



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



EDMUND G. BROWN JR.
Governor

January 23, 2013

To: ALL COUNTY WELFARE DIRECTORS Letter No: 13-02
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY PUBLIC HEALTH DIRECTORS
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: 2013 MEDICARE PREMIUMS AND SUPPLEMENTAL SECURITY INCOME
STANDARD AND PARENT ALLOCATIONS AND PROPERTY LIMITS FOR
THE MEDICARE SAVINGS PROGRAMS AND OTHER PROGRAMS
(Reference: All County Welfare Directors Letter (ACWDL) Nos. 99-73,
00-65, 01-66, 02-56, 03-57, 04-39, 05-38, 06-35, 06-35E, 07-25, 08-57,
09-51, 09-52, 11-04, 12-01)

The purpose of this letter is to inform counties of the 2013 Supplemental Security Income Standard Allocation, Parent Allocation, property limits for the Medicare Savings Programs (MSP) which include Qualified Medicare Beneficiary/Specified Low Income Medicare Beneficiary/Qualifying Individual 1, and Medicare premium amounts to be used in determining eligibility and the cost of Medicare premiums. These allocations are based on the annual federal benefit rate which is based on the annual Cost of Living Adjustment (COLA). The Standard Allocation increased from \$350 to \$356 in 2013 (the couple Federal Benefit Rate (FBR) minus the individual FBR).

Standard/Parent Allocation Amounts

The parent allocation amounts for 2013 are determined as follows.

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

- The parent allocation (if one ineligible parent lives with a child) is \$712 (for an individual); and
- The parent allocation (if both ineligible parents live with a child) is \$1,068 (for a couple).

Medicare Part A and B Premiums

The 2013 Medicare Part A premium will decrease to \$441 for persons who do not receive free Medicare Part A. The reduced Medicare Part A premium will decrease to \$243 for persons with 30-39 quarters of Medicare covered employment. Both have a ten percent penalty for late enrollment.

The 2013 Part A deductible will be \$1,184 for the first 60 days of inpatient care and \$296 per day for days 61 through 90. For days 91 through 150, the deductible will be \$592 per day. The skilled nursing facility deductible will be \$148 per day for days 21 through day 100 (no deductible for day one through 20).

The Medicare Part B monthly premium for all Medicare beneficiaries will be \$104.90 in 2013, which is a \$5 increase from the 2012 premium of \$99.90. The Medicare Part B annual deductible will be \$147, which is an increase of \$7 from 2012.

MSP 2013 Property Limits

Effective January 1, 2013, there will be an increase in the property limits used to determine MSP eligibility. The new limits are \$7,080 for an individual and \$10,620 for a couple. Federal law sets the MSP property limits at three times the Supplemental Security Income property limit plus an annual percentage increase equal to the increase in the Consumer Price Index.

Title II COLAs and Federal Poverty Levels

Counties are to disregard the Title II COLAs for all programs where eligibility is based on the federal poverty level (FPL) until the new FPLs are effective for the particular program. A separate ACWDL will be issued to address the FPLs.

If you have questions regarding this letter, please contact Ms. Tammy Kaylor at (916) 327-0406 or by email at Tammy.Kaylor@dhcs.ca.gov.

Sincerely,

Original Signed By

Azadeh Fares, Acting Chief
Medi-Cal Eligibility Division