STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY EDMUND G. BROWN JR., Governor

DEPARTMENT OF HEALTH SERVICES
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June 18, 1982

To: All County Welfare Directors Letter No. 82-33

JULY 1982 TITLE II COST-OF-LIVING (COL) AND MEDICARE PREMIUM INCREASES

This letter provides you with instructions regarding implementation of 1982 COL and Medicare premium increases in Medi-Cal-Only share-of-cost (SOC) determinations.

This information should be implemented as soon as possible, but no later than August 1, 1982.

At this time, we would normally report the annual COL adjustments to AFDC and SSI/SSP. However, since the 1982-83 Fiscal Year Budget has not been finalized as of this date and automatic COL adjustments are no longer applicable, we are unable to forward this information to you.

Title II and Medicare Premium Increases

The Medicare Part B Premium is $12.20 effective July, 1982.

The Social Security Administration (SSA) has advised us that the COL increase for Title II (OASDI) benefits is 7.4 percent. This percentage increase applies across the board to all but a few Title II beneficiaries. Therefore, in all Medi-Cal-Only cases with Title II income, the current benefit amount should be multiplied by 1.074 to compute the new benefit amount.

For individuals who are not eligible for Medicare Part B coverage and for individuals on Buy-In (Medicare Part B Premium is paid by the State), the new benefit amount is to be rounded down to the nearest dollar. This will produce the Title II amount to be used in SOC determinations for July. (Example: current benefit amount is $185.20; multiplying 1.074 equals $199.12, dropping to the next lowest increment of $1.00 produces $199.00 as the July 1982 benefit amount.)

For individuals who pay their own Medicare Part B Premium (not currently on Buy-In) a two step rounding down process must be followed to determine the new benefit amount. First, after the current benefit amount has been multiplied by 1.074, any cents remaining should be dropped to the next lowest increment of $.10. Second, the Medicare Part B Premium is to be subtracted and the remainder rounded down to the nearest $1.00. This will produce the benefit amount to be received by these individuals in July, 1982. (Example: current benefit amount is $324.20; multiplying by 1.074 equals 348.19, dropping to the next lowest increment of $.10 produces 348.10. The Medicare Part B Premium of $12.20 is then subtracted from 348.10 producing $335.90 which is rounded down to $335.00 which is the July, 1982 benefit amount).

The Notice of Action you use should advise the beneficiary to contact the eligibility worker if the amount of Title II income used is different from the amount actually received in the July, 1982 check.

The July, 1982 BENDEX report which you will receive in late June, 1982 should be used to verify the July 1982 change in benefit amounts. Contact with SSA district offices (using form SSA 1610) should not be routinely used for this purpose.

Title II Disregard

The Department will continue to send no cost Medi-Cal cards to individuals who become ineligible for SSI/SSP in July due solely to the 7.4 percent OASDI increase. A stuffer will be sent with July cards for these persons, explaining why their Medi-Cal cards are continuing even though their SSI/SSP cash grant has been discontinued. A special notice will be mailed to affected individuals in PHPs. Copies of both notices are enclosed.

This automatice issuance will continue until either an SSP COL adjustment is made (and such individuals become SSI/SSP cash based Medi-Cal eligibles) or the Department places these individuals in the Ramos v. Myers extended eligible category. As soon as substantive information on a COL adjustment for SSP is available, the Department will notify you in detail of the transition plan for moving such individuals to regualr SSI/SSP Medi-Cal status or to regular county administered Medi-Cal status (Title II Disregard, MN, etc.).

Counties will be given lists of persons who are given automatic Title II Disregard status in July. For Title II Disregard eligibles who were Medicare-entitled at the time of their SSI/SSP discontinuance, the Department will continue to pay their Medicare Part B health insurance premium (i.e., "buy-in" for them), as long as their automatic eligibility continues.

In order to meet State EDP system constraints, the aid codes assigned to these persons during their automatic Title II Disregard period will be:

Aid Code 16 -- Aged
26 -- Blind
66 -- Disabled

This will not affect continuing PHP enrollment or Buy-In status. As noted in current Title II Disregard procedures (Article 10I, Medi-Cal Eligibility Procedures Manual), these aid codes should continue to be assigned to Title II Disregard eligibles after they shift to county control.

We enclose an advance copy of the Title II Disregard tables from the Medi-Cal Eligibility Manual revised to reflect the 7.4 percent increase. Formal transmittal of these tables will be made in a future Medi-Cal Eligibility Manual Letter.

If you have any questions regarding this letter, please contact your Medi-Cal program consultant.

