



State of California—Health and Human Services Agency
Department of Health Services



ARNOLD SCHWARZENEGGER
Governor

November 16, 2006

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 06-35
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM/SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL QMB/SLMB/QI COUNTY COORDINATORS

SUBJECT: THE 2007 MEDICARE PREMIUMS AND SUPPLEMENTAL SECURITY INCOME STANDARD AND PARENT ALLOCATIONS FOR THE QUALIFIED MEDICARE BENEFICIARY/SPECIFIED LOW-INCOME MEDICARE BENEFICIARY/QUALIFYING INDIVIDUALS-1 AND OTHER PROGRAMS

Reference: All County Welfare Directors Letter Nos. 99-73, 00-65, 01-02-56, 03-57, 04-39, 05-38

This letter is to inform you of the 2007 Supplemental Security Income Standard Allocation and the Parental Allocation amounts to be used in various programs, such as the 250 Percent Working Disabled and Qualified Medicare Beneficiary/Specified Low-Income Medicare Beneficiary/Qualifying Individuals-1 (QMB/SLMB/QI-1) programs.

These allocations are based on the annual federal benefit rate (FBR) which is based on the Cost of Living Adjustment (COLA). The Standard Allocation increased from \$301 to \$311 (the couple FBR minus the individual FBR). The Parent Allocation in 2007 is determined as follows:

When there is earned, unearned income, or a combination of income:

- The parent allocation (if one ineligible parent lives with a child) is \$623 (for an individual); and
- The parent allocation (if both ineligible parents live with a child) is \$924 (for a couple).

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The 2007 Medicare Part A premium will rise to \$410 for persons who do not receive Medicare Part A free. The reduced Medicare Part A premium will increase to \$226 for persons with 30-39 quarters of Medicare covered employment. Both have a ten percent penalty for late enrollment.

The Part A deductible will be \$992 (for benefit period) for the first 60 days of inpatient care and \$248 a day for the 61st through 90th day. For days 91 through 150, the deductible will be \$496. The skilled nursing facility deductible is \$124.00 a day for the 21st through 100th day (there is no deductible for day 1 through 20).

The 2007 Medicare Part B premium will be \$93.50. The annual deductible will increase to \$131.

Disregard the Title II COLA for all programs where eligibility is based on the federal poverty level (FPL) until the new FPLs are in effect on April 1, 2007. These programs include the Income Disregard program, 133 Percent and 100 Percent programs for children, the 250 Percent Working Disabled program, the 1931(b) program, the Aged and Disabled FPL program, the QMB/SLMB/QI-1, and the Qualified Working Disabled programs.

If you have any questions regarding this letter, please call Debra Hader at (916) 552-9494 or e-mail dhader@dhs.ca.gov.

Original signed by

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Medi-Cal Eligibility Branch