

## DEPARTMENT OF HEALTH SERVICES

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January 8, 1990  
Letter No.: 90-02

TO: All County Welfare Directors  
All County Administrative Officers

SUBJECT: IMPLEMENTATION OF THE QUALIFIED MEDICARE BENEFICIARY PROGRAM

REFERENCE: ACWDL 89-80, 89-91, 89-106, 89-107, 89-113, 89-118

The purpose of this letter is to update counties on the Qualified Medicare Beneficiary (QMB) Program which must be implemented on January 1, 1990.

A. BACKGROUND

The Medicare Catastrophic Coverage Act (MCCA) of 1988 mandated changes in state Medicaid Programs (Medi-Cal). One of the provisions of MCCA (Section 301) requires that states pay the Medicare Part A and Part B cost-sharing expenses of low income Medicare beneficiaries. Cost-sharing expenses are:

1. premiums
2. deductibles and
3. coinsurance fees

California was granted a waiver to delay implementation until January 1, 1990 due to the need for state legislation. The Governor signed implementing legislation SB 1413, Chapter 1430, Statutes of 1989 into law on October 2, 1989. Congress repealed a majority of MCCA; however, the QMB provision and other Medicaid sections have been retained. We will not be providing Medi-Cal drug coverage up to the Medicare deductible since the drug provision was one of the Medicare benefits that was repealed.

B. QMB ELIGIBILITY CRITERIA

1. Requirement

A QMB must:

- a) Meet QMB property requirements. That is, a QMB must meet the property requirement under the regular Medi-Cal program or have net nonexempt property, as determined for a QMB, at or below twice that of California's regular Medi-Cal property limits.

b) Meet the QMB income standard. That is, a QMB must have net nonexempt income at or below 90% of the federal poverty level in 1990, 95% in 1991, up to 100% in 1992.

c) Be eligible for Part A Medicare hospital insurance with or without a premium.

d) Be otherwise eligible for Medi-Cal, i.e. meet all other Medi-Cal requirements such as California residency and linkage (e.g., being aged, blind, disabled).

## 2. Effective Date

Benefits are effective the first of the month following the date of approval ( i.e., the first of the month following the date the county makes the determination of eligibility). There are no retroactive QMB benefits.

## C. MEDICARE INFORMATION

### 1. Scope of Benefits

Medicare Part A hospital insurance includes inpatient hospital care, medically necessary (not custodial) inpatient care in a skilled nursing facility, home health care, and hospice care and other services.

Medicare Part B medical insurance includes doctor's services, outpatient hospital care, diagnostic tests, durable medical equipment, ambulance service, and many other health services and supplies.

### 2. Deductibles and Coinsurance

Both Part A and B have deductibles and coinsurance depending on the service. A deductible must be paid in advance before Medicare will make any payments. Coinsurance is a percentage (20%) charge to the beneficiary depending on the Medicare approved rate for the particular service.

### 3. Part A Enrollment

#### a) Costs

Most Medicare beneficiaries (90%) receive Part A insurance at no cost, i.e., no premium. However, those who have not qualified for free Part A benefits solely because they lack the required amount of SSA-covered employment may purchase Part A with a premium. (The monthly premium is \$156 for 1989/90). Very few Medicare beneficiaries choose to purchase Part A due to the high monthly premium. Medi-Cal does not currently pay a Medi-Cal

beneficiary's Part A premium. Once the QMB program is implemented, this will change. Medi-Cal does currently pay the Part A deductibles and coinsurance under the Buy-In program if the beneficiary already receives Part A.

b) Enrollment Period

If an individual is not already receiving Medicare Part A, application for Part A can only be made:

- o During the initial enrollment period which is no earlier than 3 months before age 65 but no later than 3 months after the individual's 65th birthday;
- o After 24 months of receiving Title II disability benefits to be effective in the 25th month,
- o The month after an individual stops working if he/she is over 65,
- o When receiving dialysis related health care services including renal transplants, or
- o During the general enrollment period of January - March, to be effective the following July for those Medicare beneficiaries who do not enroll in an initial enrollment period. They must apply at the Social Security Administration (SSA) office during this general enrollment period. If they fail to do so, they would have to wait until the next year's general enrollment period and would not be eligible for Part A Medicare until July of that year.

c) Penalties

An individual who does not apply for Part A or Part B at the first opportunity is charged a penalty by the SSA. Under the QMB program, the state will pay the penalty for a Medicare beneficiary's late enrollment in Part A.

4. Part B Enrollment

a) Costs

The Medicare Part B medical insurance (outpatient/physician care) monthly premium is approximately \$32 in 1989. In addition there is a Part B annual deductible (\$75 in 1989) and a 20% coinsurance charge because Medicare will only pay 80% of the approved Medicare rate.

Example:

Assume a Part B beneficiary's first yearly charge is \$500. The beneficiary would first have to pay \$75 (the annual deductible) and if the \$500 were the approved Medicare rate, 20% of \$425 or \$85.

b) Enrollment Period

QMB Part B enrollment criteria for an individual is the same as Part A enrollment; however, the general or initial enrollment period is waived for DHS under the Buy-In agreement and we may begin paying the Part B premium at the time of eligibility or approval.

c) Penalties

There are Part B penalties for late enrollment similar to those of late enrollment for Part A; however, under the Buy-In agreement, the State is not charged a penalty for those Medicare beneficiaries who pay a penalty for late enrollment in Part B.

5. Federal Financial Participation (FFP)

Although Medi-Cal "buys-in" for medically needy-only (MNOs) beneficiaries because it is cost effective, the Medi-Cal program currently does not receive FFP for payment of Part B premiums for MNOs. Once the QMB program is implemented, however, FFP will become available for the MNOs who are also eligible for the QMB program. Thus, it is to the state's advantage to enroll these individuals with Part A at no cost as QMBs, if eligible.

6. Referral to SSA for Specific Questions

Beneficiaries with specific questions about Medicare should be referred to SSA. SSA has a toll free number which is: (800) 234-5772. An operator will assist callers from 7 a.m. to 7 p.m. Western Pacific time who have questions about Medicare, e.g., enrollment, benefits, premiums. Counties and individuals may request a copy of "The Medicare Handbook" from the U.S. Department of Health and Human Services, Health Care Financing Administration, 6325 Security Boulevard, Baltimore, Maryland 21207 or the local SSA office.

(See Title 22, California Code of Regulations, Section 50777 or the Medi-Cal Eligibility Manual, Section 15 for more information on who should apply for Medicare Part A and Part B.)

D. QUALIFIED MEDICARE BENEFICIARIES

There will be two basic groups of QMBs:

1. Those receiving regular, full scope Medi-Cal, either as cash grant recipients e.g., State Supplemental Income (SSI) or MNO beneficiaries, who therefore already meet the Medi-Cal property limits and who have been determined to meet the (QMB) income requirement. This group is dually eligible (i.e., eligible for regular Medi-Cal and QMB benefits).
2. Those eligible as a QMB-only who do not want regular Medi-Cal or who are not eligible for regular Medi-Cal due to property above the regular Medi-Cal property limit.

E. BENEFITS

1. Dual-Eligible Individuals

- a) Those with Part A at no cost

Individuals who are receiving regular Medi-Cal and who also receive Medicare Part A at no cost will have no additional benefits by becoming a QMB because we already pay their Part B premiums as well as their Part A and B coinsurance and deductibles (Buy-In). As current Medicare/Medi-Cal crossovers, they may already have access to a wider choice of providers since they are not limited to a Medi-Cal contract hospital, i.e., they can go to a non-contract Medi-Cal hospital. As discussed above, it is to the State's advantage to enroll this population in the QMB program, if eligible.

- b) Those who must pay for Part A

Current Medi-Cal beneficiaries who pay a monthly Part A premium will benefit from Medi-Cal paying their Part A premiums.

- c) Those with no Part A

Those Medi-Cal beneficiaries who do not have Part A but who will now enroll in Part A as a QMB may have a wider choice of providers since they would not be limited to a Medi-Cal contract hospital, i.e., they may go to a Medi-Cal non-contract hospital.

2. QMB-Only

- a) Those with Part A at no cost

Most of the potential QMB-only applicants receive Part A at no cost and will be applying for Medi-Cal to pay their Part B

Thus, the QMB benefit for them would be an increase in monthly spendable income.

b) Those who must pay for Part A

Those who pay for Part A (estimated to be a small number) will also experience an increase in spendable income.

c) Those who have no Part A and may or may not have Part B

Those individuals will now have full Medicare coverage with no expense.

F. VERIFICATION

Counties may verify Part A and B Medicare benefits by viewing some of the following records:

1. MEDS
2. IEVS
3. SSA Medicare Award Letter
4. Medicare card ("Hospital" or "HI" indicates Part A; "Medical" or "SMI" indicates Part B)
5. SSA conditional list

G. SSA 795 ENROLLMENT PROCESS

SSA has established an enrollment process which can be used by certain Medi-Cal beneficiaries with Part B who are currently on the Buy-In program, (e.g. cashed-based or MNO) and are applying for Part A during the January - March general enrollment period. Medi-Cal beneficiaries who are currently on Buy-In for Part B may complete an SSA developed form called the SSA 795 and send it to Chicago for processing. They do not have to apply for Part A at an SSA office. After SSA approves Part A enrollment, Part A entitlement information will be transmitted to the State via BENDEX.

The SSA 795 process shall not be used for those not on Buy-In or after the Medicare general enrollment period has ended. Those potential QMBs who wish to apply for Part A after the general enrollment period or who are not on Buy-In must wait until the next general enrollment period (January through March) and should be advised to reapply at that time.

## H. CONDITIONAL ENROLLMENT PROCESS

### 1. General Public

An individual who would be eligible for Medicare Part A if he/she paid a premium may go to the SSA office and sign up for "conditional" Part A Medicare before being evaluated for QMB eligibility by the county. Conditional enrollment means that if the county determines that he/she is not eligible as a QMB, the individual is not liable for the Part A premium when it is effective in July. An individual who has signed up for conditional Part A may have a receipt. If not, and the individual states he/she has applied for conditional Part A during the current general enrollment period, the county should evaluate for QMB eligibility except for the Part A requirement. When the individual is verified by SSA as eligible for Part A via BENDEX, the preapproved individual will be eligible in July.

However, most individuals who contact the county for a QMB eligibility determination will not have signed up for "conditional" Part A. These individuals, if otherwise eligible as a QMB except for meeting the Part A requirement, should be sent to SSA to apply for conditional enrollment in Part A. SSA will then send Department of Health Services (DHS) a list or identify these individuals on BENDEX who are eligible for conditional Part A. When this information is matched with those preapproved individuals, the effective date of their Part A benefit will be July. The SSA 795 process is not applicable for these individuals as they are not on Buy-In.

### 2. SSI/SSP Applicants

Health Care Financing Administration (HCFA) has sent DHS a list of SSI/SSP applicants who applied for "conditional" Part A at the time of their Supplemental Security Income/State Supplementary Payments (SSI/SSP) application. This group must be evaluated by the county for QMB income eligibility once they apply at the county. If eligible, QMB benefits will begin in the month after the month of approval as these individuals have signed up the previous January through March enrollment period. Those individuals who sign up for "conditional" Part A in January through March of 1990, who apply at the county, and are found eligible for QMB benefits will be eligible for benefits no earlier than July of 1990. We will send out this list in the near future.

## I. INITIAL PROCESSING

DHS will be assisting the counties during the initial implementation of the QMB program by providing counties with information that will help county processing. DHS has also notified certain SSI/SSP recipients of the program. HCFA notified certain Medicare beneficiaries who receive Part A but are not on Buy-In of this program.

1. Medically Needy-Only, Aid to Families with Dependent Children (AFDC), and In Home Supportive Services (IHSS) Beneficiaries (Dually Eligible)

DHS has identified 77,079 Medi-Cal beneficiaries who presently have Medicare Part A at no cost. There are 888 beneficiaries who presently must pay for their Part A premium, 23,188 beneficiaries who only have Part B Medicare, and 13,748 who are presumed eligible for Medicare but who are not presently on Buy-In. Only a small portion of these are AFDC and IHSS recipients.

We have identified these beneficiaries for the counties by district and eligibility worker. We have provide forms necessary for you to process these cases. These forms include a preprinted Notice of Action (NOA) for those who pay a premium for Part A and for those who have no Part A, and a preprinted form (SSA 795) and a cover letter so those who must enroll in Part A can do so by mail.

2. SSI/SSP (Dually Eligible)

There are approximately 100,000 SSI/SSP beneficiaries without Part A but who have Part B insurance. (There may also be a few who pay for Part A.) We sent a notice to these beneficiaries on December 15, 1989 which explains the program. We estimate that half of these beneficiaries will contact the counties for a QMB eligibility evaluation.

3. QMB-Only - General Public

SSA sent us a tape of approximately 1.2 million potential QMB eligibles who receive Part A and who are not on Part B Buy-In (i.e., they are not on Medi-Cal). Approximately 1.6% pay their Part A premium. We reviewed a sample of this group, screened them through the Income Eligibility Verification System (IEVS) to identify those who may have property above the limit, and then estimated that the total number of new potential QMB applicants would be 274,800. It was estimated that 80% would apply (219,840) and 90% of these would be eligible (197,856). HCFA sent a notice the first two weeks in December 1989 to the potential QMB group. This mailer was sent by third class mail in groups of four mailings beginning with the lowest zip code.