Sincerely,

Original signed by

Madalyn M. Martinez, Chief
Medi-Cal Eligibility Branch

Enclosure
cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

STUFFER NOTICE FOR JULY 1982 MEDI-CAL CARDS FOR THE NEW TITLE II DISREGARD PERSONS

You have recently been notified by the Social Security Administration that your SSI/SSP (gold check) has been discontinued. That notice also said that you must contact your county welfare department if you want Medi-Cal coverage to continue. However, in your case you *do not* have to contact the county welfare department. This is because the only reason your gold check stopped is that you received an increase in your Social Security benefits (green check). Since that was the reason, you will continue to automatically receive a Medi-Cal card at the first of each month for a limited number of months.

You may notice that the fourth digit of your Medi-Cal identification number has changed. Do not be alarmed about this change. You are still entitled to use this card to get Medi-Cal benefits.

Remember, you will continue to receive a Medi-Cal card on the first of each month until you are notified differently. You *do not* have to contact your county welfare department until you are notified differently.

STUFFER NOTICE FOR JULY 1982 FOR THE NEW TITLE II DISREGARD PERSONS ENROLLED IN PHPs

You have recently been notified by the Social Security Administration that your SSI/SSP (gold check) has been discontinued. That notice also told you that you must contact your county welfare department if you want your Medi-Cal coverage to continue. However, in your case you *do not* have to contact the county welfare department. This is because the only reason your gold check stopped is that you received an increase in your Social Security benefits (green check). Since that was the reason, you will continue to get automatic enrollment in your Medi-Cal PHP for a limited number of months.

You will continue to receive this automatic PHP enrollment each month until you are notified differently. You *do not* have to contact your county welfare department until you are notified differently.

AVISO PARA SER INCLUIDO EN LAS TARJETAS DE MEDI-CAL POR JULIO 1982 PARA EL NUEVO TITULO II DE LAS PERSONAS NECESITADAS

Usted ha sido notificado(a) recientemente por la Administración del Seguro Social que su SSI/SSP (cheque dorado) ha sido descontinuado. Ese aviso también le informa que si Ud. quiere continuar bajo el programa de Medi-Cal, debe ponerse en contacto con su departamento de bienestar del condado. Sin embargo, en su condición Ud. *no* tiene que hacerlo. Esto se debe a que la única razón por la que ya no recibe el cheque dorado es que sus beneficios del Seguro Social (cheque verde) han sido aumentados. Desde que esa fue la razón, Ud. automáticamente continuará recibiendo una tarjeta de Medi-Cal el primero de cada mes por un número limitado de meses.

Usted puede notar que el cuarto dígito de su número de identificación de Medi-Cal ha cambiado. No se alarme por ese cambio. Usted está calificado(a) todavía para usar esta tarjeta y recibir los beneficios de Medi-Cal.

Recuerde que Ud. continuará recibiendo una tarjeta de Medi-Cal el primero de cada mes hasta que sea notificado(a) de otra manera. Usted *no* tiene que ponerse en contacto con su departamento de bienestar del condado hasta que sea notificado(a) diferentemente.

AVISO PARA SER DESPACHADO EN JULIO 1982 POR EL NUEVO TITULO II DE LAS PERSONAS NECESITADAS INSCRITAS EN LOS PHP

Usted ha sido notificado(a) recientemente por la Administración del Seguro Social que su SSI/SSP (cheque dorado) ha sido descontinuado. Ese aviso también le informa que si quiere continuar bajo el programa de Medi-Cal, Ud. debe ponerse en contacto con su departamento de bienestar del condado. Sin embargo, en su condición Ud. *no* tiene que hacerlo. Esto se debe a que la única razón por la que ya no recibe el cheque dorado es que sus beneficios del Seguro Social (cheque verde) han sido aumentados. Desde que esa fue la razón, Ud. automáticamente continuará inscrita en su PHP de Medi-Cal por un número limitado de meses.

Usted continuará recibiendo automáticamente su inscripción PHP cada mes hasta que sea notificado(a) de otra manera. Usted *no* tiene que ponerse en contacto con su departamento de bienestar del condado hasta que sea notificado(a) diferentemente.

