



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. 89-28

DATE: January 4, 1990

TO: County Welfare Agency Directors

SUBJECT: Spousal Impoverishment and Qualified Medicare Beneficiary Coverage

As you were advised in Medicaid Communication No. 89-22, the federal legislative basis for the spousal impoverishment provisions, which were implemented October 1, 1989, were contained in the Medicare Catastrophic Coverage Act of 1988 (MCCA). Likewise, the statutory provisions requiring coverage for Qualified Medicare Beneficiaries (see Medicaid Communication No. 89-18) were also originally part of MCCA. Because of recent press reports resulting from actions by the Senate and the House of Representatives to repeal MCCA, the Division has received numerous inquiries regarding the continued applicability of the spousal impoverishment provisions as well as those relating to Qualified Medicare Beneficiaries.

This is to advise that, based on information received by the Division, the Medicare Catastrophic Coverage Repeal Act of 1989 (P.L. 101-234) repealed the expanded hospital, nursing home, and prescription drug provisions of MCCA. Likewise the income tax surcharge that was to have funded the original act's provisions will be eliminated. However, the bill leaves intact the provisions relating to both spousal impoverishment and Qualified Medicare Beneficiaries. Because these two areas remain unaffected, CWAs are instructed to continue to apply those policies previously received.

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

Sincerely,


Saul M. Kilstein
Director

SMK:RHh

cc: Marion E. Reitz, Director
Division of Economic Assistance

Nicholas Scalera, Acting Director
Division of Youth and Family Services