There are approximately 100,000 Medicare beneficiaries who receive Part B only who are not identified on this tape. HCFA estimates that approximately 10,000 would be eligible for QMB status. There may be an unknown number of individuals who cannot afford either Part A or B premiums who may also qualify for this program. These beneficiaries will not be formally contacted but may read or hear about the program through other sources.

#### 4. Toll-Free Line

We currently have 80 toll-free lines to provide information to those receiving the SSI/SSP mailer and the HCFA mailer. Two shifts of fifty employees at Electronic Data Systems (EDS) will be instructed to answer basic questions about the QMB program between 7 a.m. and 6 p.m.. If the lines are busy, the caller will hear a one minute recording until an operator can assist him/her. If more information is requested, EDS may mail out an Information Notice. EDS will also refer callers to the counties if they are interested in the program and wish to apply. Counties who have a special QMB contact, address, or telephone line have been requested to provide this to DHS.

#### J. ONGOING QMB PROCESSING

##### 1. Medically Needy-Only Beneficiaries With Part A At No Cost

Counties should evaluate those medically needy beneficiaries who receive Part A at no cost at the time of application or redetermination. If eligible as a QMB, they would be eligible the month after the month of QMB approval. Since this group receives no additional benefit, they need not be informed of this program; however, counties must ensure they are identified as QMBs for funding purposes since California will receive FFP for the Part B premium for these individuals.

##### 2. Medically Needy-Only Beneficiaries and AFDC/IHSS Recipients Who Pay For Part A

Counties should inform medically needy beneficiaries and AFDC/IHSS recipients who are paying for Part A about the QMB program at the time of their application or redetermination. If they apply, the county should send a NOA. If eligible, QMB coverage begins the month after the month of QMB approval.

##### 3. Medically Needy Beneficiaries and AFDC/IHSS Recipients Without Part A

If the beneficiary/recipient applies from April to December (or his/her redetermination is during this period and he/she wants to be evaluated as a QMB), the county should inform him/her of the QMB program and instruct him/her to return to the county in January if he/she wishes to apply as a QMB unless he/she has already applied for Part A at an earlier date. The county should send a NOA.

If the beneficiary/recipient applies from January - March (or his/her redetermination is during this period) or has previously

signed up for Part A and he/she wants to be evaluated as a QMB, the county shall determine whether he/she is otherwise eligible as QMB, i.e., meets all requirements except for eligibility to Part A.

If otherwise eligible as a QMB:

a) If the beneficiary/recipient is on Buy-In, the county will send the SSA 795 and a NOA.

b) If the beneficiary/recipient is not on Buy-In, but appears to be eligible for Medicare, ( e.g., aged, blind, disabled), the county should evaluate him/her for QMB eligibility and if eligible, refer him/her to SSA and send the appropriate NOA.

If not otherwise eligible as a QMB, the county must send a NOA.

NOTE: If the beneficiary/recipient is not on Buy-In and does not appear to be eligible for Medicare, (e.g., not aged, blind, or disabled), the county should refer him/her to SSA before determining if otherwise eligible since it is probable that the person is not eligible for Medicare. The county should deny the beneficiary/recipient and inform him/her to reapply after applying for conditional Part A.

#### 4. SSI/SSP recipients without Part A

##### a) Part A Conditional Enrollees

SSA may refer these individuals to the counties after they sign up for "conditional" Part A. These individuals may have a receipt showing that he/she has applied for Part A but it does not necessarily guarantee that Part A eligibility will be later confirmed. The county must determine whether they are otherwise eligible as a QMB. These individuals would be eligible in July.

##### b) Those Who Have Not Enrolled in Conditional Part A

If the individual is currently on the Buy-In program and has not signed up for conditional Part A, the SSA 795 form may be used during the general enrollment period to sign up for Part A. The county should send the appropriate Notice of Action.

If the individual applies after the general enrollment period and has not signed up for conditional Part A, the county should inform him/her to apply for conditional Part A and reapply at the county in January - March.

b) Method II: This method is the QMB methodology found in Title 22, CCR, Section 50421 (Property Limit for the QMB Program).

#### Choosing a Method

For flexibility in determining whether a QMB applicant meets the QMB property limit, the eligibility worker (EW) may choose the method he/she believes would permit eligibility to the QMB program. However, since the QMB applicant is also applying for regular Medi-Cal, it is likely that the EW will first use Method I to determine whether the QMB property requirement is met. IF INELIGIBILITY RESULTS FROM METHOD I, THE EW MUST EVALUATE ELIGIBILITY UNDER METHOD II TO DETERMINE IF QMB PROPERTY ELIGIBILITY CAN BE ESTABLISHED.

#### 4. QMB-Only

If the QMB applicant is applying as a QMB-only, only Method II (See above) should be used.

#### 5. QMB Methodology (Method II) for Determining Property When the QMB Applicant is 18 years of Age or Older or is Married

- a. Only consider the property of the QMB applicant (and spouse, if any). Do NOT consider the property of any other family members in the home.
- b. Determine the net nonexempt property in accordance with Article 9.
- c. Compare the net nonexempt property to twice the Medi-Cal property limit for one person (or twice the property limit for two persons if the spouse is at home, regardless of whether the spouse is a QMB applicant/beneficiary).
- d. If the result in Step (c) is equal to ~~or less than~~ twice the Medi-Cal property limit shown in that step, then the QMB property requirement is met.
- e. If the result in Step (c) exceeds twice the Medi-Cal property limit shown in that step, then the applicant is ineligible for QMB due to excess property.

Note: The QMB applicant in this situation is an adult under Method II even if he/she is between 18-21 years of age and would be treated as a child in determining eligibility for regular Medi-Cal as specified in Title 22, CCR; Section 50030 (e.g., is a blind or disabled MN person who is 18 to 21 years of age, living in the home of a parent and currently in school).

### Example 1

Joe and Jackie are married and living together with their three minor children. Joe has been receiving Social Security disability (not SSI) for two years and is now eligible for Medicare. He is applying for QMB benefits for himself. Neither he nor Jackie receive Medi-Cal from any other program and they do not wish to. Joe and Jackie have nonexempt property which consists of a checking and savings account. The lowest balance in the month of application is \$5000. Their three children have separate trust accounts created by their grandparents. The total value of the trust accounts is \$20,000. Joe's and Jackie's names do not appear on any of the trust documents. The EW uses Method II since Joe is applying as a QMB-only. The EW will only consider Joe's and Jackie's own property and will ignore the children's trust accounts.

1. \$5000 - Joe's and Jackie's own net nonexempt property
2. COMPARE TO \$6000 (twice the Medi-Cal property limit for two)
3. Joe meets QMB property requirements since \$5000 is less than \$6000

### Example 2

Kyle is 20 years old, totally disabled and residing with his mother. Kyle has been receiving Social Security benefits as a disabled adult child on his mother's Social Security Account and is eligible for Medicare. He is not on SSI and is in school. Kyle has \$300 in net nonexempt resources. His mother has \$3100 in net nonexempt resources. Kyle and his mother now want to apply for regular Medi-Cal and Kyle wants QMB coverage.

1. Since Kyle is applying for regular Medi-Cal, the EW will determine property under regular Medi-Cal rules. Under Section 50030, Kyle is a child living in the home of a parent. The MFBU consists of Kyle and his mother. Their total nonexempt property is \$3400. Since the Medi-Cal property limit for two is \$3000, they are ineligible due to excess resources.
2. The EW now evaluates whether Kyle is eligible as a QMB. Under Method II, Kyle is considered an adult and there is no deeming of any other family member's resources except for those of a spouse. Since Kyle is not married, only his own resources are considered. His total resources are \$300. Therefore, Kyle meets the QMB property requirement.

6. OMB Methodology (Method II) When the Applicant is Under Age 18

Under the QMB program, a child under age 18 would be eligible for QMB benefits only under certain circumstances since children under age 18 are not normally eligible for Medicare. Persons may be eligible for Medicare at any age if they need maintenance dialysis or a kidney transplant for permanent kidney failure (chronic renal disease). Therefore, a child under age 18 would be eligible for Medicare only if he/she were determined to have chronic renal disease. This would be the only situation when a child under 18 would be eligible to the QMB program.

a. There Is Only One QMB Child

(i) Consider only the property of the parent(s) and/or stepparent in the home and the property of the QMB child applicant. Do NOT consider the property of any other family members.

(ii) Determine the parent(s)' net nonexempt property in accordance with Article 9.

(iii) Subtract the property limit for one person (if two parents, subtract the Medi-Cal property limit for 2 persons) from the parent(s) net nonexempt property. The net result will be the amount of property allocated to the child QMB applicant.

(iv) Add the property allocated from the parent (Step (iii)) to the child QMB applicant's own net nonexempt property.

(v) Compare the result from Step (iv) to twice the Medi-Cal property limit for one person.

(vi) If the result from Step (iv) is less than or equal to twice the Medi-Cal property limit for one person, the QMB property requirement is met.

(vii) If the result from Step (iv) is greater than twice the Medi-Cal property limit for one person, the child QMB applicant is ineligible due to excess property. If there is more than one child QMB applicant in the home, proceed to item b. below.

Example 3

Sandy is 7 years old and has chronic renal disease. She receives Medicare but no Medi-Cal from any other program. She is applying as a QMB-only. She lives with her mother, Carol, who has a savings account of \$5000 and no other property. Sandy has no property of her own. The EW uses Method II to determine her property eligibility.

1. Allocation from parent:

Carol's savings:	\$5000
Medi-Cal property limit for one:	- <u>2000</u>
Remainder to be allocated:	\$3000

2. Sandy's property and parental allocation:

Sandy's net nonexempt property:	0
Allocation from parent	+ <u>3000</u>
Total nonexempt property	\$3000

3. COMPARE TO TWICE THE MEDI-CAL PROPERTY LIMIT FOR ONE PERSON: \$4000

4. Sandy meets the QMB property requirement.

b) There is More Than One Child QMB Applicant

1. Use this methodology if there are multiple QMB children residing with their parent(s)/stepparent. Under this methodology, allocation of parental (including stepparents) net nonexempt resources are divided equally among QMB eligible children. This entire process must be recalculated if at any time one or more of these QMB children is or becomes ineligible for QMB benefits as a child, for example, due to excess property, attainment of age 18 so that the QMB child becomes a QMB adult, or eligibility to Medicare ceases (disability ends).

Example 4

Ann and Andy are twins. They are both 14 years old, residing at home with their mother Anna, stepfather Aaron, and a young stepsister, Angela. Ann and Andy have chronic renal disease and have been receiving Medicare (Parts A and B). They are not on SSI and do not receive Medi-Cal from any other program. Ann has a savings account with a value of \$4000 and no other property. Andy has a savings account with a value of \$2000 and no other property. Their mother and stepfather have combined net nonexempt property totaling \$5000. Both Ann and Andy are applying as QMB-only's.

Ann

1. Parents' property:

\$5000	mother and stepfather's nonexempt property
- <u>3000</u>	property limit for two persons
\$2000	remainder

2. Parental Allocation of Property to Ann:

Divide \$2000 by the number of QMB children (2) = \$1000 each to be allocated to Ann and Andy.

3. Ann's Property Plus Parental Property Allocation:

\$1000	property allocated from parents
+ 4000	Ann's savings account
\$5000	combined net nonexempt property

4. COMPARE TO \$4000 (twice the Medi-Cal property limit for one person).

5. Ann is ineligible for QMB due to excess property. Therefore, the property allocation from her parent and stepparent (\$1000) is now allocated to Andy, the remaining child QMB applicant. The new allocation from his parent and stepparent is \$2000 (\$2000 parental allocation divided by one QMB child).

Andy

1. Andy's Property plus Parental Allocation:

\$2000	property allocated from parent and stepparent
+ 2000	Andy's savings account
\$4000	combined nonexempt property

2. COMPARE TO \$4000 (twice the Medi-Cal property limit for one person.)

3. Andy has met the QMB property requirement since his net nonexempt property does not exceed \$4000 (twice the Medi-Cal property limit.)

Example 5

Jake is 15 years old, has chronic renal disease, and is receiving Medicare (Parts A and B). He lives with his father, Jason, and his mother Janet. They are also disabled and have been receiving Social Security benefits for two years. Jason and Janet are eligible for Medicare. None of the three are on SSI. They do not receive Medi-Cal under any other program and only want to receive QMB coverage. Their property consists of the following:

Jason (father)	\$3000	cash surrender value of life insurance
Janet (mother)	+ \$2000	stocks and bonds
Jason and Janet	\$2000	joint bank accounts
TOTAL (parent's)	\$7000	

Jake (son) \$3000 savings account

1. Property eligibility determination for Jason and Janet (parents)

Method II is used since neither are applying for or receiving regular Medi-Cal.

- a. \$7000 total net nonexempt property
- b. COMPARE TO \$6000 (twice the Medi-Cal property limit)
- c. Jason and Janet are not eligible for the QMB program because their net nonexempt property exceeds twice the Medi-Cal property limit.

Note: If either or both had been eligible, none of their property would be allocated to Jake in determining whether he meets the QMB property requirement.

2. Property determination for Jake:

Method II is used.

- a. Parental allocation:
  - \$7000 total net nonexempt property of parents
  - 3000 Medi-Cal property limit for two persons
  - \$4000 remainder
- b.
  - \$4000 parental allocation
  - + 3000 Jake's savings account
  - \$7000 Jake's net nonexempt property
- c. COMPARE TO \$4000 (twice the Medi-Cal property limit for one)
- d. Jake is ineligible for the QMB program because he has excess property.