TITLE II BENEFIT TABLE FOR TITLE II DISREGARD
ELIGIBILITY DETERMINATIONS*

Last SSI/SSP Check Received Between ... Current Benefit Amount	7/81 and 6/82	7/80 and 6/81	7/79 and 6/80	7/78 and 6/79	7/77 and 6/78	4/77 and 6/77
20-24.00	19	17	15	13	12	12
25-29.00	23	21	18	17	16	15
30-34.00	28	25	22	20	19	17
35-39.00	33	29	26	23	22	20
40-44.00	37	33	29	27	25	23
45-49.00	42	38	33	30	28	26
50-54.00	47	42	37	33	31	29
55-59.00	51	46	40	37	34	32
60-64.00	56	50	44	40	37	35
65-69.00	61	54	48	43	40	38
70-74.00	65	59	51	47	44	41
75-79.00	70	63	55	50	47	44
80-84.00	74	67	59	53	50	47
85-89.00	79	71	62	57	53	49
90-94.00	84	75	66	60	56	52
95-99.00	88	80	70	63	59	55
100-104.00	93	84	73	67	62	58
105-109.00	98	88	77	70	65	61
110-114.00	102	92	81	73	68	64
115-119.00	107	96	84	77	71	67
120-124.00	112	100	88	80	75	70
125-129.00	116	105	92	83	78	73
130-134.00	121	109	95	87	81	76
135-139.00	126	113	99	90	84	79
140-144.00	130	117	103	93	87	81
145-149.00	135	121	106	97	90	84
150-154.00	140	126	110	100	93	87
155-159.00	144	130	114	103	96	90
160-164.00	149	134	117	107	99	93
165-169.00	154	138	121	110	103	96

*Note: This table should be used for Title II Disregard eligibility determinations only.

ADVANCE COPY

Last SSI/SSP Check Received Between ... / Current Benefit Amount	7/81 and 6/82	7/80 and 6/81	7/79 and 6/80	7/78 and 6/79	7/77 and 6/78	4/77 and 6/77
170-174.00	158	142	125	113	106	99
175-179.00	163	147	128	117	109	102
180-184.00	168	151	132	120	112	105
185-189.00	172	155	136	123	115	108
190-194.00	177	159	139	127	118	111
195-199.00	182	163	143	130	121	113
200-204.00	186	167	147	133	124	116
205-209.00	191	172	150	137	127	119
210-214.00	196	176	154	140	131	122
215-219.00	200	180	157	143	134	125
220-224.00	205	184	161	147	137	128
225-229.00	209	188	165	150	140	131
230-234.00	214	193	168	153	143	134
235-239.00	219	197	172	157	146	137
240-244.00	223	201	176	160	149	140
245-249.00	228	205	179	163	152	143
250-254.00	233	209	183	167	155	145
255-259.00	237	214	187	170	159	148
260-264.00	242	218	190	173	162	151
265-269.00	247	222	194	177	165	154
270-274.00	251	226	198	180	168	157
275-279.00	256	230	201	183	171	160
280-284.00	261	234	205	187	174	163
285-289.00	265	239	209	190	177	166
290-294.00	270	243	212	193	180	169
295-299.00	275	247	216	197	183	172
300-304.00	279	251	220	200	187	175
305-309.00	284	255	223	203	190	177
310-314.00	289	260	227	207	193	180
315-319.00	293	264	231	210	196	183
320-324.00	298	268	234	213	199	186
325-329.00	303	272	238	217	202	189
330-334.00	307	276	242	220	205	192
335-339.00	312	280	245	223	208	195
340-344.00	317	285	249	227	211	198

ADVANCE COPY

Last SSI/SSP Check Received Between ... Current Benefit Amount	7/81 and 6/82	7/80 and 6/81	7/79 and 6/80	7/78 and 6/79	7/77 and 6/78	4/77 and 6/77
345-349.00	322	289	253	230	215	201
350-354.00	326	293	256	233	218	204
355-359.00	331	297	260	237	221	207
360-364.00	335	301	264	240	224	209
365-369.00	340	306	267	243	227	212
370-374.00	344	310	271	247	230	215
375-379.00	349	314	275	250	233	218
380-384.00	354	318	278	253	236	221
385-389.00	358	322	282	257	239	224
390-394.00	363	327	286	260	242	227
395-399.00	368	331	289	263	246	230
400-404.00	372	335	293	267	249	233
405-409.00	377	339	297	270	252	236
410-414.00	382	343	300	273	255	239
415-419.00	386	347	304	277	258	241
420-424.00	391	352	308	280	261	244
425-429.00	396	356	311	283	264	247
430-434.00	400	360	315	287	267	250
435-439.00	405	364	319	290	270	253
440-444.00	410	368	322	293	274	256
445-449.00	414	373	326	297	277	259
450-454.00	419	377	330	300	280	262
455-459.00	424	381	333	303	283	265
460-464.00	428	385	337	307	286	268
465-469.00	433	389	341	310	289	271
470-474.00	438	394	344	313	292	273
475-479.00	442	398	348	317	295	276
480-484.00	447	402	352	320	298	279
485-489.00	452	406	355	323	301	282
490-494.00	456	410	359	327	305	285
495-499.00	461	414	363	330	308	288