

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320



August 6, 1990

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 90-73

SUBJECT: QUALIFIED MEDICARE BENEFICIARY (QMB) PROGRAM BUY-IN PROBLEMS

RE: ACWDL 89-116, 89-118, 90-02, 90-29

This letter will bring to your attention problems identified while attempting to Buy-In for the approximately 25,000 QMB eligibles currently identified on MEDS. The problems stated below refer to both QMB-only and dually eligible QMBs, unless otherwise stated.

Problem #1

MEDS shows a beneficiary in active QMB status. The beneficiary is now receiving a Medi-Cal card with a Medicare indicator of "3" indicating he/she is eligible for and receiving both Medicare Part A and Part B benefits. However, the Medicare indicator on MEDS shows a "7" for Part A eligibility, meaning presumed eligible.

Discussion

Due to systems problems with the BENDEX files when implementing the QMB program, Part A eligibility was not indicated for all beneficiaries. We have attempted to correct this problem by updating MEDS with additional BENDEX information, but the record may not have updated if the Health Insurance Claim Number (HIC#) was not present. If your case file indicates the beneficiary is entitled to and is receiving Part A benefits, but MEDS does not reflect this fact, complete a HAS 8 or DHS 6166 (Buy-In Problem Report Form) and send it to the Medicare Buy-In Unit. If your case file does not indicate Part A eligibility, change the active QMB status to pending status. Counties should refer to Part A verification instructions in ACWDL 90-02, page 6.

We have enclosed a sample of a Medicare card (Enclosure #1) which contains a claim or HIC# and a statement of entitlement to Hospital Insurance ("HI") for Part A and Supplemental Medical Insurance ("SMI") for Part B coverage. The Medicare card, if available, should be used for confirmation of Part A entitlement.

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Problem #2

The Department of Health Services (DHS) Medicare Buy-In Unit has identified a number of QMB beneficiaries who do not have a valid HIC# on their MEDS record.

Discussion

DHS was informed by the Social Security Administration (SSA) that we cannot Buy-In for Part A Medicare without a valid HIC#. If we are paying the beneficiary's Part B Medicare premiums, through the regular Buy-In process, we can attempt to Buy-In for Part A Medicare benefits by using the Part B HIC#. However, when no HIC# is reported for a QMB, and Part B Buy-In has not been accomplished, it is impossible to Buy-In for Part A. (See Problem 8 for the definition of a valid HIC#).

At a future date, Buy-In will send worker alerts to the counties stating Buy-In for Part A eligibility did not occur. Until that time, do not send a transaction to MEDS indicating an individual is in active QMB status without a valid HIC#.

One of the conditions of QMB eligibility is our ability to Buy-In for Part A and Part B benefits. We are unable to Buy-In for Part A without a valid HIC#. We therefore urge you at the earliest date to either put a HIC# on the MEDS record or place the record in pending status and refer the beneficiary to SSA.

Problem #3

The Buy-In Unit has identified a number of QMB beneficiaries whose MEDS records indicate a pseudo social security number (SSN). To compound the Buy-In problem, these records do not have HIC#s.

Discussion

SSA will not accept a pseudo SSN as verification of Medicare entitlement. To verify Medicare entitlement, SSA must review an individual's wage earnings and the number of quarters worked. SSA is unable to do this with a pseudo SSN. MEDS will accept a pseudo SSN for a QMB record because there are situations where a beneficiary is having temporary problems with his/her SSN. If a valid HIC# is not on the record, the QMB portion of the case should be placed in pending status until the problem is resolved. Once a valid SSN can be associated with the case, the QMB portion of the case can be reactivated.

Problem #4

The SSA has returned approximately 200 SSA 795 Part A enrollment forms to DHS because they were unable to identify the individuals from the information on the form.

Discussion

DHS attempted to correct the information on these forms using MEDS. However, if additional information is needed from the applicant, we will return the SSA 795 forms to your county. SSA indicated they will accept these returned forms, if we promptly provide the corrected information. These forms have been sent to you under separate cover with instructions on how to complete the forms and where to return them.

Problem #5

The current net nonexempt income for a QMB individual is \$471 (90% of the federal poverty level) plus the \$20 any income disregard for Aged, Blind, or Disabled (ABD). We have noted some dually eligible ABD individuals (not SSI recipients), who are in LTC without a spouse or child at home, have income which exceeds the income limit. It appears they would be ineligible as QMBs, according to QMB regulations.

Discussion

Counties should review QMB income and property instructions, as stated in ACWDLs 90-02 and 90-29, with their staff to prevent future problems. Some counties have already been contacted about this problem. We will continue to notify counties about individual cases as they arise.

Problem #6

There are cases where the Medi-Cal portion of deceased dually eligible beneficiaries were discontinued using the term reason "01" or death, however the QMB Special Program Segment is still in active status, and the estate is receiving QMB only cards.

Discussion

Counties should review ACWDL 89-116 which states, in part, "the county will have to use a separate transaction to terminate the QMB case", if the beneficiary is dually eligible and loses his/her regular Medi-Cal eligibility.

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Problem #7

Some limited services individuals (aid code 58) have requested QMB benefits. However, counties are not able to report the QMB aid code (80) to MEDS.

Discussion

At the present time, a Buy-In transaction cannot be processed for limited service individuals. The Buy-In Unit is requesting clarification from the Health Care Financing Administration (HCFA) on how to process these cases. Once we receive clarification, we will be able to tell you whether or not these individuals would be eligible for the QMB program.

Problem #8

What is a valid HIC#?

Discussion

A valid HIC# is a SSN followed by a suffix of either one letter or one letter plus a number; or a railroad retirement number (RR#) which is six or nine numbers in length, preceded by a one-to-three letter prefix (see Enclosure 2 for HIC# suffixes and prefixes).

If you have further questions, please contact Marge Buzdas (Policy) at (916) 324-4972, Michele White (Systems) at 916-445-2043, or Jo Monday (Buy-In Unit) at (916) 739-3208.

Sincerely,



ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: August 6, 1991

| Health  Insurance | |
|--|--------------------------|
| SOCIAL SECURITY ACT | |
| NAME OF BENEFICIARY ARTHUR L. RICHARDS | |
| CLAIM NUMBER 506-07-0305-A | SEX MALE |
| IS ENTITLED TO HOSPITAL INSURANCE | EFFECTIVE DATE 7-1-66 |
| MEDICAL INSURANCE | 7-1-66 |
| SIGN HERE  | |

1. Carry your card with you when you are away from home.
2. Let your hospital or doctor see your card when you require hospital, medical or health services under "Medicare."
3. Get in touch with your social security office if you have questions about your rights under "Medicare."
4. Your card is good wherever you live in the United States.

WARNING: Issued for the sole use of the holder designated hereon. Intentional misuse of this card is unlawful and will make the offender liable to penalty.

PROPERTY OF UNITED STATES GOVERNMENT.
IF FOUND DROP IN NEAREST U.S. MAIL BOX.

Return To: SOCIAL SECURITY ADMINISTRATION
Baltimore, Maryland 21235

FORM SSA-1966 (7-66)

TABLE OF BENEFICIARY IDENTIFICATION CODES

| | 1st Claimant | 2nd Claimant | 3rd Claimant | 4th Claimant | 5th Claimant |
|--|---|-----------------|-----------------|-----------------|-----------------|
| Wage earner | A | | | | |
| Wife age 62 or older | B | B3 | B8 | BA | BD |
| Wife under age 62 | B2 | B5 | B7 | BK | BL |
| Divorced Wife | B6 | B9 | BN | BP | BQ |
| Young Husband | BY | BW | | | |
| Child (including disabled or student child) | C (Oldest child will have highest subscript; subscripts will descend to C1 for youngest child. If there are more than nine children, there will be an alphabetic subscript beginning with CA for the 10th child.) | | | | |
| Widow age 60 or older | D | D2 | D8 | DD | DG |
| Widow remarried after age 60 | D4 | D9 | DA | DL | DN |
| Surviving divorced wife | D6 | D7 | DV | DW | DY |
| Surviving divorced husband | DC | DM | DS | DX | DZ |
| Mother | E | E2 | E7 | E8 | EA |
| Surviving divorced mother | E1 | E3 | EB | EC | ED |
| Husband age 62 or older | B1 | B4 | BG | BH | BJ |
| Divorced husband | BR | BT | | | |
| Widower age 60 or older | D1 | D3 | DH | DJ | DK |
| Widower remarried | D5 | DP | DQ | DR | DT |
| Widowed father | E4 | E6 | EF | EG | EH |
| Surviving divorced father | E5 | E9 | EJ | EK | EM |
| Father | F1 | F7 | | | |
| Mother | F2 | F8 | | | |
| Stepfather | F3 | | | | |
| Stepmother | F4 | | | | |
| Adopting father | F5 | | | | |
| Adopting mother | F6 | | | | |
| Entitled to HIB* (less than 3 QCs)** | J1 | | | | |
| Entitled to HIB* (3 QCs or more)** | J2 | | | | |
| Not entitled to HIB* (less than 3 QCs)** | J3 | | | | |
| Not entitled to HIB* (3 QCs or more)** | J4 | | | | |
| Wife entitled to HIB* (less than 3 QCs)** | K1 | K5 | K9 | KD | KH |
| Wife entitled to HIB* (3 QCs or more)** | K2 | K6 | KA | KE | KJ |
| Wife not entitled to HIB* (less than 3 QCs)** | K3 | K7 | KB | KF | KL |
| Wife not entitled to HIB* (3 QCs or more)** | K4 | K8 | KC | KG | KM |
| Black Lung miner | LM | | | | |
| Black Lung miner's widow | LW | | | | |
| Uninsured (not entitled to HIB,* qualified for SMIB)*** | M | | | | |
| Insured (qualified for HIB,* but requested only SMIB)*** | M1 | | | | |
| Uninsured (entitled to HIB* under deemed insured provision) | T | | | | |
| Disabled widow | W | W2 | W4 | W9 | WF |
| Disabled widower | W1 | W3 | W5 | WB | WG |
| Disabled surviving divorced wife | W6 | W7 | W8 | WC | WJ |
| Disabled surviving divorced husband | WR | WT | | | |

