

DEPARTMENT OF HEALTH SERVICES

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December 5, 1989
Letter No.: 89-107

TO: All County Welfare Directors
All County Administrative Officers

SUBJECT: IMPLEMENTATION STATUS OF THE MEDICARE CATASTROPHIC COVERAGE ACT
OF 1988 (MCCA)

The purpose of this letter is to keep you apprised of the implementation status of the MCCA. As you are aware, the Department of Health Services (DHS) had requested and received a waiver extending the implementation date of MCCA until January 1, 1990 in order to secure the required legislation. The Governor has signed this legislation (SB 1413); however, as you may have heard, on November 21, 1989, Congress approved legislation which repealed portions of the MCCA but the Medicaid provisions regarding Spousal Impoverishment (SI) and Qualified Medicare Beneficiaries (QMB) programs have remained intact. Technically, the President has approximately 30 days to sign this legislation; however, it is anticipated that he will sign immediately. Therefore, it is the Department's intent to implement these programs as planned.

We understand your concerns with the news coverage of the repeal of MCCA. In addition, we are sensitive to the hardships encountered by counties who were affected by the earthquake. However, the State must move forward with implementing the requirements in federal law and now in state law. Please be advised that if activities are performed by counties and there are ultimately changes or a repeal of the Medicaid provisions, all costs incurred by counties related to the SI and QMB will be totally funded by the State Department of Health Services. The only limitation is the allocation level.

Should you have any questions, please contact Frank Martucci, Chief, Medi-Cal Eligibility Branch (916) 445-4950.

Sincerely,

Original signed by

John Rodrigues, Chief
Medical Care Services

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants