

Regulatory Analysis Form		This form RECEIVED for use by IRRC	
(1) Agency Department of Public Welfare Office of Income Maintenance Bureau of Policy – Division of Health Services		1999 OCT 19 PM 4:10 INDEPENDENT REGULATORY REVIEW COMMISSION Bush	
(2) I.D. Number (Governor's Office Use) <i># 14-462</i>		IRRC Number: <i># 2060</i>	
(3) Short Title Expansion of Income Limits (Qualifying Individuals)			
(4) PA Code Cite 55 Pa. Code, Chapter 140 - Subchapter B		(5) Agency Contacts & Telephone Numbers Primary Contact: Edward J. Zogby 787-4081 Secondary Contact: George L. Hoover 772-7809	
(6) Type of Rulemaking (check one) <input type="checkbox"/> Proposed Rulemaking <input type="checkbox"/> Final Order Adopting Regulation <input checked="" type="checkbox"/> Final Order, Proposed Rulemaking Omitted		(7) Is a 120-Day Emergency Certification Attached? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes: By the Attorney General <input type="checkbox"/> Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language. Section 4732 of the Balanced Budget Act of 1997, Pub.L. 105-33, enacted August 5, 1997, mandated that effective January 1, 1998 full or partial Medicaid payment of Medicare Part B premiums must be provided for those elderly and disabled individuals whose income is at least 120% but less than 175% of the Federal Poverty Income Guidelines (FPIG). 55 Pa. Code Chapter 140, Subchapter B, entitled "Eligibility Provisions for the Healthy Horizons Program for the Elderly/Disabled" is being revised to implement the Federal requirements.			
(9) State the statutory authority for the regulation and any relevant state or federal court decisions. The Balanced Budget Act (BBA) of 1997 (Pub.L. 105-33), §4732.			

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(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

This regulation is mandated by §4732 of the Balanced Budget Act of 1997, Pub.L. 105-33, enacted August 5, 1997, which amended the Social Security Act at §1902 (a)(10)(E) (42 U.S.C. §1396a(a)(10)(E)).

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

This regulation requires the Department to pay full or partial Medicare Part B premiums for elderly and disabled individuals who have income of at least 120% but less than 175% of the FPIG and will permit a vulnerable segment of the population to have more income available for living expenses.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

There are no public health, safety, environmental or general welfare risks associated with nonregulation.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

These provisions benefit the elderly and disabled individuals who currently pay Medicare Part B premiums.

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(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

No individuals will be adversely affected by the regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

N/A

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

The provision of §4732 of the BBA of 1997 was implemented through a Notice of Rule Change published at 28 Pa.B. 3626 (August 1, 1998). The public will be allowed a 30-day comment period following publication as final rulemaking omitting proposed.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

Not applicable.

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(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

Not applicable.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

The estimated cost is \$1,699,255 for Fiscal Year 1999-2000. All of this cost will be reimbursed by the Federal government.

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(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Savings	\$0	\$0	\$0	\$0	\$0	\$0
COSTS:						
Regulated Community						
Local Government						
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$0	\$0	\$0	\$0	\$0	\$0
REVENUE LOSSES:						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses	\$0	\$0	\$0	\$0	\$0	\$0

(20a) Explain how the cost estimates listed above were derived.

Not applicable.

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(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
MA – Outpatient	\$798,836	\$662,740	\$695,935	\$533,521

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

Failure to conform State regulations with the provision of Federal legislation will seriously jeopardize Federal Financial Participation (FFP) and might subject the Commonwealth to the imposition of legal sanctions from the Health Care Financing Administration. This would be contrary to the public interest.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

No alternatives to the mandated provisions of the BBA of 1997 were considered.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

No alternatives to the mandated provisions of the BBA of 1997 were considered.

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(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

This regulation is comparable with other states. Pennsylvania will not be at a competitive disadvantage with other states.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The public will be allowed a 30-day comment period following publication as final rulemaking omitting proposed. No public hearings or informational meetings are scheduled.

Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

No additional paperwork is required by the requirement. However, additional reporting and record keeping is required to monitor this population. Program status code 67 was created to identify Qualifying Individuals - Group 1 (QI-1s) whose income is at least 120% but less than 135% of the current FPIG. Program status code 68 was created to identify Qualifying Individuals - Group 2 (QI-2s) whose income is at least 135% but less than 175% of the current FPIG. Monitoring of these new eligibility groupings is necessary due to capped funding available through this legislation.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

These requirements expand coverage under the MA Program by permitting payment of Medicare Part B premium for elderly and disabled with income of at least 120% but less than 175% of the current FPIG. Department instructions provide that these individuals be reviewed for other MA programs as well.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

These provisions for BBA 1997 were implemented on January 1, 1998 through a Notice of Rule Change published at 28 Pa.B. 3626 (August 1, 1998). These requirements are mandated. The Department runs the risk of Federal sanction if the regulations are not promulgated.

(31) Provide the schedule for continual review of the regulation.

These requirements will become a part of the Department's Quality Control and Corrective Action Program Review Process.

FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

F 2060

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INDEPENDENT REGULATORY
REVIEW COMMISSION

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

By: _____
(Deputy Attorney General)

Date of Approval

Check if applicable
Copy not approved.
Objections attached.

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

DEPARTMENT OF PUBLIC WELFARE
(Agency)

LEGAL COUNSEL: Jean E. Shaybill

DOCUMENT/FISCAL NOTE NO. # 14-462
(DPW-OIM-08-99-002)

DATE OF ADOPTION: _____

BY: D. W. Houston

TITLE: SECRETARY OF PUBLIC WELFARE
(Executive Officer, Chairman or Secretary)

Copy below is hereby approved as to form and legality. Executive or Independent Agencies.

BY: [Signature]

8-23-99
Date of Approval

(Deputy General Counsel)
(~~Chief Counsel, Independent Agency~~)
(Strike inapplicable title)

Check if applicable. No Attorney General approval or objection within 30 days after submission.

NOTICE OF FINAL RULEMAKING
OMITTING PROPOSED
DEPARTMENT OF PUBLIC WELFARE
OFFICE OF INCOME MAINTENANCE
BUREAU OF POLICY
(55 PA. CODE CHAPTER 140)
SPECIAL MA ELIGIBILITY PROVISIONS

STATUTORY AUTHORITY

The Department of Public Welfare, by this Order, adopts the amended regulations set forth in Annex A under the authority of §§201(2) and 403(b) of the Public Welfare Code, Act of June 13, 1967 (P.L. 31, No. 21) (62 P.S. §§201(2) and 403(b)). 62 P.S. §201(2) provides that the Department has the authority to promulgate regulations with approval of the Governor. 62 P.S. §403(b) provides that the Department shall establish rules, regulations, and standards consistent with law.

Notice of proposed rulemaking is omitted in accordance with §204(1)(iv) of the Commonwealth Documents Law (CDL) (45 P.S. §1204(1)(iv)) and 1 Pa. Code §7.4(1)(iv) because the administrative regulations relate to Commonwealth grants and benefits. Additionally, notice of proposed rulemaking is omitted for good cause as unnecessary and contrary to public interest under §204(3) of the CDL (45 P.S. §1204(3)) and 1 Pa. Code §7.4(3). The regulations are mandated under §4732 of the Balanced Budget Act of 1997 (Pub.L. 105-33)(42 U.S.C. §1396a(a)(10)(E)). Failure to conform State regulations with Federal laws will seriously jeopardize Federal Financial Participation (FFP) in the Medicaid program. The requirements of Federal law are specific, allowing for no alternative means of compliance. The Department is required to strictly adopt the Federal standard set forth in this regulation.

03 19 1999

#14-462

The provision mandates that full or partial Medicaid payment of the Medicare Part B premium is made to or on behalf of those individuals with incomes of at least 120% but less than 175% of the current Federal Poverty Income Guidelines (FPIG) and who meet established resource requirements. This provision is in accordance with the Balanced Budget Act of 1997 (Pub.L. 105-33), §4732.

