TO: Commissioners of Social Services

DATE: April 17, 1990

SUBJECT: Food Stamps: Medicare Part B Premiums as a Medical Deduction

SUGGESTED DISTRIBUTION: Food Stamp Directors
Income Maintenance Directors
Staff Development Directors

CONTACT PERSON: County Food Stamp Representative at 1-800-342-3715, extension 4-9225

ATTACHMENTS: None

FILING REFERENCES

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<td>Cancelled</td>
<td>387.12(c)</td>
<td>FSSB Section 89 IM/WMS XI-C-3-all</td>
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DSS-329EL (Rev. 9/89)
This is to clarify the correct Medicare B premium amount to use when determining a food stamp household's medical deduction in accordance with FSSB section XI-C-3 effective January 1, 1990.

GIS message 89 IM/WMS034 dated November 13, 1989 stated that the Medicare premium rate would be $33.90 per month (up from $31.90) effective January 1990. The repeal of the Medicare Catastrophic Coverage Act of 1988 reduced that premium rate to $28.60 per month. The Social Security Administration will be making the appropriate adjustments during the year. When received, these funds are to be excluded as lump sum payments for food stamp.

Please note the following:

1. Use $28.60 as the amount of the household's medical deduction effective at the next agency case transaction or recertification.

2. Do not use premiums paid by Medical Assistance as a food stamp medical deduction.

3. Do not use the Medicare B premium as a food stamp income exclusion.

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Oscar R. Best, Jr.
Deputy Commissioner
Division of Income Maintenance