L. OMB Income Procedures

1. Income Eligibility Criteria

New regulation 50258, Title 22, California Code of Regulations (CCR), requires a Qualified Medicare Beneficiary (QMB) applicant to have net nonexempt income which does not exceed 90% of the official federal poverty line beginning January 1, 1990. (This amount will increase to 95% on January 1, 1991; 100% on January 1, 1992 and thereafter.) This information will be provided annually to counties when applicable.

2. Income Eligibility Determination Process

a) Medi-Cal Income Methodology

New regulation 50570, Title 22, CCR, requires when determining the eligibility of a QMB adult, couple or child, the net nonexempt income shall first be determined using Medi-Cal income

methodology. This includes all applicable provisions of Article 8, Medi-Cal Family Budget Unit (MFBU) and Article 10, Income, with the following exceptions:

- o health insurance and Medicare premium deductions are not allowed; and

- o deductions for Impairment Related Work Expenses (IRWE) are allowed.

IRWE, as defined in Title 22, CCR, Section 50045.1, are those expenses of a working disabled QMB necessary to become or remain employed. This deduction is only allowed for the QMB applicant/beneficiary. The IRWE must be paid by the applicant/beneficiary to be allowed. Any payment made by a third party (e.g., Department of Rehabilitation) is not allowable.

b) SSI Income Methodology

If ineligibility results after using Medi-Cal methodology, and certain family circumstances exist, the net nonexempt income shall be determined following SSI income methodology. Because SSI income methodology allows for deductions not allowed under Medi-Cal and only considers the income of the QMB applicant and the spouse of the applicant, there may be particular family circumstances where SSI income methodology is less restrictive than Medi-Cal income methodology. SSI income methodology allows the ineligible spouse of a QMB applicant to reduce his/her gross nonexempt income by:

- o Allocating income to ineligible minor child(ren) residing with the applicant, less any income the child(ren) may have. This shall be known as the "Standard QMB Allocation".

- o If the remaining income of the ineligible spouse after the allocation to the ineligible minor children is equal to or less than the Standard QMB Allocation amount, the income shall be considered exempt. If there are no ineligible children to allocate to and the ineligible spouse's income is less than or equal to the Standard QMB Allocation amount, it is also exempt.

2. Medi-Cal Income Methodology

a) Medi-Cal Income Determination Form

In order to determine the net nonexempt income of a QMB applicant using Medi-Cal income methodology, the basic format of

the MC 176 M (Share of Cost Determination Form) has been used to develop a new form which shall be known as the MC 176 QMB1. This new form accommodates all the provisions of Article 8 (MFBU) and Article 10 (Income) of the Medi-Cal Eligibility Manual.

b) Income Eligibility Determination Process

Determine the net nonexempt income using Medi-Cal income methodology in the following order:

- 1) Determine the members of the MFBU, both eligible and ineligible, as specified in Article 8.
  
- 2) Determine the gross nonexempt income of all members of the MFBU, as defined in Article 10. Do not include any Public Assistance (PA) when determining the gross nonexempt income. Under Medi-Cal methodology income and deductions shall be apportioned, if applicable, as specified in Article 10.
  
- 3) Allow all applicable deductions. Any Aged, Blind or Disabled - Medically Needy (ABD - MN) deductions of the QMB applicant and his/her spouse can be determined using Section VI. (ABD INCOME DEDUCTIONS) of the MC 176 W (Allocation/Special Deduction Worksheet). Any deductions that are applicable to any Aid to Families with Dependent Children - Medically Needy/Medically Indigent (AFDC - MN/MI) members of the MFBU can be determined using Section IV (AFDC MN/MI Earned Income Deductions) of the MC 176 W. IRWE deductions are entered on the MC 176 QMB1. Do not allow any deductions for Medicare or health insurance premiums.
  
- 4) Determine the net nonexempt income.
  
- 5) Compare the net nonexempt income to the appropriate poverty level for the number of members in the MFBU. If the net nonexempt income is equal to or less than the current percentage (i.e., 90% in 1990) of the Federal Poverty Level (FPL), the QMB applicant is income eligible. If the net nonexempt income exceeds the current FPL for the MFBU, and certain family circumstances exist, attempt to establish income eligibility using SSI methodology.

3. SSI Income Methodology

a) QMB Applicants Ineligible Using Medi-Cal Income Methodology

After using Medi-Cal income methodology, if the net nonexempt income exceeds the current percent of the FPL for the MFBU and certain family circumstances exist, determine the QMB income eligibility using SSI income methodology. These family circumstances include an ineligible spouse with or without an ineligible minor child(ren) who reside with the QMB applicant.

b) SSI Income Determination Form

In order to determine the net nonexempt income of a QMB applicant using SSI income methodology, the MC 176 QMB2A was developed. This form accommodates all income and deductions for a QMB adult, ineligible spouse, or a couple. It also provides for the Standard QMB Allocation determination to an ineligible child(ren) who resides with the QMB applicant and the QMB income eligibility determination.

c) Income Eligibility Determination Process

Determine the net nonexempt income of the QMB applicant using SSI income methodology in the following order:

1) Determine the gross nonexempt income of the QMB applicant, his/her spouse and ineligible child(ren) who reside with the QMB applicant. SSI income methodology requires that actual income be used to determine gross nonexempt income. Therefore, the apportionment of income and deductions are not applicable using SSI income methodology.

2) Determine any allocation to the ineligible minor child(ren) residing with the QMB applicant from the ineligible spouse using Section II of the MC 176 QMB2A. The Standard QMB Allocation is only allowed from an ineligible spouse. Do not allocate from a QMB applicant. Subtract any income the child(ren) may have from the Standard QMB Allocation. (Do not include any PA or other PA.) The remainder is the actual allocation amount. If the ineligible minor child(ren) is a student, allow the Student Income Deduction. Effective January 1, 1990, the Standard QMB Allocation is \$193. This amount will increase annually and will be provided to counties when applicable.

NOTE: Under SSI Income Methodology an eligible minor child is defined as any child under eighteen years of age and unmarried. An ineligible child is defined as any unmarried child under eighteen years of age or eighteen to twenty-one years of age if he/she is a full-time student.

3) Determine if the remaining income of the ineligible spouse, after the allocation to ineligible minor children, is less than the Standard QMB Allocation. If so, it shall be considered exempt. This also applies to an ineligible spouse with no child(ren). Section III of the MC 176 QMB2A can be used to make this determination.

Note: Section III is used for evaluation purposes only. If the remaining income of the ineligible spouse exceeds the Standard QMB Allocation amount, include the gross income and any applicable allocation to minor ineligible children in Section I.

4) Determine the net nonexempt income. Allow all applicable deductions as indicated on the MC 176 QMB2A. These deductions include: the \$65 and 1/2 deduction; the IRWE deduction; allocation to ineligible child(ren); and the \$20 Any Income Deduction.

5) Compare the net nonexempt income to the appropriate percent of the FPL. Since SSI income methodology only considers the income of the applicant and spouse, determine the appropriate FPL as follows: use the FPL for one, if only the QMB applicant's income is used; or the FPL for two, if the QMB applicant's income is combined with income of the spouse. If the net nonexempt income is less than or equal to the appropriate FPL, the QMB applicant is income eligible.

d) SSI/SSP QMB Applicants

Since SSA has already determined the net unearned, earned and deemed income of an SSI/SSP recipient, use the SDX Inquiry screen of the QMB applicant to determine the net nonexempt income. If the net nonexempt income is less than or equal to the current FPL for one or the SSI/SSP grant is \$153 or more, the applicant is income eligible for QMB. The MC 176 QMB2A or a print-out of the inquiry screen may be used to document the net nonexempt income of the QMB applicant.

NOTE: The SSI/SSP grant amount that may be used to determine the income eligibility will be adjusted annually and will be provided to the counties when applicable.

If an SSI couple is applying for QMB, use the individual SDX Inquiry screen for each applicant and determine the income eligibility separately using the FPL for one or the above SSI/SSP grant amount for one.

As previously stated, a face-to-face interview is not required for this group of applicants. The county need only complete Sections 1 and 2 of the CA 1 and sign the application on behalf of the applicant. If the SDX information indicates income ineligibility, the applicant has the right to provide income verification and have his/her income eligibility determined using either the Medi-Cal or SSI methodology, if applicable. Do not include PA income.

#### 4. QMB Children Applicants

A QMB child applicant with net nonexempt income which exceeds the current FPL for the MFBU using Medi-Cal income methodology, shall next be evaluated for income eligibility using SSI income methodology, if certain family circumstances exist. These family circumstances include ineligible parents with or without ineligible siblings who reside with the QMB child applicant.

##### a) QMB Applicants Under Eighteen Years of Age

Only children receiving renal dialysis can receive Medicare at any age (if the parents have sufficient work quarters). SSI Income Methodology allows allocations to ineligible minor children and certain income deductions for ineligible parent(s) who reside with the QMB applicant for only those applicants who are unmarried and under eighteen years of age. Therefore, those QMB child applicants under eighteen years of age shall have their net nonexempt income determined using the QMB child income eligibility determination process.

NOTE: Under SSI methodology, persons who are married or 18 years and older are considered adults.

##### b) QMB Child Income Determination Form

In order to determine the net nonexempt income of a QMB child using SSI income methodology, the MC 176 QMB2B was developed. This form accommodates all income and deductions for the ineligible parent(s) with or without minor ineligible children and allocations to the ineligible minor child(ren).

##### c) QMB Child Income Eligibility Determination Process

Determine the net nonexempt income of the QMB child in the following order:

1) Determine the actual gross unearned income of the ineligible parent(s).

2) Determine the allocation to the ineligible minor child(ren) from the ineligible parent(s) (line 5, Section II). Subtract the actual allocation, first, from the gross unearned income of the ineligible parent(s).

3) Subtract the \$20 Any Income Deduction.

4) Subtract the parent deduction for unearned income. This deduction shall be known as the parent deduction of the QMB Child. Effective January 1, 1990, the parent deduction amount is \$368, if one parent lives with the QMB child; or \$553 if both parents live with the QMB child. This amount is put on line 9, Section 1, part A. Any unused portion of the allocation is placed on line 15, Section 1, part B.

NOTE: These amounts will change on an annual basis and counties will be notified.

5) Subtract the \$65 and 1/2 deduction.

6) Determine the net countable income of the ineligible parent(s). This is considered the allocation to the QMB child from the ineligible parent(s).

7) Use Section III to determine the QMB child's net nonexempt income. Enter the countable income of the ineligible parent(s) from line 18, B. I.

8) Add any earned or unearned income of the QMB child. If the QMB child is a student, he/she is entitled to a student deduction of \$1620 per year as specified in Title 22, CCR, Section 50551.

9) Allow the \$20 Any Income Deduction, IRWE and the \$65 and 1/2 Earned Income Deduction, if applicable.

10) Determine the net nonexempt income of the QMB child.

11) Compare this amount to the current FPL for one. If the net nonexempt income of the QMB child is equal to or less than the FPL, the child is income eligible for QMB.

**Medi-Cal Income Methodology  
Example #1**

Robert Williams is a single man who receives a Social Security benefit of \$465 per month. He is currently not on Medi-Cal but will apply at the same time he applies as a QMB. He currently pays his own Part B Medicare premium of \$31.90 (1989 amount) each month.

**QMB Income Eligibility Determination**

- 1) Determine the MFBU - One
- 2) Determine the Net Nonexempt Income
  - \$465 Gross Unearned Income
  - \$20 Any Income Deduction
  - \$445 Net Nonexempt Income
- 3) Compare the Net Nonexempt Income to the Federal Poverty Level (FPL) for the appropriate MFBU.

The Net Nonexempt Income of \$445 is less than or equal to the FPL for one (\$449); income eligible for QMB.

**Medi-Cal Share of Cost Determination**

- \$465 Gross Unearned Income
- \$20 Any Income Deduction
- \$445
- \$32 Medicare Premium Deduction
- \$413 Net Nonexempt Income
- \$600 Maintenance Need (One)
- \$0 Share of Cost

**Medi-Cal Income Methodology  
Example #2**

Steven Baker is applying for both QMB and Medi-Cal. He receives a monthly Social Security benefit of \$325. He is also employed part-time with an insurance company. He earns \$400 (gross) per month. Mr. Baker rents an electric wheelchair which is necessary for him to continue working. The monthly rental cost of the wheelchair is \$150. Steven's wife, Wilma, receives a monthly pension of \$192 from the Teamsters Union. Steven pays a monthly Medicare Part B premium of \$31.90 per month.

### QMB Income Eligibility Determination

- 1) Determine the MFBU - Two
- 2) Determine the Net Nonexempt Income

\$325 Steven's Gross Unearned Income  
+ \$192 Wilma's Gross Unearned Income  
\$517 Combined Unearned Income  
- \$20 Any Income Deduction  
\$497 Net Unearned Income

\$400 Steven's Gross Earned Income  
- \$65 Earned Income Deduction  
\$335  
- \$150 IRWE  
\$185  
X 1/2 Earned Income Deduction  
\$92.50 Net Earned Income  
+ \$497 Net Unearned Income  
\$589.50 Net Nonexempt Income

- 3) Compare the Net Nonexempt Income to the current FPL for the appropriate MFBU.

The Net Nonexempt Income of \$590 (rounded) is less than or equal to the current FPL (\$602); income eligible for QMB.