PURPOSE OF REGULATION

The purpose of these regulations is to expand the income limitations to allow individuals to qualify for full Medicaid payment of the Medicare Part B premium if they have income of at least 120% but less than 135% of the current FPIG; and for partial Medicaid payment of the Medicare Part B premium if they have income of at least 135% but less than 175% of the current FPIG.

BACKGROUND

The Department's existing regulations provide for payment of Medicare Part B premiums for individuals with family income which is more than 100% but less than 120% of the current FPIG. Resources must not exceed twice the Supplemental Security Income (SSI) resource standard for the appropriate family

size to qualify for payment of Medicare Part B premiums. These individuals are identified as Specified Low-Income Medicare Beneficiaries.

The Balanced Budget Act of 1997 mandates that there is an expansion in income limits to qualify for payment of the Medicare Part B premium. Individuals with income of at least 120% but not exceeding 135% of the current FPIG can qualify for full Medicaid payment of the Medicare Part B premium. This group will be identified as Qualifying Individuals - 1 (QI-1s). Additionally, the Balanced Budget Act of 1997 provides for a partial Medicaid payment of Part B premiums for those individuals whose income is at least 135% but less than 175% of the current FPIG. The amount of partial payment is established by the Federal government in accordance with Federal law. These QIs are eligible for Medicare cost-sharing for a portion of their Part B premium, specifically the increase in the Medicare Part B premium attributable to the shift of Medicare home health coverage from Part A to Part B (as provided in Section 4611 of the Balanced Budget Act of 1997 (Pub.L. 105-33)). This group will be identified as Qualifying Individuals - 2 (QI-2s). The resource limits for these two new groupings must not exceed twice the SSI resource standard for the appropriate family size.

NEED FOR REGULATION

Section 4732 of the Balanced Budget Act of 1997 (Pub.L. 105-33), enacted August 5, 1997, amended the Social Security Act at §1902 (a) (10)(E)

(42 U.S.C. §1396a (a) (10)(E)). The Department is required to implement this mandatory provision of the Balanced Budget Act of 1997. The requirements relating to full and partial Medicaid payment of the Medicare Part B premium were implemented on January 1, 1998 through a Notice of Rule Change published at 28 Pa.B. 3626 (August 1, 1998). The regulatory revisions in Annex A will assure compliance with Federal law. If the Department does not implement these requirements, the Department risks Federal financial sanctions.

SUMMARY

1. Section 140.201 – This section has been amended to specify when the Department will participate in Medicare cost-sharing for Qualifying Individuals 1 and 2.
2. Section 140.202 – This section, relating to definitions, has been amended to include a definition for Qualifying Individuals and the two sub-groups, designated QI-1s and QI-2s.
3. Section 140.231 – This section has been amended to specify income requirements for Qualifying Individuals 1 and 2.

4. Section 140.301 – This section has been amended to specify resource eligibility limitations for Qualifying Individuals 1 and 2.
5. Section 140.331 – This section has been amended to specify benefit coverage for Qualifying Individuals 1 and 2.
6. Section 140.332 – This section has been amended to specify category designation for Qualifying Individuals 1 and 2.

AFFECTED PERSONS AND ORGANIZATION

Individuals who are elderly and/or disabled who qualify for Medicare coverage and who meet the established income and resource requirements will benefit from these regulations. No individual will be adversely affected by these regulations.

ACCOMPLISHMENTS/BENEFITS

Adoption of these regulations requires the Department to pay all or part of Medicare Part B premiums for the elderly and/or disabled individuals who have income of at least 120% but less than 175% of the FPIG. This will permit a

vulnerable segment of the population to have more income available for living expenses and assure that these premiums are totally or partially paid.

