



**State of New Jersey**

**DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

ADMINISTRATIVE OFFICES  
QUAKERBRIDGE PLAZA—BUILDING 5 & 7 & 12  
QUAKERBRIDGE ROAD  
TRENTON, NEW JERSEY 08619

ADDRESS REPLY TO:  
CN-712  
TRENTON, NEW JERSEY 08625

**MEDICAID COMMUNICATION NO: 89-18**

**Date: June 7, 1989**

**TO:** County Welfare Agency Directors

**SUBJECT:** Qualified Medicare Beneficiaries

As you may know, the Medicare Catastrophic Coverage Act of 1988 created a new required class of Medicaid eligibles, specifically, Qualified Medicare Beneficiaries (QMBs). Eligibility for QMB coverage is limited to persons whose income is below 100 percent of the federal poverty guidelines, whose resources are below standards applicable in medically needy, and who are enrolled in Medicare Part A. QMBs are entitled to Medicaid coverage for the cost of their Medicare coinsurance and deductible charges (subject to normal Medicaid reimbursement policy) as well as Medicare Part B premiums. Additionally, for persons who meet QMB criteria and, because of the lack of insured status, must pay their own Medicare Part A premiums, Medicaid will cover the premiums through a new buy-in process.

Because the QMB eligibility criteria is, with the exception of the Medicare Part A enrollment requirement, identical to that under New Jersey Care...Special Medicaid Programs and the QMB service package is more limited (with the exception of Medicare Part A buy-in) than that of New Jersey Care, persons meeting the criteria will be dually entitled for both QMB coverage and New Jersey Care.

Therefore, there is no special case processing required. Persons contacting the CWA expressing interest in QMB coverage shall be processed as any aged, blind, or disabled applicant for New Jersey Care. Those persons referred to your agency who are already in receipt of Medicaid through SSI should be advised that their existing Medicaid coverage provides all QMB services. Those SSI recipients who are paying their own Medicare Part A premiums should be advised of the Part A buy-in as discussed below.

Persons who qualify as QMB and who inquire at the CWA about Medicare Part A coverage should be referred to Social Security for enrollment. In order to qualify for enrollment, the individual must be age 65 or older and a resident of the United States for the last five years. For those who failed to do so in their initial enrollment period (on or about their 65th birthday), enrollment is only available from January through March of each

calendar year. For those already enrolled, premiums (Part B and Part A where applicable) will be processed as part of the existing buy-in system. Accordingly, all aged, blind, and disabled cases who self-pay their Medicare Part A premium will be automatically evaluated for entitlement for Part A premium buy-in. The CWA shall advise QMB eligible individuals that are currently paying their own Medicare Part A premiums that they will be responsible for paying those premiums until Medicaid buy-in begins. Likewise, they should also be advised that, should they lose Medicaid eligibility for any reason, they again would be responsible for premium payments.

The systems modifications for Medicare Part A buy-in are not yet in place. The required changes are expected to be completed so that the actual buy-in of premiums will begin September 1, 1989. For any person self-paying his or her Part A premium and who has been QMB eligible in preceeding months, the system will automatically apply the buy-in for those earlier months. Such individuals will subsequently receive reimbursement from the Social Security Administration for those months for which the buy-in was effective.

The Social Security Administration has advised that they intend to outreach potential QMB eligibles via the mailing of a letter (text enclosed). This mailing, which will go to all Social Security beneficiaries whose Social Security benefits are below the poverty level and who are Medicare Part A entitled, is expected to occur on or about July 15, 1989. Because Social Security does not have information concerning other income of these persons, we expect that this mailing will result in a significant number of persons contacting your agency who are not eligible for coverage.

Any questions concerning this QMB coverage may be referred to the field service staff assigned to your county.

Sincerely,



Thomas M. Russo, Director  
Division of Medical Assistance  
and Health Services

TMR:PHd

Attachment

cc: Marion E. Reitz, Director  
Division of Public Welfare

William Waldman, Director  
Division of Youth and Family Services

Attachment  
Medicaid Communication No: 89-18  
June 7, 1989

**AN IMPORTANT MESSAGE FROM MEDICARE**  
**YOU MAY QUALIFY FOR A NEW BENEFIT**

Dear Medicare Enrollee:

If you can answer yes to the following two questions, you may qualify for a new benefit.

Will your 1989 income be near or below \$498 per month (\$668 for a family of two)?

Do you have limited assets?

If you think you can answer yes to both questions, you MAY qualify for the new benefit. This benefit will pay for your monthly Medicare premium. In some cases, this benefit can also help pay your share of other costs under Medicare.

Note: If you already receive Medicaid, these benefits are covered by that program. Additionally, certain individuals who currently pay premiums for Medicare hospital insurance (Part A) will have those premiums automatically paid by Medicaid. You need not take any action to receive these benefits

If you think you qualify for these new benefits and are not already on Medicaid, you should contact your county welfare agency/board of social services. The address and telephone number are in your telephone directory.

(New Jersey resident)