### Medi-Cal Share of Cost Determination

\$400 Steven's Gross Earned Income  
- \$65 Earned Income Deduction  
\$335  
X 1/2 Earned Income Deduction  
\$167.50  
+ \$497 Net Unearned Income  
\$664.50  
- \$31.90 Health Insurance Deduction  
\$632.60 Net Nonexempt Income  
- \$934 MN (Two)  
\$0 SOC

### Medi-Cal Income Methodology Example #3

John Ramirez is a disabled person who receives a monthly Social Security Disability benefit of \$625. He is also employed in a local restaurant where he earns \$620 per month (gross). John is making monthly payments of \$75 for his prosthetic appliance which is necessary for him to continue to work. His wife Maria has no income. They have two children, Julia and John Jr.. Both are students. Julia earns \$325 per month at a local fast food restaurant. Under Medi-Cal rules this income is exempt.

#### **QMB Income Eligibility Determination**

- 1) Determine the appropriate MFBU.
- 2) Determine the Net Nonexempt Income using the MC 176 QMB1
- 3) Compare the Net Nonexempt Income to the current FPL for the appropriate MFBU.

#### **Medi-Cal Income Eligibility Determination Example #4**

Sam Ito is a disabled individual applying for QMB benefits only. Sam, his wife Emiko, and their two children, Michael and Rose, all receive Social Security benefits. Sam receives a monthly disability benefit of \$460. Emiko receives a monthly Social Security benefit of \$250. Michael and Rose each receive a monthly benefit of \$135.

#### **QMB Income Eligibility Determination**

- 1) Determine the MFBU
- 2) Determine the Net Nonexempt Income using the MC 176 QMB1.
- 3) Compare the Net Nonexempt Income to the current FPL for the appropriate MFBU.

#### **SSI Income Methodology Example #5**

Since Mr. Ito's net nonexempt income exceeds the current FPL for an MFBU of four, income ineligible for QMB using Medi-Cal methodology. Since certain family circumstances exist (i.e., an ineligible spouse and ineligible minor children), determine the net nonexempt income using SSI Income Methodology.

#### **QMB Income Eligibility Determination**

- 1) Determine the Standard QMB Allocation for ineligible minor children using Section II of the MC 176 QMB2A.

Child -	Michael	Rose
Standard QMB Allocation	\$185	\$185
Less Any Income	- <u>\$135</u>	- <u>\$135</u>
Actual Allocation	\$50	\$50 - \$100

Subtract the actual QMB allocation amount, first, from the unearned income of the ineligible spouse. Any unused allocation can be deducted from the gross earned income of the ineligible spouse.

- 2) Determine if the remaining income of the ineligible spouse, after the deduction to ineligible children if applicable, can be exempt.

\$250 Emiko's Unearned Income  
- \$100 QMB Allocation to the ineligible minor children  
\$150 Net Unearned Income (less than \$185 - Exempt)

- 3) Determine the Net Nonexempt Income using the MC 176 QMB2A.

+ \$460 Sam's Unearned Income  
- \$20 Any Income Deduction  
\$440 Net Nonexempt Income

- 4) Compare the Net Nonexempt Income to the appropriate FPL.

Since the income of the ineligible spouse was not combined with the applicant's income, the appropriate FPL is one (\$449).

The Net Nonexempt Income is less than or equal to the appropriate FPL for one (\$449); income eligible using SSI Income Methodology.

#### SSI Income Methodology Example #6

Sheryl Waldon is applying for QMB only. She is disabled and receives a monthly Social Security benefit of \$500. Her husband, David, works part-time in a local market. He earns \$270 per month (gross). He also receives a Social Security benefit of \$200. Sheryl and David have a daughter, Holley.

#### Medi-Cal Income Methodology

- 1) Determine the MFBU - Three

- 2) Determine the Net Nonexempt Income using the MC 176 QMB1.

\$500 Sheryl's Gross Unearned Income  
+ \$200 David's Gross Unearned Income  
- \$20 Any Income Deduction  
\$680 Net Unearned Income

\$270 David's Gross Earned Income  
- \$65 Earned Income Deduction  
\$205

X  $\frac{1}{2}$  Earned Income Deduction  
\$102.50

+ \$680 Net Unearned Income  
\$782.50 Net Nonexempt Income

- 3) Compare the Net Nonexempt Income to the FPL for the appropriate MFBU.

The Net Nonexempt Income of \$783 (rounded) exceeds the current FPL for three (\$755); income ineligible using Medi-Cal Income Methodology. Attempt to establish income eligibility using SSI Income Methodology.

#### QMB Income Eligibility Determination

- 1) Determine the Standard QMB Allocation for ineligible minor children using Section II of the MC 176 QMB2A.
- 2) Determine if the remaining income of the ineligible spouse, after the deduction to ineligible children, if applicable, can be exempt.
- 3) Determine the Net Nonexempt Income using the MC 176 QMB2A.
- 4) Compare the Net Nonexempt Income to the appropriate current FPL.

#### SSI Income Methodology Example #7

Eli Jacobson is applying for QMB only. He receives a monthly Social Security benefit of \$450. His wife, Dorothy also receives a monthly Social Security benefit of \$175 per month.

### Medi-Cal Income Methodology

- 1) Determine the MFBU - Two
- 2) Determine the Net Nonexempt Income using the MC 176 QMB1.

\$450 Eli's Gross Unearned Income  
+\$175 Dorothy's Gross Unearned Income  
\$625  
-20 Any Income Deduction  
\$605 Net Nonexempt Income

- 3) Compare the Net Nonexempt Income to the FPL for the appropriate MFBU.

The Net Nonexempt Income of \$605 exceeds the current FPL for two (\$602); income ineligible using Medi-Cal Income Methodology. Attempt to establish income eligibility using SSI Income Methodology.

### QMB Income Eligibility Determination

- 1) Determine the Standard QMB Allocation for ineligible minor children using Section II of the MC 176 QMB2A.
- 2) Determine if the remaining income of the ineligible spouse, after the deduction to ineligible children, if applicable can be exempt.
- 3) Determine the Net Nonexempt Income using the MC 176 QMB2A.
- 4) Compare the Net Nonexempt Income to the appropriate current FPL.

### SSI Income Methodology Example #8

Jason Peters is receiving renal dialysis. He is currently paying for his Part A Medicare. He receives a monthly Social Security benefit of \$150. Jason's father, Stephen, is employed as a mechanic. He earns \$1900 (gross) per month. Jason's mother, Brenda, has no income. Jason has an infant brother, Bobby.

### Medi-Cal Income Methodology

- 1) Determine the MFBU - Four
- 2) Determine the Net Nonexempt Income using the MC 176 QMB1.

\$150 Jason's SSA  
- \$20 Any Income Deduction  
\$130 Net Unearned Income

\$1900 Stephen's Gross Earned Income  
- \$65 Earned Income Deduction  
\$1835  
X  $\frac{1}{2}$  Earned Income Deduction  
\$917.50 Net Earned Income  
+ \$130 Jason's Net Unearned Income  
\$1047.50 Net Nonexempt Income

- 3) Compare the Net Nonexempt Income to the FPL for the appropriate MFBU.

The Net Nonexempt Income of \$1048 (Rounded) exceeds the current FPL for four (\$908); income ineligible using Medi-Cal Income Methodology. Attempt to establish income eligibility using SSI Income Methodology.

### QMB Child Income Determination

- 1) Determine the Standard QMB Allocation to the ineligible minor children using Section II of the MC 176 QMB2B.

\$185 Standard QMB Allocation  
- \$0 Less Any Income  
\$185 Actual Allocation Amount

Subtract this amount, first, from the unearned income of the ineligible parent(s). Any unused allocation can be deducted from the gross earned income.

- 2) Determine the Parent Deduction of the QMB Child.

Since both parents live with Jason and the income of the ineligible parents is earned, the parent deduction is two times the couple deduction.

\$553 Parent Deduction (Couple)  
X 2  
\$1106 Actual Parent Deduction of the QMB Child.

- 3) Determine the Net Nonexempt Income of the ineligible parent(s).

\$1900 Gross Earned Income  
- \$185 Actual QMB Allocation Amount  
\$1715  
- \$20 Unused Any Income Deduction  
\$1695  
- \$65 Earned Income Deduction  
\$1630  
- \$1106 Parent (Couple) Earned Income Deduction  
\$524  
X 1/2 Earned Income Deduction  
\$262 Net Earned Income

- 4) Determine the QMB Child Income Eligibility.

\$262 Allocation from the ineligible parents  
\$150 Jason's SSA  
- \$20 Any Income Deduction  
\$392 Net Unearned Income

- 5) Compare the Net Nonexempt Income of the QMB Child to the FPL for one.

The Net Nonexempt Income of \$392 is equal to or less than the FPL for one (\$449); income eligible for QMB.

#### SSI Income Methodology Example #9

Emilio Sanchez is ten years old and receiving renal dialysis. He receives a monthly Social Security benefit of \$175. His father, Roberto, also receives a monthly Social Security benefit of \$250. Only Emilio is applying for QMB. Emilio's mother, RaNae, is a nursing assistant. She earns \$1600 (gross) per month. Roberto and RaNae have another son, Roberto Jr.

#### Medi-Cal Income Methodology

- 1) Determine the MFBU - Four
- 2) Determine the Net Nonexempt Income using the MC 176 QMB1.

\$175 Emilio's SSA  
 + \$250 Roberto's SSA  
 \$425  
 - \$20 Any Income Deduction  
 \$405 Net Unearned Income  
  
 \$1600 RaNae's Gross Earned  
 - \$65 Earned Income Deduction  
 \$1535  
 X 1/2 Earned Income Deduction  
 \$767.50 Net Earned Income  
 + \$405 Net Unearned Income  
 \$1172.50 Net Nonexempt Income

- 3) Compare the Net Nonexempt Income to the FPL for the appropriate MFBU.

The Net Nonexempt Income of \$1173 (Rounded) exceeds the current FPL for four (\$908); income ineligible using Medi-Cal Income Methodology. Attempt to establish income eligibility using SSI Income Methodology.

#### QMB Child Income Determination

- 1) Determine the Standard QMB Allocation to the ineligible minor children using Section II of the MC 176 QMB2B.
- 2) Determine the Parent Deduction of the QMB Child.
- 3) Determine the Net Nonexempt Income of the ineligible parents using the MC 176 QMB2B.
- 4) Determine the QMB Child Income Eligibility.
- 5) Compare the Net Nonexempt Income of the QMB Child to the FPL for one.

#### M. QUESTIONS AND ANSWERS

##### Program

1. Is an IEVS check required for a QMB?

Answer: A QMB-only must be otherwise eligible for Medi-Cal and is therefore subject to applicable Medi-Cal regulations and the regular application process including an IEVS check. Dually eligible QMB applicants including SSI/SSP recipients already have had an IEVS check when their income and property was reviewed during the application process.

2. When will SSA verify Part A eligibility for those sending in the SSA 795?

Answer: Since the SSA 795 can only be sent to SSA between January and March, verification on BENDEX should be available no later than May. If verification is not received by DHS after July (when Part A benefits begin based on a general enrollment application), a worker alert will be sent to the county alerting them to this fact.

3. If QMB benefits begin the month after the month of QMB approval, is this the date reported to MEDS or the date the supervisor or worker approves the case?

Answer: The county reports as the effective date the month QMB coverage is to begin, i.e. the month after the case is actually approved.

5. If, on March 15th, an individual with Part A Medicare-only applies to the county for a QMB determination and the county is not able to schedule an appointment or make a determination before March 31st., should the county inform the applicant to first apply for conditional Part A before the March 31st deadline and return for an eligibility determination later?

Answer: Yes. The county should inform the individual of the Part A enrollment deadline and advise him/her to apply for conditional Part A before March 31st. If the county later determines the individual as QMB eligible, benefits could begin in July. Otherwise, he/she would be required to wait another year to apply for Part A and could not be eligible for QMB benefits this year.

6. Are status reports required for QMB-only recipients?

Answer: No. A QMB is similar to aged, blind, or disabled (ABD) recipients who are not required to complete status reports, but as with ABDs, QMBs must report income or property changes.

7. May counties align the QMB redetermination date with the Medi-Cal redetermination date for the MNO?

Answer: Yes. For dually eligibles the QMB redetermination may be aligned with the regular Medi-Cal redetermination after the initial QMB determination.

8. If a QMB-only without Part A was preapproved in January but benefits do not begin until July, when is his/her redetermination date?

Answer: January.

9. If a dually eligible individual in LTC who has a SOC under regular Medi-Cal is paying his/her Part A premium and is approved for

QMB benefits, how many months should the county allow for Medicare to begin billing DHS for the premium?

Answer: Counties should allow approximately two months before readjusting the individual's share of cost which is similar to the Buy-In process.

#### Medicare

1. Must the parent of a QMB child on dialysis be deceased, aged, or disabled in order for the child to be eligible for Medicare?

Answer: No, however, the parent must have worked the appropriate number of quarters under Social Security.

2. If an individual with chronic renal disease has not paid into SSA and is not eligible for Part A Medicare at no cost and has no parent or spouse who has worked the appropriate number of quarters under Social Security, may he/she purchase Part A?

Answer: No.

3. If an individual who is eligible for Part A at no cost does not apply for this benefit, may he/she enroll later at anytime?

Answer: An individual is not given the option of refusing Part A Medicare at no cost. He/she receives it when eligible; therefore, there is no need to enroll later.

4. How does an individual who has chronic renal disease apply for Medicare Part A?

Answer: Application is still made with SSA. Most providers who specialize in this disease have the appropriate Medicare forms.

5. When is a person with chronic renal disease eligible for Medicare Part A?

Answer: An individual may apply in the third month of dialysis or immediately for home dialysis or a kidney transplant.

6. May an individual purchase Medicare Part A but not B?

Answer: No.

