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



ARNOLD SCHWARZENEGGER
Governor

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TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 05-38
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

SUBJECT: THE 2006 MEDICARE PREMIUMS AND SUPPLEMENTAL SECURITY
INCOME STANDARD AND PARENT ALLOCATIONS FOR THE
QUALIFIED MEDICARE BENEFICIARY/SPECIFIED LOW-INCOME
MEDICARE BENEFICIARY/QUALIFYING INDIVIDUALS-1 AND OTHER
PROGRAMS

Reference: All County Welfare Directors Letter Nos. 99-73, 00-65,
01-66, 02-56, 03-57, 04-39

This letter is to inform the counties of the 2006 "Supplemental Security Income Standard Allocation" and the "Parental Allocation" amounts to be used in various programs, such as the 250 Percent Working Disabled and Qualified Medicare Beneficiary/Specified Low-Income Medicare Beneficiary/Qualifying Individuals-1 (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 \$290 to \$301 (the couple FBR minus the individual FBR). The Parent Allocation is 2006 is determined as follows:

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

- The parent allocation (if one ineligible parent lives with a child) is \$603 (for an individual); and

- The parent allocation (if both ineligible parents live with a child) is \$904 (for a couple).

The 2006 Medicare Part A premium will rise to \$393 for persons who do not receive Medicare free Part A. The reduced Medicare Part A premium will rise to \$216 for persons with 30-39 quarters of Medicare covered employment. Both have a ten percent penalty for late enrollment.

The 2006 Part A deductible will be \$952 (for benefit period) for the first 60 days of inpatient care and an additional \$238 a day for days 61 through 90, and \$476 a day for days 91 through 150.

The 2006 Medicare Part B premium will be \$88.50. The annual deductible will increase to \$124.

Disregard the Title II COLA for all programs where eligibility is based on the federal poverty level (FPL) until the new FPLs are in effect on April 1, 2006. These programs include the Income Disregard program, 133 Percent, and 100 Percent program for children, the 250 Percent Working Disabled program, the 1931(b) program, Aged and Disabled FPL program and the QMB/SLMB/QI-1 and Qualified Working Disabled programs.

If you have any questions regarding this letter, please call Ms. Vicki Partington at (916) 552-9496 or e-Mail Vparting@dhs.ca.gov.

Original signed by

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