eligible for Medicare Parts A and B.
- Meet the net countable income requirements of below 100% of the Federal Poverty Level (FPL).
- Meet other Medi-Cal eligibility requirements.

Starting January 1, 2025, DHCS facilitated and ensured the seamless enrollment of all eligible SSI/SSP full-scope Medi-Cal members into the QMB program. (In California, individuals who qualify for the SSP also receive Medi-Cal and are entitled to the QMB program if they meet other eligibility requirements.) DHCS automatically assigned the QMB aid code (80) to these members case records in addition to their primary aid codes (10, 20, or 60). This implementation took place in two phases:

Phase 1: As part of the 2023 CMS Final Rule from October 1, 2024, through December 31, 2024, DHCS automatically enrolled current SSI/SSP members eligible for premium-free Medicare Part A into the QMB program.

Phase 2: On January 1, 2025, DHCS automatically enrolled all SSI/SSP eligible members into the QMB program in accordance with Senate Bill 311 and the 2023 CMS Final Rule during Phase 2.

QMB Program Reminders for the Non-SSI/Non-SSP Individuals

As a reminder, non-SSI/non-SSP individuals are not automatically enrolled in the QMB program and to qualify to the program must meet the above QMB program eligibility criteria. To apply, they must submit an application for Medi-Cal and/or Medicare Savings Program (MSP) at their county office.

When an eligible non-SSI/non-SSP Medi-Cal member is enrolled in Medicare Part B and qualifies for the QMB program, the county will evaluate their QMB eligibility. Following the Medi-Cal Eligibility Data System (MEDS) update, DHCS will request Medicare Part A buy-in to CMS.

The existing QMB Approval Notice of Action (NOA) will notify non-SSI/Non-SSP QMB Medi-Cal members about their enrollment into the QMB program. These individuals will also receive the Medicare Part A buy-in approval letter from the Social Security Administration (SSA). (An example of an SSA approval letter is enclosed). For more information about the effective date of Medicare Part A, please refer to [ACWDL 24-20](#).

QMB Program Effective Date for Non-SSI/Non-SSP Medi-Cal Members

The SSA may contact county offices to verify the Medi-Cal eligibility of Medi-Cal members applying for Medicare Part B. Once a Medi-Cal member's eligibility is confirmed, the SSA will initiate their Medicare Part B buy-in on the first date they become eligible for Medicare Part B.

For example, if Ms. Sally becomes eligible for both Medicare Part B and Medi-Cal in January 2025, her Medicare Part B buy-in will start March 1, 2025. Therefore, her QMB eligibility and Part A Buy-In will become effective on April 1, 2025. There are no enrollment periods for Medicare Part B. Individuals can go to SSA to apply for Part B throughout the year as long as they have current Medi-Cal eligibility.

Additionally, as a result of the Medicare Part A agreement, Medicare Part A entitlement can be established at any time of the year, regardless of Medicare enrollment periods, with no premium increases due to late enrollment.

County Responsibilities Reminders

As a reminder, counties are responsible for assisting applicants/Medi-Cal members with general questions about Medi-Cal and the Medicare Savings Programs (MSPs).

Counties shall continue to:

- Complete a Medi-Cal and/or Medicare Savings Program (MSP) application for a Non-SSI/Non-SSP individual as outlined in [ACWDL 08-21](#). The counties MSP eligibility process will not change as a result of Part A buy-in accretion for non-SSI/non-SSP individuals.
- Verify the Medi-Cal member's Part B enrollment through MEDS or other verification of Medicare enrollment from SSA.
- Provide members with appropriate contact information for their local SSA office for questions related to their SSI/SSP benefits or Medicare.

Reporting Buy-In Problems for Non-SSI/Non-SSP Medi-Cal Members

As stated in [MEDIL I 24-17](#), counties will continue to receive MEDS alerts if a buy-in issue occurs for non-SSI/non-SSP QMB members. Counties shall continue to submit a Problem Report to the Third-Party Liability and Recovery Division (TPLRD) as outlined in [MEPM 15F-17](#) for Medicare Part A buy-in-related issues for non-SSI/non-SSP QMB members.

[ACWDL 20-26](#) provides the current process for submitting a State Medicare Buy-In Problem Report.

Medi-Cal Eligibility Division Information Letter No.: I 25-01
Page 4
January 10, 2025

County questions regarding policy guidance should be sent to
DHCSMSPInbox@dhcs.ca.gov and MCED-Policy@dhcs.ca.gov.

Sincerely,

Yingjia Huang
Assistant Deputy Director
Health Care and Benefits
Department of Health Care Services

Enclosure

Social Security Administration
Retirement, Survivors and Disability Insurance
Important Information

Western Program Service Center
P.O. Box 2000
Richmond, California 94802-1791

We are writing to you about your Social Security benefits.

What You Should Know

The State of California will pay your Medicare hospital insurance premium beginning October 2024.

Suspect Social Security Fraud?

Please visit <http://oig.ssa.gov/r> or call the Inspector General's Fraud Hotline at 1-800-269-0271 (TTY 1-866-501-2101).

If You Have Questions

If you have any questions about the State Medicaid program, please contact your State public assistance office.

Need more help?

1. Visit www.ssa.gov for fast, simple, and secure online service.
2. Call us at 1-800-772-1213, weekdays from 8:00 am to 7:00 pm. If you are deaf or hard of hearing, call TTY 1-800-325-0778. Please mention this letter when you call.
3. You may also call your local office at 1-866-931-4495.

SOCIAL SECURITY
10000 MAGNOLIA AVE
RIVERSIDE, CA 92503

How are we doing? Go to www.ssa.gov/feedback to tell us.

Social Security Administration

Example