7. Can IRCA/OBRA applicants/recipients qualify for Medicare and therefore possibly be eligible as a QMB?

Answer: If the individual has paid into Social Security for the required quarters and has been a lawful resident of the United States for 5 continuous years, he/she could apply for Medicare as long as he/she was also aged, blind, or disabled. It is also possible for an

unlawful resident who had a Social Security number to work the required quarters and apply for Medicare without being lawfully admitted.

8. If an OBRA applicant refuses to furnish a Social Security number and wishes restricted regular Medi-Cal benefits, could he/she also apply as a QMB without furnishing this number?

Answer: Yes, however, he/she must provide Medicare verification to the county and his/her Social Security number is part of his/her Medicare claim number unless he/she is drawing benefits from his/her parent or spouse. If he/she does not have Medicare Part A, he/she must furnish his/her Social Security number to SSA to apply for Medicare.

#### SSI/SSP Recipients

1. Should the county mail an application or Statement of Facts to the individual who was terminated from SSI/SSP to determine if he/she continues to be eligible as a QMB?

Answer: Yes, if the individual did not receive these forms with the Ramos v Myers NOA. See All County Welfare Directors Letter No. 89-56 and the Errata Notice dated November 3, 1989. We may develop a worker alert that will be sent when dually eligible SSI/SSP-QMB individuals are terminated from SSI/SSP.

2. If the an SSI/SSP individual who is also eligible as a QMB has an increase in income which changes the amount of his/her cash grant but is not enough to cause the loss of SSI/SSP eligibility, will the county be notified?

Answer: Unless the individual informs the county directly, the county will not be aware of this fact until the QMB redetermination.

3. How may the SSI/SSP recipient distinguish his/her check from that of the SSA Title II check?

Answer: The SSI/SSP check is sent in a blue envelope and has "SSI" on the face of the check as opposed to an SSA Title II check which is sent in a manila envelope and has "SOC SEC" on the face.

4. Is the MC 13 Form (Citizenship) required for SSI/SSP recipients who apply for QMB benefits?

Answer: No. SSA has already asked for this information.

## Providers, and Billing

1. If an QMB-only individual resides in a county that requires Medi-Cal recipients to use certain facilities such as a prepaid health plan (PHP), may the QMB-only use that facility?

Answer: Not at this time, but he/she can use any provider who accepts Medi-Cal and Medicare.

2. If a QMB beneficiary receives services from a provider who does not accept Medi-Cal, can the beneficiary be billed for the coinsurance and deductibles?

Answer: Yes. Medi-Cal will not pay the coinsurance and deductibles if the beneficiary receives services from a provider who is not an approved Medi-Cal provider.

3. If a QMB beneficiary receives services from a provider who does not accept Medi-Cal and who does not accept Medicare assignment either, can the beneficiary be billed for his/her fee for service?

Answer: Yes.

## Case Count

1. Do counties receive separate case counts for QMB applicants who are currently Medi-Cal beneficiaries (MNO, AFDC or IHSS) or who apply for regular and QMB benefits at the same time?

Answer: No. Counties receive procedural money for dually eligible cases. A case count is available for an SSI recipient or a QMB-only applicant.

2. If an individual applies for both Medi-Cal and QMB but is only eligible for the QMB program, will the case be counted as two, one denial, one approval?

Answer: No. Dually eligible cases whether approved or denied can only be counted once.

3. If the county preapproves a QMB without Part A but SSA never confirms Part A coverage, the case will be denied. Can the county claim the preapproved case for a case count even though the QMB card was never issued?

Answer: Yes. If the preapproved QMB was an SSI/SSP recipient or a member of the general public, the case may be counted either at the time of preapproval or denial, but not both. MNO, AFDC, and IHSS cases will not receive a separate QMB case count.

4. If an individual applies for regular Medi-Cal and QMB benefits and is denied regular Medi-Cal benefits but is approved for QMB benefits, does the county set up a separate QMB case and receive two case counts?

Answer: The county would receive one case count and should not separate the case.

5. If one spouse is Medically Needy-only, does the county receive a separate case count for his/her QMB spouse who is an SSI recipient?

Answer: Yes.

6. Does the county receive a separate case count for an IHSS recipient who is eligible as a QMB?

Answer: No.

7. Does the county receive two case counts for an SSI/SSP couple since each the have separate determinations?

Answer: Yes.

#### Property

1. Can a QMB applicant spenddown excess property to within the QMB property limit?

Answer: Yes.

2. If an individual is less than 18 years old and married, is he considered a QMB adult or child?

Answer: He/she would be considered an adult for Medi-Cal, (unless claimed as a tax dependent by his/her parents), as well as for QMB regulations.

3. When there is more than one child in the home applying for QMB benefits and one has more property than the other, should the county begin the QMB property determination with the child with less property or more?

Answer: It is the county's decision. However, the county may wish to begin with the child who has the most property to avoid a recomputation if that child is ineligible.

4. Will the property level change in 1990?

Answer: No.

5. How will community spouse rules under MCCA affect QMB property rules?

Answer: MCCA primarily affects situations where one aged, blind, or disabled (ABD) spouse is institutionalized after 9/30/89, the other spouse is not institutionalized, and the application is made on or after 1/1/90. Each spouse is in a separate MFBU. After MCCA property is developed, the EW uses each person's property as allocated for the QMB property determination. Similarly, for long term care individuals for whom the division of community property rules apply, each spouse's property as determined under those rules apply in the QMB determination.

#### Income

1. The SSA COLA's are effective on January 1st of each year but the federal poverty level is not published until February. Is there a provision that would allow counties to use an interim poverty level to avoid discontinuing QMBs who would lose eligibility in January due to increased income only to be eligible again after the poverty level was published?

Answer: Not at this time; however, DHS and other states are requesting HCFA to align the SSA COLA with the federal poverty level.

2. Must the county deny or discontinue QMB applicants/recipients who are not eligible due to excess income based on the January COLAs or may the county wait until February for the increase in the federal poverty level?

Answer: The county must evaluate the QMB applicant/recipient in January but they should advise those who are within an approximate income level and who are denied or discontinued that they may reapply in February.

3. When does the "Standard QMB Allocation" amount change?

Answer: The Standard QMB Allocation amount changes on January 1st of each year based on the annual Title II, Social Security Cost of Living Adjustment (COLA).

4. How are Impairment Related Work Expenses (IRWE) deducted? Are there set limits? Are IRWEs allowed under the regular Medi-Cal program?

Answer: The IRWE is deducted from a QMB applicant's earned income. The IRWE deduction is the actual amount paid by the applicant. These deductions are not applicable for those applying for regular Medi-Cal.

5. Since the Medicare Part B premium is deducted from the SSA benefit check (unless the beneficiary does not receive a check), what amount is used to determine QMB income?

Answer: Since the gross amount of the SSA benefit is considered, it is necessary to add the premium amount back if it was deducted. Health insurance premiums may not be deducted.

6. If the spouse is also applying and he/she has income less than the Standard QMB Allocation amount, would this income be exempt?

Answer: No. Only the income of the ineligible spouse shall be evaluated for exemption if less than the Standard QMB Allocation amount.

7. Under Medi-Cal income methodology, a child may be excluded from the MFBU if he/she has separate income or property. May the child be excluded using SSI Income methodology?

Answer: No, not unless the child receives PA or other PA. A child's income is only considered when computing the parent allocation to an ineligible child(ren).

8. When do the SSA grant amounts change?

Answer: The grant amounts are based on the COLA and are effective on January 1st of each year. If the increase results in the loss of SSI/SSP benefits, the recipient will receive a Ramos notice of action. (See Medi-Cal Eligibility Manual 5-E and ACWDL 89-56)

9. Would any QMB applicant have a share of cost (SOC) under regular Medi-Cal?

Answer: There is a possibility that a QMB child might have a SOC under regular Medi-Cal. If both parents have earned income, they would be entitled to a \$1106 parent deduction under SSI methodology. This deduction is not allowed under regular Medi-Cal. There also may be some individuals in LTC with a SOC who would be QMB eligible.

10. Under "Pickle", a person is in his/her own MFBU. Would a person be in his/her own MFBU when applying for QMB benefits?

Answer: Only if the person were in long term care. A person who is applying as a QMB should first be determined using Medi-Cal rules (all family members are in the MFBU). If not eligible, then SSI rules are used and there would be an MFBU of either one or two (depending on whether the income of the ineligible spouse is combined with the applicant's income).

11. Is income apportioned under SSI income methodology?

Answer: No. SSI income methodology requires that the actual gross income be used to determine income eligibility.

N. NOTICES and FORMS

These forms, notices, and bulletins are provided for your information. Forms may be ordered from the DHS warehouse when available. Counties are encouraged to adapt these forms to meet their individual needs. The forms will be included in the Forms Manual when updated.

1. MC 239J Notice of Action - Approval for Benefits as a QMB

This NOA may be used for all approved and preapproved QMB applicants. For example, this form may be used for:

- o Medi-Cal beneficiaries who have met the QMB eligibility requirements except for Part A and who must send in the SSA 795 to apply for Part A, or who have met all the QMB eligibility requirements
- o The General Public who must apply for conditional Part A at the SSA office or are eligible because they already have Part A and meet all other QMB requirements.

2. MC 239J (SP) Notice of Action - Approval for Benefits as a QMB

This NOA is the Spanish version of the MC 239J

3. MC 239K Notice of Action - Denial or Discontinuance of Benefits as a QMB

This NOA may be used for all QMB applicants.

4. MC 239K (SP) Notice of Action - Denial or Discontinuance of Benefits as a QMB

This NOA is the Spanish version of the MC 239K

5. Preprinted Notice of Action- Combination approval and denial notice

This notice will be printed by DHS and mailed to counties in December on a one time basis. Counties may use this to notify Medically Needy-Only, AFDC, and IHSS recipients who either pay for Part A Medicare or who do not receive Part A, of their approval or denial for the QMB program.

6. SSA 795 and Cover Letter

This form and information sheet must be used to enroll those QMB applicants who do not have Part A and who meet all of the following:

- a) are currently receiving Medi-Cal,
- b) have Part B Medicare, and

c) are part of the Buy-In Program.

It is suggested that counties not modify the SSA 795 form because it contains information required by SSA.

7. SSA 795 Cover Letter (SP)

This is the Spanish version of the SSA 795 Cover Letter

8. MC 176 P QMB-A - QMB Property Worksheet - Adult

This form may be used to determine the property of a QMB applicant 18 years of age and older or if married.

9. MC 176 P QMB-C - QMB Property Worksheet - Child

This form may be used to determine the property of a QMB applicant 17 years of age and younger and unmarried.

10. MC 176 QMB1 - QMB Income Eligibility Worksheet - All Applicants

This form may be used to determine the income of a QMB applicant, couple, or a minor child(ren) who is also applying for regular Medi-Cal benefits.

11. MC 176 QMB2A - QMB Income Eligibility Worksheet - Applicant with an Ineligible Spouse, with or without Children

This form may be used to determine the income of a QMB applicant who has an ineligible spouse with or without children, who is not applying for regular Medi-Cal benefits or who was not eligible using the MC 176 QMB1 worksheet.

12. MC 176 QMB2B - QMB Income Eligibility Worksheet - Child Applying with or without Ineligible Parents

This form may be used to determine the income of a QMB child who is not applying for regular Medi-Cal benefits or who was not eligible using the MC 176 QMB1 worksheet.

13. MC Information Notice 008 - QMB Program Information Notice

This form may be used to provide information to those interested in the requirements of the QMB program.

14. MC 237 (QMB) - Caseload Movement and Activity Report - QMB

This form is used to identify how many of those reported on the regular 237 form are SSI/SSP QMBs and QMB-only applicants and beneficiaries.

15. QMB Initial Processing Chart

This chart may be used to determine how to initially process QMB applications for MNO, SSI/SSP, AFDC/IHSS, and QMB-only (general public) individuals.

16. SSA Conditional Medicare Part A Receipt

This is a sample of a receipt that may be given to an individual who has applied for "conditional" Part A with SSA. A receipt is not proof of Part A eligibility.

17. SSA Award Certificate

This is a sample of an award certificate for Part B medical insurance. An award certificate for Part A must state "hospital insurance". Counties may use this certificate as proof of Medicare if the individual has not received his/her Medicare card.

If you have any questions, please contact Marge Buzdas at (916) 324-4972, (programs), RaNae Dunne at (916) 324-4955 (income), and Sharyl Shanen at (916) 324-4956 (property).

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

Enclosures:

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: January 8, 1991

**MEDI-CAL**  
**NOTICE OF ACTION**  
Approval For Benefits as a  
Qualified Medicare Beneficiary

(County Stamp)

State No: \_\_\_\_\_

District: \_\_\_\_\_

**IF YOU ARE ALREADY RECEIVING MEDI-CAL BENEFITS, THIS DOES NOT AFFECT THOSE BENEFITS.**

We reviewed your application to see if you are eligible for a new program called the Qualified Medicare Beneficiary (QMB) program.

We determined that:

Beginning \_\_\_\_/\_\_\_\_/\_\_\_\_, you are eligible for the Medi-Cal program to pay your Medicare Part A and B expenses including premiums, coinsurance, and deductibles. If you are currently paying Medicare premiums, please allow 3-4 months from the time you are eligible as a QMB for the Social Security Administration (SSA) to stop deducting these premiums from your Social Security check. You may receive a refund from the SSA based on its records.

You could be eligible for the Medi-Cal program to pay your Medicare part A and B expenses including premiums, coinsurance, and deductibles beginning July 1, \_\_\_\_; however, you must apply for part A benefits with the SSA.

