

DEPARTMENT OF HEALTH SERVICES

714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-0258



April 20, 2001

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Mental Health Directors
All County Health Executives
QMB/SLMB/QI Coordinators

Letter No.: 01-28

**THE STATE PAYMENT OF THE MEDICARE HEALTH MAINTENANCE
ORGANIZATION'S (HMOs) INCREASED PREMIUM AMOUNTS FOR SELECTED
FULL-SCOPE MEDI-CAL BENEFICIARIES**

This letter is to inform county staff that effective January 1, 2001, the Department of Health Services (Department) is paying the Medicare HMO premiums, including the recent increases that are not covered by Medicare, for certain Medi-Cal beneficiaries enrolled in selected Medicare HMO Health Plans. Because the amount of coverage offered varies by Medicare HMO and county, not all Medicare HMO beneficiaries will be eligible for the payment of the increased premium amount. To be eligible beneficiaries must be:

- A full-scope Medi-Cal beneficiary (including both share-of-cost (SOC) and non-SOC beneficiaries);
- enrolled in one of the Medicare HMO plans listed below; and
- enrolled in a plan that includes both brand name and generic drugs.

Note: Individuals eligible for only the Qualified Medicare Beneficiary and Specified Low-Income Medicare Beneficiary Programs are not considered to be receiving full-scope Medi-Cal and are therefore not eligible.

The Department has sent the enclosed letter to individuals that meet the criteria listed above. This letter informs them of the State payment of increased premium amounts and instructs them to call the Third Party Liability Branch's toll-free telephone number with questions regarding this matter. No action is required by the beneficiary, the Department is working directly with each of the Medicare HMOs to facilitate the premium payments. The Department has also provided the county welfare directors in the affected counties with a listing of the beneficiaries to whom this letter was sent.

All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Mental Health Directors
All County Health Executives
QMB/SLMB/QI Coordinators
Page 2

Counties may access this listing to confirm the premium payment when responding to beneficiary inquiries.

The health plans and counties affected are listed below:

Blue Shield - San Joaquin, Stanislaus, Kern, San Diego, and Ventura

Blue Cross - Kern and San Diego

Health Plan of the Redwoods - Sonoma

National Medical - Stanislaus

Western Health - Placer, Sacramento, Solano, Yolo

Aetna - Kern, Riverside, San Bernardino

Health Net - San Francisco, Kern, San Diego

Pacificare - Alameda, Contra Costa, El Dorado, Napa, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, San Diego, San Luis Obispo, Santa Clara, Sonoma, Stanislaus, Imperial, Santa Barbara, and Ventura

Kaiser - Alameda, Amador, Contra Costa, El Dorado, Fresno, Kings, Madera, Marin, Mariposa, Napa, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Solano, Sonoma, Stanislaus, Sutter, Tulare, Yolo, Yuba, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura

The Department has identified two groups of Kaiser beneficiaries that have received the enclosed letter, but whose premiums have not increased and are not eligible for the premium payment.

- Kaiser will notify one group of beneficiaries that they are not eligible for the premium payment since they did not receive an increase in the Medicare HMO premium

All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Mental Health Directors
All County Health Executives
QMB/SLMB/QI Coordinators
Page 3

- The Department will notify the second group that they are not eligible for the premium payment because their premium has not increased. The second group receives Medicare HMO coverage at a higher rate because they do not have Medicare part A. This results in no net increase in premiums.

Please direct any questions regarding this letter to Carol Kennedy at (916) 323-9603 or Email CKennedy@dhs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY
SHAR SCHROEPFER
Shar Schroepfer, Chief
Medi-Cal Eligibility Branch

Enclosure

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY

GRAY DAVIS, Governor

DEPARTMENT OF HEALTH SERVICES714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320

Date: December 15, 2000

To: All Dual Eligible Medicare and Medi-Cal Beneficiaries

Re: Medicare HMO Premiums

Recently, your Medicare HMO has told you that they are increasing the premium you have to pay them in order to keep your Medicare HMO coverage. Because you are also covered under the Medi-Cal program, the State of California will assist you by paying these premiums for you. There are several important points that we wish to emphasize:

1. The State of California will pay your Medicare HMO premium beginning in January 2001.
2. It is not necessary for you to notify your Medicare HMO that Medi-Cal will be paying your premium amounts. Medi-Cal program staff will take care of that.
3. We ask that you do not tell your HMO that you no longer want to be a part of the plan because you cannot pay the premium amount.
4. Disregard the Medicare HMO notice that states you will lose your Medicare HMO coverage if you do not pay the premiums.

If you have any questions regarding your Medicare HMO, please call 1-800-MEDICARE. If you have any questions regarding the state payment of your Medicare HMO premium, please call the California Department of Health Services at 1-800-952-5294.

Thank you for your cooperation.