FISCAL IMPACT

Commonwealth:

A capped Federal allocation of funds has been established for this benefit. The capped allocation extends until Federal FY 2002 and increases each year. Currently, there is no State allocation for this change as the Federal funds cover all costs. There will be no costs or savings incurred by State government up to the capped amount.

Public Sector:

There will be no costs or savings incurred by the public sector.

Private Sector:

There will be no costs or savings incurred by the private sector.

PAPERWORK REQUIREMENTS

Due to the capped funding available through the Balanced Budget Act of 1997, these amendments require the development of two new program status codes for monitoring and reporting of Medicare Part B payments paid for qualifying individuals.

EFFECTIVE DATE

The effective date for the provisions relating to qualifying individuals is retroactive to January 1, 1998.

SUNSET DATE

Although these regulations have no sunset date, it is important to note that these benefits are financed through a capped and time-limited Federal allocation of funds. This allocation extends until Federal Fiscal Year 2002.

The Department continuously reviews the Medical Assistance Program and regulations through the Federally-monitored Quality Control and Corrective Action review process to ensure compliance with Federal law.

PUBLIC COMMENT PERIOD

Although these regulations are being adopted without prior notice, interested persons are invited to submit their written comments, suggestions or objections within 30 days from the date of this application for consideration by the Department as to whether the regulations should be revised. Comments should be sent to the Department of Public Welfare, Edward J. Zogby, Director, Bureau of Policy, Room 431, Health and Welfare Building, P.O. Box 2675, Harrisburg, Pennsylvania 17120, telephone (717) 787-4081.

Persons with a disability may use the AT&T Relay Service by calling 1-800-654-5984 (TDD Users) or 1-800-654-5988 (Voice Users).

REGULATORY REVIEW ACT

Under §5(f) of the Regulatory Review Act, the Act of June 30, 1989 (P.L. 73, No. 19)(71 P.S. §§745.1-745.15), the agency submitted a copy of this regulation with proposed rulemaking omitted on August 31, 1999 to the Independent Regulatory Review Commission and to the Chairpersons of the House Committee on Health and Human Services and the Senate Committee on Public Health and Welfare. On the same date, the regulation was submitted to the Office of the Attorney General for review and approval under the Commonwealth Attorneys Act.

In accordance with §5(c) of the Act, this regulation was approved by the
Committees on . The Commission approved the regulation
on

FINDINGS

The Department of Public Welfare finds that:

- (1) Public notice of intention to adopt the administrative regulations amended by this Order is omitted in accordance with §204(1)(iv) of the CDL (45 P.S. §1204(1)(iv)) and 1 Pa. Code §7.4(1)(iv) because the administrative regulations relate to Commonwealth grants and benefits. Additionally, notice of proposed rulemaking is omitted for good cause and contrary to the public interest under §204(3) of the CDL (45 P.S. §1204(3)) and the regulations thereunder, 1 Pa. Code §7.4(3).

- (2) The adoption of this regulation in the manner provided in this Order is necessary and appropriate for the administration and enforcement of the Public Welfare Code.

ORDER

The Department of Public Welfare, acting under the Public Welfare Code, orders that:

- a. The regulations of the Department of Public Welfare are amended to read as set forth in Annex A to this Order.
- b. The Secretary of the Department of Public Welfare shall submit this Order and Annex A to the Office of Attorney General and the Office of General Counsel for approval as to legality and form as required by law.
- c. The Secretary of the Department of Public Welfare shall certify this Order and Annex A and deposit them with the Legislative Reference Bureau as required by law.
- d. This Order shall take effect upon publication in the Pennsylvania Bulletin as final rulemaking retroactive to January 1, 1998.

cc: Legislative Reference Bureau

ANNEX A

TITLE 55. PUBLIC WELFARE

PART II. PUBLIC ASSISTANCE MANUAL

Subpart C. ELIGIBILITY REQUIREMENTS

CHAPTER 140. SPECIAL MA ELIGIBILITY PROVISIONS

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Subchapter B. ELIGIBILITY PROVISIONS FOR THE HEALTHY HORIZONS PROGRAM FOR
THE ELDERLY/DISABLED

