TO:    DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
       ASSISTANT DIRECTORS OF ADMINISTRATION / FINANCE
       OFFICERS, DEPUTY / ASSISTANT DIRECTORS FOR FAMILY
       INVESTMENT, FAMILY INVESTMENT SUPERVISORS AND
       ELIGIBILITY STAFF

FROM:  KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR, FIA
        DEBBIE RUPPERT, EXECUTIVE DIRECTOR, DHMH/OES

RE:    NEW QMB/SLMB RESOURCE STANDARDS

PROGRAM AFFECTED:  MEDICAL ASSISTANCE

ORIGINATING OFFICE:  OFFICE OF ELIGIBILITY SERVICES

SUMMARY:
The Medicare Improvement for Patients and Providers Act (MIPPA) mandated changes
 to match the resource limits for individuals eligible for the full Low-Income subsidy (LIS)
 program benefits under Medicare Part D with those allowed for individuals who are also
 eligible for medical assistance eligibility under the QMB/SLMB Program.  (See 2010
 Income/Assets Guidelines chart, and revised QMB/SLMB application, attached.)

Effective January 1, 2010, resource limit amounts for QMB/SLMB Program increased
to $8100 for an individual and $12,910 for a couple (includes a standard $1500 burial
credit).  In addition, the cash value of life insurance is disregarded.

ACTION REQUIRED:

A.  Processing QMB/SLMB-Only applications or redeterminations:

   Until CARES can be reprogrammed with the new asset standards, use the following
   special procedure for coverage groups S03, S07, and S14:

   •  Calculate all countable assets (excluding life insurance) off-line using the
      attached QMB/SLMB Resource Worksheet.

   •  If the assets are within the new asset standard ($8,100 individual, $12,910
couple), enter into CARES only the portion of the asset amount, excluding any
life insurance value, that is at or below the old standard ($4,000 individual, $6,000 couple). Include the full amount, with explanation, in narration. Add the following text to the notice to the customer:

YOUR TOTAL RESOURCES, $------------, ARE WITHIN THE CURRENT STANDARD. FOR TECHNICAL REASONS, THE TEXT OF THIS APPROVAL NOTICE MENTIONS ONLY THE PORTION OF YOUR ASSETS THAT IS AT OR BELOW THE PRIOR STANDARD.

- If assets (excluding life insurance) are greater than the new standard ($8100 individual, $12,910 couple), enter the actual amount so that CARES will deny for over scale assets. You must over ride the system-generated notice and send the attached “Explanation of Ineligibility Due to Excess Resources” letter.

Until CARES can be reprogrammed to eliminate the former limit on cash value of life insurance:

- For QMB/SLMB cases only, do not enter life insurance policy information on CARES. Enter the life insurance policy information on the QMB/SLMB Resource Worksheet and narrate the information on CARES.
- At redetermination, remember to eliminate the life insurance value before assets are calculated.

B. Processing an application for Aged, Blind, and Disabled (ABD) and QMB/SLMB:

- If an application is received for ABD and the customer is Medicare eligible, pend the application in the following two coverage groups: 1) S98 ABD coverage group and 2) S03 QMB/SLMB coverage group.
- Process the S98 ABD case first with the correct asset and life insurance information entered on CARES to allow the correct eligibility determination and CARES notices to generate.
- If the S98 case is denied for over scale assets, remove the asset and life insurance information and then process the S03 case using the “QMB/SLMB-Only applications or redeterminations” process, as outlined above.
- If the S98 case goes into spend down, leave all asset information entered and process the S03 case. (Because the asset limit for ABD is much lower than the prior QMB/SLMB asset limit, these fields will not need to be changed.)

REMINDER: PLEASE NARRATE.
INQUIRIES:

Please direct Medical Assistance policy questions to the DHMH Division of Eligibility Policy at 410-767-1463 or 1-800-492-5231 (select option 2 and request extension 1463), Medicare Buy-In Program questions to (410) 767-5376 or 1-800-638-3403; and CARES questions to 410-238-1363.

cc: DHMH Executive Staff, DHR Executive Staff
    FIA Management Staff, DHMH Management Staff
    Constituent Services, DHR Help Desk