*HIB — Hospital Insurance Benefits

**QC — quarters of coverage for Title II

***SMIB — Supplementary Medical Insurance

**TABLE OF BENEFICIARY IDENTIFICATION CODES FOR
MEDICARE QUALIFIED FEDERAL EMPLOYEES (MQFE)**

| | 1st Claimant | 2nd Claimant | 3rd Claimant | 4th Claimant | 5th Claimant |
|---|-----------------|-------------------------------|-----------------|-----------------|-----------------|
| Number Holder (Primary) | TA | | | | |
| ESRD Wife* | TB | TG | TH | TJ | TK |
| ESRD Husband* | TB | TG | | | |
| Aged Wife | TB | TG | TH | TJ | TK |
| Aged Husband | TB | TG | TH | TJ | TK |
| Divorced Wife | TB | TG | TH | TJ | TK |
| Divorced Husband | TB | TG | | | |
| ESRD Widow* | TE | TR | TS | TT | TU |
| ESRD Widower* | TE | TR | TS | TT | TU |
| Surviving Divorced ESRD Wife* | TE | TR | TS | TT | TU |
| Surviving Divorced ESRD Husband* | TE | TR | TS | TT | TU |
| Aged Widow | TD | TL | TM | TN | TP |
| Aged Widower | TD | TL | TM | TN | TP |
| Remarried Widow | TD | TL | TM | TN | TP |
| Remarried Widower | TD | TL | TM | TN | TP |
| Surviving Divorced Aged Wife | TD | TL | TM | TN | TP |
| Surviving Divorced Aged Husband | TD | TL | TM | TN | TP |
| Father | TF | TF | | | |
| Mother | TQ | TQ | | | |
| Stepfather | TF | | | | |
| Stepmother | TQ | | | | |
| Adopting Father | TF | | | | |
| Adopting Mother | TQ | | | | |
| Child (Disabled/ESRD)* | TC | (Additional Children T2 - T9) | | | |
| Disabled Widow | TW | TX | TY | TZ | TV |
| Disabled Widower | TW | TX | TY | TZ | TV |
| Disabled Surviving Divorced Wife | TW | TX | TY | TZ | TV |
| Disabled Surviving Divorced Husband | TW | TX | | | |

*End stage renal disease claimant under age 65.

TABLE OF RAILROAD RETIREMENT BOARD PREFIXES AND EQUIVALENT SSA BICS

| RRB Claim Prefix | SSA BIC | Type RRB Beneficiary |
|------------------|---------|--|
| A | 10 | Retirement — employee or annuitant |
| H | 80 | RR pensioner (age or disability) |
| MA | 14 | Spouse of RR employee or annuitant (husband or wife) |
| MH | 84 | Spouse of RR pensioner |
| WCD* | 43 | Child of RR employee |
| WCA* | 13 | Child of RR annuitant |
| CA | 17 | Disabled adult child of RR annuitant |
| WD | 46 | Widow or widower of an RR employee |
| WA | 16 | Widow or widower of an RR annuitant |
| WH | 86 | Widow or widower of an RR pensioner |
| WCD* | 43 | Widow of employee with a child in her care |
| WCA* | 13 | Widow of annuitant with a child in her care |
| WCH | 83 | Widow of pensioner with a child in her care |
| PD | 45 | Parent of RR employee |
| PA | 15 | Parent of RR annuitant |
| PH | 85 | Parent of RR pensioner |
| JA | 11 | Survivor joint annuitant (an annuitant who has taken a reduced amount to guarantee payments to a surviving spouse) |

*WCD and WCA have two designations each.

Railroad Retirement Board numbers are either a six or nine digit number with an alphabetic prefix of one-to-three letters.

For reporting purposes the second and third position of the RR number must contain a letter or be left blank. i.e.;

A 706306

MA 706306

WCA 706306