To apply for part A:

Please sign and date the enclosed form and mail it to the address listed in the form's instructions before March 31st. When SSA verifies your Part A eligibility, you will be notified.

Please go to your local SSA office and apply for "conditional" Part A before March 31st. When SSA verifies your Part A eligibility, you will be notified.

Since you have already requested conditional Medicare Part A benefits at the SSA office, you will be eligible for the QMB program beginning July 1, once SSA verifies your Part A eligibility. No other action is required on your part.

You are also eligible for regular Medi-Cal benefits beginning \_\_\_\_/\_\_\_\_/\_\_\_\_.

If you applied for regular Medi-Cal eligibility, you will receive a separate notice.

The regulations which require this action are California Code of Regulations, Title 22,

Sections \_\_\_\_\_.

\_\_\_\_\_  
(Eligibility Worker)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Dated)

**MEDI-CAL**  
**NOTIFICACION DE ACCION**  
Aprobación para Beneficios como  
Beneficiario Aprobado de Medicare

(County Stamp)

No del Estado: \_\_\_\_\_

Distrito: \_\_\_\_\_

**SI USTED YA ESTA RECIBIENDO BENEFICIOS DE MEDI-CAL, ESTO NO AFECTARA ESOS BENEFICIOS.**

Hemos revisado su solicitud para determinar si usted es elegible para un programa nuevo que se llama Beneficiario Aprobado de Medicare (QMB).

Se ha determinado que:

A partir de \_\_\_\_/\_\_\_\_/\_\_\_\_, usted es elegible para que el programa de Medi-Cal pague los costos de las porciones A y B de Medicare incluyendo las primas del seguro, el seguro copartícipe y los deducibles. Si usted actualmente está pagando las primas de Medicare, por favor tenga en cuenta que podrán transcurrir de 3 a 4 meses de la fecha en que usted es determinado ser elegible como QMB para que la Administración del Seguro Social (SSA) ya no le descuente el costo de estas primas de su cheque del seguro social. Posiblemente reciba un reembolso si existe un saldo a su favor en los registros de la SSA.

Usted podrá ser elegible para que el programa de Medi-Cal pague por los costos de las porciones A y B del seguro de Medicare incluyendo las primas del seguro, el seguro copartícipe y los deducibles a partir del 1 de julio, \_\_\_\_; sin embargo, usted debe solicitar los beneficios de la porción A de la SSA.

Para solicitar los beneficios de la porción A:

Por favor firme y feche la forma que se adjunta y envíela a la dirección que aparece en las instrucciones de la forma antes del 31 de marzo. Una vez que la SSA verifique su elegibilidad para la porción A, se le notificará.

Por favor vaya a su oficina local de la SSA y solicite beneficios "provisionales" de la porción A antes del 31 de marzo. Una vez que la SSA verifique su elegibilidad para la porción A, se le notificará.

Dado que usted ya solicitó los beneficios provisionales de la porción A de Medicare de la oficina de la SSA, usted será elegible para el programa QMB a partir del 1 de julio, una vez que la SSA verifique su elegibilidad para la porción A. Usted no necesita hacer nada más.

Usted también es elegible para beneficios normales de Medi-Cal a partir de \_\_\_\_/\_\_\_\_/\_\_\_\_.

Si usted solicitó beneficios normales de Medi-Cal, recibirá notificación por separado.

Los ordenamientos que requieren esta acción son las secciones \_\_\_\_\_, del título 22 del Código de Ordenamientos de California.

\_\_\_\_\_  
(Trabajador(a) de elegibilidad)

\_\_\_\_\_  
(Teléfono)

\_\_\_\_\_  
(Fecha)

**MEDI-CAL  
NOTICE OF ACTION**

Denial or Discontinuance of Benefits as a  
Qualified Medicare Beneficiary

(County Stamp)

State No: \_\_\_\_\_

District: \_\_\_\_\_

**IF YOU ARE ALREADY RECEIVING MEDI-CAL BENEFITS, THIS DOES NOT AFFECT THESE BENEFITS.**

We reviewed your application to see if you are eligible for a new program called the Qualified Medicare Beneficiary (QMB) program.

We determined that:

- You are not eligible for the QMB program.
- Your eligibility for the QMB program ends \_\_\_\_ / \_\_\_\_ / \_\_\_\_ .

Here is why:

- Your \_\_\_\_\_ is above the limit. If you have Part A Medicare and should your \_\_\_\_\_ decrease, you may reapply. The limit is \$ \_\_\_\_\_. If you do not have Part A Medicare, please reapply in January. The income limit may rise in future years.  
income/property
- The Social Security Administration did not confirm that you are eligible for Medicare Part A. Contact your local SSA office for more information.
- You do not have Medicare Part A and/or Part B. You must contact your local SSA office to apply. When you receive verification of Medicare, please contact this office again.
- Other reasons. . . . .
- You are not eligible for the regular Medi-Cal program because:
- If you also applied for regular Medi-Cal benefits, you will receive a separate notice about that program.

The regulations which require this action are California Code of Regulations, Title 22,  
Sections \_\_\_\_\_ .

\_\_\_\_\_  
(Eligibility Worker)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Dated)



MEDI-CAL  
NOTICE OF ACTION  
Approval for or Denial of Benefits As a  
Qualified Medicare Beneficiary

(County Stamp)

State No: \_\_\_\_\_  
District: \_\_\_\_\_

THIS DOES NOT AFFECT YOUR REGULAR MEDI-CAL BENEFITS. IF THERE ARE CHANGES, YOU WILL RECEIVE A SEPARATE NOTICE.

We reviewed your file to see if you are eligible for a new program called the Qualified Medicare Beneficiary (QMB) program. This program pays the Medicare premiums, deductibles, and coinsurance for people who are eligible for Medicare Part A hospital insurance, whose income and property are within certain limits, and who meet the other requirements of the Medi-Cal program.

We determined that:

\_\_\_\_\_ Beginning \_\_\_\_/\_\_\_\_/\_\_\_\_, you are eligible for the Medi-Cal program to pay your Medicare Part A and B expenses including premiums, coinsurance, and deductibles. Please allow 3 months for processing.

\_\_\_\_\_ You could be eligible for the Medi-Cal program to pay your Medicare Part A and B expenses including premiums, coinsurance, and deductibles beginning July 1, \_\_\_\_; however you must be eligible for Medicare Part A. To apply for Part A:

\_\_\_\_\_ Please sign and date the enclosed form and mail it to the address listed in the form's instructions before March 31st. When SSA notifies us of your Part A eligibility, you will be notified.

\_\_\_\_\_ You must go to the SSA office and apply for Medicare Part A and Part B before March 31st. If you are determined eligible, contact this office with verification.

\_\_\_\_\_ You are not eligible for the QMB program. Here is why:

\_\_\_\_\_ Your income is above the limit. Should your income decrease, you may reapply. The limit is \$\_\_\_\_\_.

\_\_\_\_\_ Other reasons..

The regulations which require this action are California Code of Regulations, Title 22, Section(s) \_\_\_\_\_.

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(Eligibility Worker)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Dated)

## COVER SHEET FOR THE SSA 795 MEDICARE HOSPITAL INSURANCE ENROLLMENT FORM

### A NEW BENEFIT MAY BE AVAILABLE TO YOU- MEDICARE *HOSPITAL INSURANCE*

There is a new benefit under the Medi-Cal program you may want to have. Under a new law, if you want to have Medicare *Hospital Insurance* (Part A), we may be able to buy it for you and pay the premiums, deductibles, and coinsurance. We are already paying for your Medicare *Medical Insurance* (Part B), for doctors' services and some other medical items and services. However, before we can pay for your Part A *Hospital Insurance*, you must be a "Qualified Medicare Beneficiary".

### WHY SHOULD YOU ENROLL FOR HOSPITAL INSURANCE?

With Medicare *Hospital Insurance*, you may have a wider choice of hospitals in which to receive care depending on where you live. Medicare *Hospital Insurance* may provide slightly different benefits than the Medi-Cal program.

### WHAT HAPPENS IF YOU DO NOT WISH TO BECOME A QUALIFIED MEDICARE BENEFICIARY?

If you do not wish to enroll, we will continue to pay your Part B Medicare Medical Insurance, coinsurance and deductible, and your regular Medi-Cal will continue unless you no longer meet the eligibility requirements for the Medi-Cal program. You still are covered for all necessary medical care, including full hospitalization.

### WHO CAN BECOME A "QUALIFIED MEDICARE BENEFICIARY?"

To become a Qualified Medicare Beneficiary:

1. Your income must be at or below a federal limit which is a percentage of the federal poverty level.
2. Your property must be at or below twice that of the Medi-Cal property limit.
3. You must meet other requirements of the regular Medi-Cal program such as residency.
4. You must have Medicare Part A Hospital Insurance.

If you are not entitled to free Medicare *Hospital Insurance* and must pay a monthly premium, we will pay the premium for you if you meet the 4 requirements shown above.

### WHAT YOU SHOULD DO TO ENROLL

You have already been determined to qualify for the first, second, and third steps because your income and property is at or below the federal limit and you meet other Medi-Cal program requirements. If you want to become a Qualified Medicare Beneficiary, the last step is to sign the enclosed Form SSA 795 and mail it by March 31st. to:

Great Lakes Program Service Center  
P. O. BOX 5740  
Chicago, Illinois 60680

Name and Address

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**REQUEST TO ENROLL FOR HOSPITAL  
INSURANCE UNDER MEDICARE**

\_\_\_\_\_  
Name of Medicare Beneficiary

\_\_\_\_\_  
Medicare Claim Number

I wish to enroll for *Hospital Insurance* under Medicare on a monthly premium basis, which is in addition to my current coverage for medical insurance. I understand that the state will pay my premium based on my eligibility to Medicaid (Medi-Cal) as a qualified Medicare beneficiary. I also understand that if I am terminated under Medi-Cal as a qualified Medicare beneficiary I will have to pay my premium in order to keep my Medicare *Hospital Insurance*.

Please sign and date this form.

\_\_\_\_\_  
Signature  
(First name, middle initial, last name)

\_\_\_\_\_  
Date

Return this form to:

Great Lakes Program Service Center  
P.O. Box 5740  
Chicago, IL 60680

## PAGINA PRELIMINAR DE LA FORMA SSA 795 PARA INSCRIBIRSE EN EL PROGRAMA DE SEGURO DE HOSPITALIZACION DE MEDICARE

### ES POSIBLE QUE UN NUEVO BENEFICIO ESTE A LA DISPOSICION PARA USTED - *SEGURO DE HOSPITALIZACION* DE MEDICARE

Hay un nuevo beneficio que se ofrece bajo el programa de Medicare que posiblemente usted quiera tener. De acuerdo a un nuevo ordenamiento, si usted quiere tener Seguro de Hospitalización (Porción A), es posible que nosotros podamos comprarlo por usted y pagar las primas del seguro, los deducibles, y el seguro copartícipe. Ya estamos pagando su Seguro de Hospitalización de Medicare (Porción B), que cubre servicios que usted reciba de doctores, y otros artículos y servicios médicos. Sin embargo, antes de que podamos pagar la Porción A de su Seguro de Hospitalización, usted tendrá que ser un "Beneficiario Aprobado de Medicare".

### ¿POR QUE DEBE INSCRIBIRSE EN EL SEGURO DE HOSPITALIZACION?

Al tener *Seguro de Hospitalización*, usted posiblemente pueda tener una mayor selección de hospitales donde usted pueda recibir cuidado médico dependiendo del área donde viva. El *Seguro de Hospitalización* de Medicare posiblemente le proporcione beneficios un poco diferentes que los ofrecidos por el programa de Medi-Cal.

### ¿QUE SUCEDE SI USTED NO QUIERE SER UN BENEFICIARIO APROBADO DE MEDICARE?

Si usted no quiere inscribirse, continuaremos pagando la Porción B del *Seguro de Hospitalización* de Medicare, seguro copartícipe y deducible y los beneficios normales de Medi-Cal continuarán a menos que usted ya no llene los requisitos de elegibilidad del programa de Medi-Cal. Aún seguirá teniendo cobertura para todo el cuidado médico necesario incluyendo hospitalización total.

### ¿QUIEN PUEDE SER UN "BENEFICIARIO APROBADO DE MEDICARE"?

Para poder ser un Beneficiario Aprobado de Medicare:

1. Sus ingresos deben estar, o ser menos que el límite federal el cual es un porcentaje del nivel de pobreza de acuerdo al gobierno federal,
2. Sus bienes deben estar al nivel, o ser menos que el valor doble del límite de propiedad de Medi-Cal,
3. Debe llenar otros requisitos normales del programa de Medi-Cal tal como residencia legal,
4. Debe tener la Porción A del *Seguro de Hospitalización* de Medicare.

Si usted no tiene derecho a recibir *Seguro de Hospitalización* de Medicare gratuitamente, y debe pagar una prima mensual, nosotros pagaremos la prima por usted si llena los cuatro (4) requisitos que se describen arriba.

### LO QUE DEBE HACER PARA INSCRIBIRSE

Ya se ha determinado que usted es elegible para el primero, segundo y tercer requisitos porque sus ingresos y bienes están al nivel, o bajo el límite federal y usted llena otros requisitos para el programa de Medi-Cal. Si usted quiere ser un Beneficiario Aprobado de Medicare, el último paso necesario que usted tiene que hacer es firmar la forma SSA 795 que se adjunta y enviarla a más tardar el 31 de marzo:

Great Lakes Program Service Center  
P. O. BOX 5740  
Chicago, Illinois 60680

La Administración del Seguro Social nos informará cuando usted llene los requisitos para el *Seguro de Hospitalización*.

