

TO: Local District Commissioners, Medicaid Directors

FROM: Judith Arnold, Director
Division of Coverage and Enrollment

SUBJECT: Elimination of the Asset Test for the QMB and SLIMB Programs

EFFECTIVE DATE: Immediately

CONTACT PERSON: Local District Liaison:
Upstate: (518)474-8887 NYC: (212)417-4500

The purpose of this GIS is to inform local departments of social services that recent State legislation has eliminated the asset test for the Qualified Medicare Beneficiary Program (QMB) and the Specified Low Income Medicare Beneficiary Program (SLIMB), April 1, 2008. For applications that include a period of coverage prior to April 1, 2008, the resource test will apply to that period of coverage. The asset test for the Qualified Individual (QI) Program was eliminated in 2002 (see GIS 02 MA/009). The Medicaid Budget Logic system (MBL) has been changed to disregard resources in determining eligibility for all three of these Medicare Savings Programs (MSP).

In GIS 02 MA/009 and GIS 02 MA/025 districts were instructed that if an applicant that was income eligible as a QMB or a SLIMB, but had resources in excess of the QMB and SLIMB resource levels, such individuals could be eligible for the QI-1 Program. At the time, MBL automatically calculated QI eligibility for such individuals. Therefore, an individual would have been granted MSP eligibility if s/he met the income criteria for any of the three categories.

With elimination of the resource test for all MSP applicants, individuals who qualify for the MSP must be placed in the category that corresponds to their income.

No later than the next client contact or renewal (whichever is earlier), individuals who are enrolled as a QI-1, but meet the income criteria for either a SLIMB or a QMB must be changed to the correct MSP category based on income. The correct MSP code must be reflected both in WMS (on screen 3) and eMedNY. As a reminder, the appropriate code is "P" for QMBs, "L" for SLIMBs and "U" for QIs.

Since states are provided a limited allocation for the QI program every year, it is very important to use those funds only for cases that meet the income criteria for the QI program. Districts will receive a report which lists individuals with a budget stored on or after 4/1/08, up until the changes were made in MBL, for re-budgeting to reflect the correct MSP category.

As a reminder, eligibility for the QMB program also provides coverage for Medicare coinsurance and deductibles. Therefore, it is important for individuals who qualify for this benefit to be identified by the correct MSP category with a start date of April 1, 2008.

The DOH-4328, "Medicare Savings Program Application" (copy attached) has been revised to eliminate questions regarding resources. Also attached is a revised copy of the Medicare Savings Program Fact Sheet. Final versions and Spanish versions of these forms will soon be available on the intranet.

The renewal form for the SLIMB program and other automated client notices will be revised to reflect this new policy. For QMB cases, the regular Medicaid renewal form will continue to be used.

Districts are reminded that individuals may apply by mail for any of the Medicare Savings Programs; QMB, SLIMB or QI-1, using the one page DOH-4328 application. If applicants indicate that they wish to apply for Medicaid with or without a spenddown, or if they do not know which program they want, they must complete the common application (LDSS-2921) and appear for a face-to-face interview according to current procedures.

Individuals applying for Medicaid who are eligible for or in receipt of Medicare must have their eligibility for the MSP determined even if they do not indicate that they are applying for MSP on the LDSS-2921.