



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



ARNOLD SCHWARZENEGGER  
Governor

May 15, 2008

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 08-21  
ALL COUNTY ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS  
ALL QMB, SLMB/QI COORDINATORS

SUBJECT: COMPLETION OF MEDICARE SAVINGS PROGRAM ELIGIBILITY DETERMINATIONS

The purpose of this All County Welfare Directors Letter is to clarify current procedures regarding Medicare Savings Program (MSP) which include the following programs for eligibility determinations:

- Qualified Medicare Beneficiary (QMB),
- Specified Low-Income Medicare Beneficiary (SLMB), and
- Qualified Individual (QI-1).

Current procedures require that all avenues of Medi-Cal eligibility be considered when conducting a Medi-Cal eligibility determination. MSP programs are Medi-Cal programs and county eligibility workers are to consider MSP eligibility for all Medicare eligible Medi-Cal applicants and beneficiaries, including Pickle eligible individuals.

Requiring MSP eligibility determinations for all Medicare eligible Medi-Cal applicants and beneficiaries will allow:

- The State to comply with federal requirements,
- The State to receive federal financial participation for Medicare premiums,
- Individuals to be auto-enrolled into Medicare Part D, Prescription Drug Plans, and
- Individuals to be automatically eligible for the Medicare Part D Low-Income Subsidy.

**Please note:** The Qualifying Individual 1 (QI-1) program must be considered only for those individuals who are not otherwise eligible for Medi-Cal due to, for example, excess property, and for those individuals who are Medically Needy with a share of cost. The Department's systems will determine in which months the share of cost was met in order to appropriately claim the Part B premium amounts.

If you have any further questions, please contact Ms. Debra J. Hader at (916) 552-9494 or by e-mail [dhader@dhcs.ca.gov](mailto:dhader@dhcs.ca.gov).

**Original Signed By:**

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