### **¿QUE SUCEDE SI USTED SE INSCRIBE EN EL SEGURO DE HOSPITALIZACION ?**

Si llena todos los requisitos será considerado como un Beneficiario Aprobado de Medicare y comenzaremos a pagar las primas, los deducibles y el seguro copartícipe del *Seguro de Hospitalización* de usted en julio. Usted recibirá los mismos beneficios Catastróficos de Medicare como los otros beneficiarios de Medicare, más la ventaja de que el programa de Medi-Cal pagará otros gastos de cobertura de la Porción A. Continuaremos pagando las primas, los deducibles y el seguro copartícipe de la Porción B del seguro médico de Medicare.

### **¿QUE SUCEDE SI USTED NO SE INSCRIBE A TIEMPO?**

Para inscribirse este año, debe enviar la forma que se adjunta a más tardar el 31 de marzo. Si no lo hace, debe esperar hasta enero, febrero o marzo del siguiente año cuando tendrá otra oportunidad de inscribirse en el *Seguro de Hospitalización*.

### **¿QUE SUCEDE SI USTED YA NO ES CONSIDERADO UN BENEFICIARIO APROBADO DE MEDICARE?.**

Si usted ya no es considerado un Beneficiario Aprobado de Medicare porque sus ingresos o bienes han aumentado, o no llena los otros requisitos de Medi-Cal, no podremos continuar pagando sus primas del *Seguro de Hospitalización*. Si desea conservar el *Seguro de Hospitalización* de Medicare, usted tendrá que pagar las primas por su cuenta.

### **¿QUE DEBE HACER SI LA INFORMACION CONTENIDA EN LA FORMA ESTA INCORRECTA?**

Si su nombre, o el número de su reclamo del seguro de hospitalización que aparecen en la forma están incorrectos, por favor haga los cambios con tinta en letra de imprenta y proceda a completar la forma y enviarla.

### **RECUPERACION DE FONDOS POR MEDI-CAL PROVENIENTES DE UN CAUDAL HEREDITARIO**

El estado puede recuperar pagos hechos por el programa de Medi-Cal por los beneficios que haya recibido un beneficiario después de cumplir 65 años de edad bajo ciertas condiciones después de la muerte de esta persona. La recuperación de fondos posiblemente pueda provenir del caudal hereditario o del heredero del beneficiario de Medi-Cal si esta persona, al morir, no tiene esposo(a), hijos menores de edad, o un hijo(a) totalmente incapacitado.

### **SI TIENE PREGUNTAS**

Si usted tiene preguntas, debe comunicarse o escribirle a su trabajador(a) de elegibilidad a su oficina local de bienestar para obtener más información.

Nombre y dirección

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SOLICITUD PARA INSCRIBIRSE EN EL PROGRAMA DE  
SEGURO DE HOSPITALIZACION DE MEDICARE

Nombre del beneficiario de Medicare

Número de reclamo de Medicare

Deseo inscribirme en el *Seguro de Hospitalización* de Medicare a base de pagos mensuales de las primas, el cual es aparte de la cobertura del seguro médico que actualmente tengo. Tengo entendido que el estado pagará las primas basándose en mi elegibilidad para Medicaid (Medi-Cal) como beneficiario aprobado de Medicare. También tengo entendido que si soy cancelado por Medi-Cal como beneficiario aprobado de Medicare, tendré que pagar las primas por mi cuenta para poder continuar con el *Seguro de Hospitalización* de Medicare.

Por favor firme, feche y envíe esta forma.

Firma

(Nombre, inicial y apellido)

Fecha

Envíe esta forma a:

Great Lakes Program Service Center  
P.O. Box 5740  
Chicago, IL 60680

**QUALIFIED MEDICARE BENEFICIARY(QMB)  
PROPERTY WORKSHEET  
ADULT  
(18 YEARS OF AGE AND OLDER OR MARRIED)**

NAME \_\_\_\_\_ CASE NUMBER \_\_\_\_\_ MONTH \_\_\_\_\_

**STEP I - REGULAR MEDI-CAL METHODOLOGY**

- A. Determine net nonexempt property in accordance with Article 9.
- B. Does family qualify under the regular Medi-Cal property rules and property limits?
  - Yes, stop here. QMB property requirement met.
  - No, proceed to step II.

**STEP II - QMB METHODOLOGY**

- A. Only consider the net nonexempt property of the QMB applicant (and spouse); do not consider the property of any other family members in the home.
- B. Net nonexempt property of QMB applicant (and spouse). \$ \_\_\_\_\_
- C. Property limit for one person (or two persons if there is a spouse). \$ \_\_\_\_\_
- D. Twice the property limit shown on line IIC. \$ \_\_\_\_\_
- E. Is line IIB less than or equal to line IID?
  - Yes, QMB property requirement met.
  - No, ineligible due to excess property.

\_\_\_\_\_  
Eligibility Worker Signature

\_\_\_\_\_  
Worker Number

## QUALIFIED MEDICARE BENEFICIARY PROPERTY WORKSHEET CHILD

NAME \_\_\_\_\_ CASE NUMBER \_\_\_\_\_ MONTH \_\_\_\_\_

**STEP I - REGULAR MEDI-CAL METHODOLOGY**

- A. Determine net nonexempt property in accordance with Article 9.
- B. Does family qualify under the regular Medi-Cal property rules and property limits?
  - Yes, stop here.
  - No, proceed to Step II.

**STEP II - QMB METHODOLOGY**

**A. Parental allocation (Includes stepparent)**

Only consider the net nonexempt property of the parent(s) in the home; do not consider the property of any other family members.

- |    |   |    |  |
|----|---|----|--|
| 1. | Parent(s)' net nonexempt property.  | \$ |  |
| 2. | Property limit for one person (if 2 parents, enter property limit for two persons). | \$ |  |
| 3. | Subtract line A2 from line A1 (enter 0 if negative). Total Allocation               | \$ |  |
| 4. | Divide line A3 by the # of QMB children in the home.                                |    |  |
|    | QMB Child's Share .....   | \$ |  |

**B. QMB child's and parent(s)'s resources**

- |    |   |    |  |
|----|---|----|--|
| 1. | Child's own net nonexempt property (as determined under Article 9).   | \$ |  |
| 2. | Enter child's share of property from parent(s) (line A4)  | \$ |  |
| 3. | Add line B1 and B2.   | \$ |  |
| 4. | Twice the property limit for one person.  | \$ |  |
| 5. | Is line B3 less than or equal to line B4?   |    |  |
|    | <input type="checkbox"/> Yes, QMB property requirement met.   |    |  |
|    | <input type="checkbox"/> No, ineligible due to excess property. If more than one QMB child in the home, proceed to Section C. |    |  |

**C More than one QMB child in the home**

- A. Follow these steps if the child in Section B above is ineligible for any reason, e.g., attainment of age 18 or due to excess property because the parental allocation when combined with the QMB child's own net nonexempt property exceeds twice the Medi-Cal property limit for one person.
- B. Take the amount of property deemed from the parent(s) (Line A3) and re-divide it among the remaining number of QMB children in the home (Line A4).
- C. Repeat Section B for each of the remaining QMB children in the home to determine if the combined amount of the child's share of parental net nonexempt property and the child's own net nonexempt property (Line B3) is within the allowable QMB property limit (Line B4).

\_\_\_\_\_  
Eligibility Worker Signature

\_\_\_\_\_  
Worker Number



## QUALIFIED MEDICARE BENEFICIARY (QMB) INCOME ELIGIBILITY WORKSHEET APPLICANT WITH AN INELIGIBLE SPOUSE, WITH OR WITHOUT CHILD(REN)

Case Name	County District	County Use
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New Application   
  Redetermination   
  Change in Income   
  Change in Circumstances

Effective Eligibility Date for this Budget  
MO. \_\_\_\_\_ Yr. \_\_\_\_\_

State Number					Name — First, Middle, Last	Birthdate Mo. Day Yr.	Sex	(1) Social Security No. and (2) Health Insurance Claim No. or Railroad Retirement No.	Other Coverage
Co.	Aid	7 Digit Serial No.	MFBU	Pers. No.					
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	
								(1) _____ (2) _____	

**I. INCOME OF POTENTIAL QMB INDIVIDUAL; COUPLE APPLYING AS AGED, BLIND, OR DISABLED & INCOME OF INELIGIBLE SPOUSE WITH(OUT) CHILD(REN).**

A. NONEXEMPT UNEARNED INCOME		II. ALLOCATION TO MINOR CHILD(REN) FROM THE INELIGIBLE SPOUSE. DO NOT ALLOCATE FROM THE APPLICANT(S); DO NOT INCLUDE QMB CHILD(REN), PA OR OTHER PA.			
		Child #1	Child #2	Child #3	Child #4
	a. QMB Applicant	b. Eligible or Ineligible Spouse	1. Name		
1. RSDI			2. Standard OMB Allocation		
2. Net Income from property			3. Ineligible minor child(ren) income (gross)		
3. Other—itemize			4. Remaining Allocation (2 minus 3)	a.	b. c. d.
4.			5. Total Allocation (add 4a., b., c., d.)	\$	
5. Total (add 1 thru 4)	a.	b.	Enter the amount on line 5, Sec. II on line 6b., Sec. I. A. only if the remaining income of the ineligible spouse exceeds the standard OMB allocation amount. Use section III. to make this determination.		
6. Allocation to ineligible child(ren) (Col. II, 5)			<b>III. INELIGIBLE SPOUSE INCOME EXEMPTION DETERMINATION (THIS SECTION USED FOR EVALUATION PURPOSES ONLY.)</b>		
7. Remainder (line 5b. minus 6b.)			1. Total Uneamed income (gross) (line 5b., Sec. I.)		
8. Combine Uneamed income (add 5a and 7b)	\$		2. Total Earned income (gross) (line 11, b., Sec. I.)		
9. Any income deduction	-\$20		3. Total (Add 1 and 2)	\$	
10. Countable Uneamed income (8 minus 9)	\$		4. Allocation to Children (line 5, Sec. II.)	\$	
<b>B. NONEXEMPT EARNED INCOME</b>			5. Remainder (subtract 4 from 3)	\$	
11. Gross Earned Income	a.	b.	(If line 5. is less than the current Standard OMB Allocation amount, this income is exempt, do not complete Section I. b.		
12. Unused portion of allocation to ineligible children			<b>IV. QMB ELIGIBILITY DETERMINATION</b>		
13. Remainder (11b minus 12b)			1. Total Countable Income (line 20, B. I, rounded)	\$	
14. Combined Earned Income (11a. plus 13b.)	\$		2. Current Poverty Level for _____	\$	
15. IRWE (Deduction of Potential OMB Individual Only)	—		(If line 1 is less than line 2, Individual or Couple QMB eligible)		
16. Remainder (subtract 15 from 14)	\$		<b>NOTE: IF THE INCOME OF THE SPOUSE IS USED, USE THE CURRENT POVERTY LEVEL FOR TWO. IF ONLY THE INCOME OF THE APPLICANT IS USED, USE THE CURRENT POVERTY LEVEL FOR ONE.</b>		
17. \$65 Earned Income ded. plus \$ _____ of unused \$20	—				
18. Remainder (17 minus 16)	\$				
19. Countable Earned Income (divide 18 by 1/2)	\$				
20. Total Countable Income (add 10 plus 19)	\$				

(enter this amount on line 1, IV)

Eligibility Worker Signature	Worker Number	Computation Date	County Use
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## QUALIFIED MEDICARE BENEFICIARY (QMB) INCOME ELIGIBILITY WORKSHEET CHILD APPLYING WITH OR WITHOUT INELIGIBLE PARENT(S) (DO NOT INCLUDE QMB PARENT(S), PA OR OTHER PA)

Case Name						County District	County Use	
<input type="checkbox"/> New Application <input type="checkbox"/> Redetermination <input type="checkbox"/> Change In Income <input type="checkbox"/> Change In Circumstances						Effective Eligibility Date for This Budget MO. Yr.		
State Number				Name — First, Middle, Last	Birthdate Mo. Day Yr.	Sex	(1) Social Security No. and (2) Health Insurance Claim No. or Railroad Retirement No.	Other Coverage
Co.	Aid	7 Digit Serial No.	Pers. No.					
							(1)..... (2).....	
							(1)..... (2).....	
							(1)..... (2).....	
							(1)..... (2).....	
							(1)..... (2).....	
							(1)..... (2).....	
							(1)..... (2).....	

