Center for Medicare Advocacy, Inc.

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CMA Weekly Alert – August 25, 2005

GOOD NEWS!
ADDITIONAL FUNDING FOR PART B PREMIUMS FOR SOME MEDICARE BENEFICIARIES

On August 23, 2005 the Centers for Medicare & Medicaid Services (CMS) announced to the U.S. House and Senate that six states will soon receive additional federal funds to help Qualified Individuals (QIs) pay their Medicare premiums.

The QI program, open to beneficiaries who have incomes between 120% and 135% of federal poverty levels and countable assets less than $4,000 for an individual or $6,000 for a couple, pays the Medicare Part B premium. The program is funded entirely with federal dollars and, unlike the other Medicare Savings Programs – Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB) and Qualified Disabled and Working Individual – QI is not an open-ended entitlement. That is to say, when a state's annual allotment for QI funds is used up, as was announced in Connecticut July 5, 2005, no other individuals can get the benefit.

Six states, including Connecticut, were, for the first time ever, forced to deny benefits to eligible individuals because their allotments did not meet demand. Per this latest CMS announcement, funds will be reallocated from states with surpluses to these states with particularly high demand. The six states – Alabama, Arizona, Connecticut, Louisiana, Mississippi and Oregon – will split an additional $8.9 million, approximately. While this means reducing allotments to other states, according to CMS those states are still projecting a surplus, so no eligible beneficiary should be left without benefits.

Notice of this reallocation will be published Friday, August 26, 2005 in the Federal Register. Questions regarding this announcement should be addressed to Jennifer Snow (202-690-5520) or Curtis Kelley (202-690-5480) in the CMS office of Legislation. If you have further questions on Medicare savings programs, contact attorney Pamela Meliso (pmeliso@medicareadvocacy.org) in the Center for Medicare Advocacy's Connecticut office at (860) 456-7790.