

I. PURPOSE

The purpose of this Administrative Directive is to notify local social services districts of:

- 1) the new income standards to be used when determining eligibility under the Buy-In provisions of the Medical Assistance Program.
- 2) the new effective dates of eligibility under the Buy-In provisions of the Medical Assistance Program.

II. BACKGROUND

The Medicare Catastrophic Coverage Act of 1988 (MCCA) provided in part for the coverage of Medicare Part A and Part B premiums, deductibles and coinsurance amounts for Qualified Medicare Beneficiaries (QMBs) under the Medicaid Program. Prior to enactment of MCCA, a more limited group of Medicare - eligible ADC and SSI recipients had their Medicare premiums paid through the Buy-In System. Provisions of MCCA allowed an increased number of recipients to gain Buy-In eligibility.

In 89 ADM-7 local districts were advised in Section IV.C.1.c that MA coverage could be authorized for periods retroactive to January 1, 1989 for otherwise eligible persons. This policy is no longer applicable for new MA-Only cases.

Effective July 1, 1989 retroactive coverage must no longer be authorized for new A/Rs of the Medicare Buy-In Program. For persons determined eligible under the requirements of the Medicare Buy-In Program, MA coverage is limited to the beginning of the month following the month of the eligibility determination.

See 89 ADM-7 for additional information on QMBs.

III. PROGRAM IMPLICATIONS

Local social services districts are required to use SSI budgeting methodologies to determine eligibility for QMBs. Effective July 1, 1989:

- 1) the current income standards are increased to reflect a cost of living adjustment. These new income standards must be used to establish the eligibility or continuing eligibility for coverage under the Medicare Buy-In provisions.
- 2) the effective date of benefits for all persons applying on or after July 1, 1989 is the first of the month following the month in which the individual is determined eligible as a QMB. This change has no effect on the three-month retroactive provisions for benefits under the Medical Assistance Program.

IV. REQUIRED ACTIONA. Income Standards

Effective July 1, 1989, local social services districts shall use the following income standards when determining the eligibility of QMBs under the Medicare Buy-In provisions.

<u>Household Size</u>	<u>Annual</u>	<u>Monthly</u>
1	\$5,980	\$499
2	8,020	669

The resource standards remain at \$4,000 for a household of one and \$6,000 for households of two.

B. Effective Date of QMB Eligibility1. New Cases (On or after July 1, 1989)

Effective July 1, 1989, the effective date of eligibility for all persons applying for benefits under the Medicare Buy-In Program is the beginning of the month after the month in which the local district determines that the applicant is a QMB. For example, if an applicant applies on July 15 and the district determines QMB eligibility on August 15, benefits under this provision are effective September 1. Although retroactive benefits are not available under the Medicare Buy-In Program, QMB individuals who also qualify under standards of the Medical Assistance Program are, if otherwise eligible, entitled to the three-month retroactive MA coverage.

2. Active Cases

As provided for in 89 ADM-7, Buy-In eligibility will continue to be evaluated when active cases are recertified. The entire Medicaid caseload review should be completed by February 1990 since the program was initially implemented in March 1989.

V. SYSTEMS IMPLICATIONSMBL

Effective 5/8/89, MBL program changes were made to support the new income amounts when an EFFECTIVE FROM DATE of 7/1/89 or later is entered. (MBL Transmittal 89-2, dated 4/26/89).

VI. EFFECTIVE DATE

The provisions of this Administrative Directive are effective July 1, 1989.

Jo-Ann A. Costantino
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Division of Medical Assistance