<b>I. INELIGIBLE PARENT(S) INCOME OF POTENTIAL QMB CHILD APPLYING AS AGED, BLIND, OR DISABLED.</b>				<b>II. ALLOCATION TO MINOR CHILD(REN) FROM THE INELIGIBLE PARENT(S). DO NOT ALLOCATE FROM THE APPLICANT(S). DO NOT INCLUDE QMB CHILD(REN), PA OR OTHER PA.</b>			
<b>A. NONEXEMPT UNEARNED INCOME</b>				Child #1	Child #2	Child #3	Child #4
1. RSDI	Ineligible Parent(s)			1. Name			
2. Net Income from property				2. Standard QMB Allocation			
3. Other—itemize				3. Ineligible minor child(ren) income			
4.				4. Remaining allocation (2 minus 3)	a.	b.	c.
5. Total (add 1 thru 4)	\$			5. Total allocation (add 4a., b., c. & d.)			
6. Allocation to child(ren) (Col. II, 5)				(Enter the amount from line 6 on line 7, I.)			
7. Remaining income (line 5 minus line 6)	\$			<b>III. QMB CHILD COMPUTATION</b>			
8. Any income deduction	-\$20			1. Allocation from parent(s) (line 18, B., I., rounded)		\$	
9. Subtract parent deduction (2 times the parent deduction amount if there is earned income)				2. Add QMB child's own RSDI income		+\$	
10. Countable allocation (7 minus 8 & 9)	\$			3. Add other Unearned Income		+\$	
<b>B. NONEXEMPT EARNED INCOME</b>				4. Total Unearned Income (add 1 thru 3)		-\$	
11. Gross Earned Income				5. Subtract any income deduction		-\$20	
12. Unused portion of allocation to the children				6. Remainder (4 minus 5)		+\$	
13. \$65 Earned Income ded. plus \$ of unused \$20				7. Subtract I.R.W.E.		-\$	
14. Remainder	\$			8. Countable Unearned Income (6 minus 7)		\$	
15. Unused portion of parent deduction				9. Child(ren) Countable Earned Income		+	
16. Remainder	\$			10. Subtract \$65 Earned Income deduction			
17. Countable Earned Income (divide 16 by 2)	\$			11. Remainder (subtract 10 from 9)		\$	
18. Total Countable Income (add 10 & 17)	\$			12. Countable Earned Income (divide 11 by 1/2)		-\$	
If there is no income remaining, either earned or unearned, do not count toward applicant's income determination. Otherwise enter this amount on line 1, III.				13. Net Nonexempt Income (add 8 and 12)		\$	
* Individual parent deduction amount if any one parent lives with OMB child applicant, couple parent deduction amount if both parents live with the child.				14. Current percent of Poverty Level		\$	
				(If line 13 is less than line 14, the child is eligible for QMB)			

Egibility Worker Signature	Worker Number	Computation Date	County Use
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## QUALIFIED MEDICARE BENEFICIARY PROGRAM INFORMATION NOTICE

This notice is to help you decide whether to apply for the Qualified Medicare Program. People eligible for this program will have their Medicare expenses for Part A and Part B premiums, coinsurance and deductibles paid by the Medi-Cal program. You may apply for the *QMB* program at your local county department of social services.

There are four requirements which you must meet if you want to be a qualified Medicare beneficiary (*QMB*).

### HERE ARE THE FOUR REQUIREMENTS:

1. A *QMB* must be eligible for Medicare Part A (Hospital Insurance).
2. A *QMB* must have income which is equal to or less than \$469 if he/she is a single person or \$622 if he/she is married and living with a spouse.
3. A *QMB* must have property which is less than or equal to \$4000 if he/she is single or \$6000 if he/she is married and living with a spouse.
4. A *QMB* must meet certain other requirements and conditions which are part of the Medi-Cal program, such as being a California resident.

The following gives more information about the four *QMB* requirements.

#### **REQUIREMENT 1** A *QMB* must be eligible for Medicare Part A.

- I already have Part A Medicare Hospital Insurance.
- I do not have Part A Hospital Insurance but I understand I must apply for Part A at the Social Security Administration before March 31, 1990. I understand that I can make a "conditional application" for Part A so that I will only receive it if the premium is paid by the Medi-Cal program.
- I have already applied for Part A.
- I will apply before March 31, 1990.

#### **REQUIREMENT 2** A *QMB* who is not married or not living with a spouse must have countable income at or under \$469. A *QMB* living with a spouse must have countable income at or under \$622. These amounts are expected to increase sometime in March.

The following are examples of some types of income that count towards the *QMB* income limit. When a person applies to be a *QMB* at the county department of social services, the county will also look at other types of income and may treat the income differently from what is on this sheet. For example, if there is a minor child or children in the home, there may be deductions allowed which would reduce the amount of countable income.

Fill in the amounts to see if you are close to the limit.

**I. Fill in the MONTHLY amounts for the person who wants to be QMB**

- 1. Social Security check \$ \_\_\_\_\_
- 2. VA benefits \$ \_\_\_\_\_
- 3. Interest from bank accounts or certificates of deposits \$ \_\_\_\_\_
- 4. Retirement Income \$ \_\_\_\_\_
- 5. Any other Income \$ \_\_\_\_\_
- 6. Total - Add lines 1 through 5. \$ \_\_\_\_\_

**II. If you are married and living with your spouse, complete the following MONTHLY amounts for your spouse even if this spouse also wants to be a QMB.**

- 7. Social Security check \$ \_\_\_\_\_
- 8. VA benefits \$ \_\_\_\_\_
- 9. Interest from bank accounts or certificates of deposit \$ \_\_\_\_\_
- 10. Any other Income \$ \_\_\_\_\_
- 11. Retirement Income \$ \_\_\_\_\_
- 12. Total - Add lines 7 through 11. \$ \_\_\_\_\_

**III. Fill in the MONTHLY amounts for the person in I, and if married, the spouse in II.**

- 13. Gross earnings for the person who wants to be QMB \$ \_\_\_\_\_
- 14. Gross earnings for the Spouse \$ \_\_\_\_\_
- 15. Total - Add lines 13 and 14 \$ \_\_\_\_\_
- 16. Subtract \$65 -\$65
- 17. Remainder \$ \_\_\_\_\_
- 18. Divide by 2 \$ \_\_\_\_\_
- 19. Total - Add lines 6, 12, and 18 \$ \_\_\_\_\_

If you are not married, this amount cannot exceed \$469. If you are married and living with your spouse, this total cannot exceed \$622. However, if you have children or your spouse has low income this total may be higher.

**REQUIREMENT 3**

A QMB who is not married or not living with his/her spouse must have countable property which is or under \$4000. A QMB who is married and living with his/her spouse must have countable property at or under \$6000.

The following gives examples of property which counts. Important: The home you and/or a spouse live in does not count. One car used for transportation does not count. If you apply at the county welfare department as a QMB, the county may treat the property listed on this form differently. There are other types of property which will also be looked at by the county welfare department. This other property may or may not count towards the QMB property limit.

Fill in the value of the following property which belongs to you, your spouse, or both of you.

- 1. Checking accounts \$ .....
- 2. Savings accounts \$ .....
- 3. Certificates of Deposit \$ .....
- 4. Stocks \$ .....
- 5. Bonds \$ .....
- 6. A second car (value minus amounts owed) \$ .....
- 7. A second home (value minus amounts owed) \$ .....
- 8. The cash surrender value of life insurance policies if the face value of all policies combined exceeds \$1500. (Do not include "term" insurance policies) \$ .....
- 9. Total - Add lines 1 - 8. \$

This amount cannot exceed \$4000 for a single person or \$6000 for a couple.

**REQUIREMENT 4**

A QMB must meet certain other Medi-Cal conditions. For example, Medi-Cal benefits received by a beneficiary after age 65 are recoverable by the State after death under certain conditions. Recovery may be made from the estate or distributee/heir of the Medi-Cal beneficiary if the beneficiary does not leave a surviving spouse, minor children, or a totally disabled child.

**Additional Information**

For more information or if you wish to apply as a QMB, please call the number of your local department of social services, or call : 1-(800) 292-8919.

## CASELOAD MOVEMENT AND ACTIVITY REPORT QUALIFIED MEDICARE BENEFICIARIES (QMBS)

COUNTY	REPORT MONTH	YEAR
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**INTAKE ACTIVITY**

- 1. Application on hand, beginning of month ..... \_\_\_\_\_
- 2. New applications, reapplications, restorations, and transfers received during month ..... \_\_\_\_\_
- 3. Applications disposed of during month (a+b+c) ..... \_\_\_\_\_
  - a. Approvals ..... \_\_\_\_\_
  - b. Denials ..... \_\_\_\_\_
  - c. Withdrawals/Other ..... \_\_\_\_\_
- 4. Applications pending, end of month (1+2-3) ..... \_\_\_\_\_
- 5. Total intake dispositions (3) ..... \_\_\_\_\_

**CONTINUING ACTIVITY**

- 6. Approved cases, beginning of month ..... \_\_\_\_\_
- 7. Cases added during month (a+b) ..... \_\_\_\_\_
  - a. Cases added from intake (3a) ..... \_\_\_\_\_
  - b. Other approvals ..... \_\_\_\_\_
- 8. Total continuing cases (6+7) ..... \_\_\_\_\_
- 9. Cases discontinued or transferred out ..... \_\_\_\_\_
- 10. Approved cases carried forward to next month (8-9) ..... \_\_\_\_\_

**OTHER ACTIVITY**

- 11. Property Assessments for Institutionalized Persons ..... \_\_\_\_\_

Person to Contact Regarding This Report:	Telephone No.	Date Prepared
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QMB INITIAL PROCESSING

10/24/89

<u>General Public</u>	<u>County Contact</u>	<u>Verification</u>	<u>Action</u>
Part A with or without premium + Part B	Individual will contact after receiving Medicare newsletter	Medicare card or award letter, IEVS inquiry	County determines if QMB eligible  Send NOA
Part A only without premium	Individual will contact after receiving Medicare newsletter	Medicare card or award letter, IEVS inquiry	County reports QMB aid code 80 on MEDS if eligible for QMB-only or reports regular and QMB aid code if dually eligible.  County determines QMB eligibility  Send NOA
Part B only	Individual will contact	Medicare card or award letter, IEVS inquiry	County reports QMB aid code on MEDS if eligible for QMB-only or reports regular and QMB aid code if dually eligible.  County determines QMB eligibility except for Part A requirement.  Send NOA. If eligible, request beneficiary to contact SSA for "conditional"* eligibility. Report preapproved QMB status to MEDS using the QMB aid code and the ESAC of F. If dually eligible, also report regular aid code.

When Part A eligibility is  
established, MEDS will be changed

-----  
No Medicare benefits

Individual will contact

None

-----  
If age 65 or older including  
aged aliens with 5 year  
residency, county determines  
QMB eligibility. Send NOA.

If eligible, refer individual  
to SSA for "conditional" eligibility.  
Report preapproved QMB status to MEDS  
using QMB aid code and ESAC of F.  
If dually eligible, also report  
regular aid code.

When Part A eligibility is  
established, MEDS will show  
active status code. Send NOA.

Refer other individuals to SSA  
for verification of Medicare  
eligibility. When Part A eligibility  
is verified, (receipt for conditional  
Part A), county determines eligibility  
and reports preapproved QMB status to MEDS  
using QMB aid code and ESAC of F. Send NOA.

When Part A eligibility is established,  
MEDS will show active status code. Send NOA.

-----  
\* A conditional individual has been approved for Part A by SSA but will not be responsible for the premium.  
SSA will verify those individuals who have been approved for conditional Part A benefits.

The QMB aid code is 80

# SAMPLE CLAIM RECEIPT

NH 000-00-0000

SG-HCFA-18, PAGE 003

RECEIPT FOR YOUR CLAIM FOR SOCIAL SECURITY HOSPITAL INSURANCE BENEFITS

## QMB DETERMINATION NEEDED

NAME OF PERSON TO CONTACT  
ABOUT YOUR CLAIM: C. Repp

THE TELEPHONE NUMBER TO CALL IS: (415) 000-0000

YOUR APPLICATION FOR MEDICAL INSURANCE HAS BEEN RECEIVED AND WILL BE PROCESSED AS QUICKLY AS POSSIBLE.

YOU SHOULD HEAR FROM US WITHIN 10 DAYS AFTER YOU HAVE GIVEN US ALL THE INFORMATION WE REQUESTED. SOME CLAIMS MAY TAKE LONGER IF ADDITIONAL INFORMATION IS NEEDED.

IN THE MEANTIME, IF YOU CHANGE YOUR MAILING ADDRESS, YOU SHOULD REPORT THE CHANGE. ALWAYS GIVE US YOUR CLAIM NUMBER WHEN WRITING OR TELEPHONING ABOUT YOUR CLAIM. IF YOU HAVE ANY QUESTIONS ABOUT YOUR CLAIM, WE WILL BE GLAD TO HELP YOU.

CLAIMANT

SOCIAL SECURITY CLAIM NUMBER

JO DOE

000-00-0000M

SAMPLE

SOCIAL SECURITY ADMINISTRATION

Western Program Service Center  
Richmond, California 94802

A W A R D C E R T I F I C A T E

Date: November 2, 1989

Jo Doe  
123 Someplace Dr  
Anyplace CA 94732

Claim Number: 000-00-0000 M

You are entitled to medical insurance under Medicare beginning April 1989.

The State where you live will pay the premiums for your Medicare coverage beginning April 1989. You may receive a refund for some of the premiums you may have paid, if the State is responsible for paying them.

The benefits described in this letter are the only ones you can receive from Social Security. If you think that you might qualify for another kind of Social Security benefit in the future, you will have to file another application.

We will send your Medicare card in about 4 weeks. You should take this card with you when you need medical care. If you need medical care before you receive the card, use this letter as proof that you are covered by Medicare.

If you think we are wrong, you have the right to appeal. We will correct mistakes. We will look at any new facts you have. Then a person who did not make the first decision will decide your case again.

- o You have 60 days to ask for an appeal.
- o The 60 days start the day after you get this letter.
- o You will have to have a good reason for waiting more than 60 days to ask for an appeal.

The right to receive Social Security benefits carries with it certain responsibilities. They are explained in the booklet furnished you. Read this booklet carefully. Be sure you understand clearly what you can expect in benefits, and what is to be expected of you. If you have questions about your claim, you may get in touch with any Social Security office. Most questions can be handled by telephone or mail. If you visit an office, however, please take this notice with you.

Trevor Evans-Young  
Director

MO7111/ms

KEEP AS A PERMANENT RECORD--DO NOT DESTROY