GENERAL PROVISIONS

140.201. Policy on Healthy Horizons.

* * * * *

(e) THE DEPARTMENT PARTICIPATES IN MEDICARE COST-SHARING UNDER THE HEALTHY HORIZONS PROGRAM FOR QUALIFYING INDIVIDUALS WHOSE FAMILY INCOME IS AT LEAST 120% AND LESS THAN 135% OR AT LEAST 135% AND LESS THAN 175% OF THE CURRENT FEDERAL POVERTY INCOME GUIDELINES AND WHOSE RESOURCES DO NOT EXCEED TWICE THE SSI RESOURCE STANDARD FOR THE APPROPRIATE FAMILY SIZE. THESE INDIVIDUALS ARE DESIGNATED AS QI-1s AND QI-2s, RESPECTIVELY.

[(e)](f) MA is provided under the program which is most advantageous for the client based on individual circumstances. Eligibility for MA benefits under both the NMP-MA and MNO-MA Programs is also explored.

140.202. Definitions.

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

* * * * *

QI – QUALIFYING INDIVIDUAL -- AN INDIVIDUAL WHO IS ENROLLED IN MEDICARE HOSPITAL INSURANCE UNDER PART A AND MEETS THE INCOME REQUIREMENTS IN §140.231(c) or (d) (RELATING TO INCOME ELIGIBILITY LIMITATIONS) AND RESOURCE REQUIREMENTS IN §140.301 (RELATING TO RESOURCE ELIGIBILITY LIMITATIONS).

QI-1s – QUALIFYING INDIVIDUAL-1s – A QUALIFYING INDIVIDUAL WHO MEETS THE INCOME REQUIREMENTS IN §140.231(c) (RELATING TO INCOME ELIGIBILITY LIMITATIONS). ELIGIBILITY FOR MEDICAID BENEFITS IS LIMITED TO FULL PAYMENT OF MEDICARE PART B PREMIUMS.

QI-2s – QUALIFYING INDIVIDUAL-2s – A QUALIFYING INDIVIDUAL WHO MEETS THE INCOME REQUIREMENTS IN §140.231(d) (RELATING TO INCOME ELIGIBILITY LIMITATIONS). ELIGIBILITY FOR MEDICAID BENEFITS IS LIMITED TO PARTIAL PAYMENT OF MEDICARE PART B PREMIUMS.

* * * * *

INCOME REQUIREMENTS

140.231. Income Eligibility Limitations.

* * * * *

(c) FOR THE HEALTHY HORIZONS MEDICARE COST-SHARING PROGRAM FOR QI-1s, NET INCOME AFTER APPLICABLE DEDUCTIONS AND DISREGARDS MUST BE AT LEAST 120% AND LESS THAN 135% OF THE CURRENT DEPARTMENT OF HEALTH AND HUMAN SERVICES ANNUAL UPDATE OF FEDERAL POVERTY INCOME GUIDELINES FOR THE APPROPRIATE FAMILY SIZE.

(d) FOR THE HEALTHY HORIZONS MEDICARE COST-SHARING PROGRAM FOR QI-2s, NET INCOME AFTER APPLICABLE DEDUCTIONS AND DISREGARDS MUST BE AT LEAST 135% AND LESS THAN 175% OF THE CURRENT DEPARTMENT OF HEALTH AND HUMAN SERVICES ANNUAL UPDATE OF FEDERAL POVERTY INCOME GUIDELINES FOR THE APPROPRIATE FAMILY SIZE.

* * * * *

RESOURCE REQUIREMENTS

140.301. Resource eligibility limitations.

* * * * *

(b) An applicant/recipient is resource eligible for [both] the SLMB, [and] QMB, QI-1, AND QI-2 Healthy Horizons Medicare Cost-Sharing Programs if total resources considered under Chapter 178, Subchapters A and B do not exceed twice the SSI resource standard for the appropriate family size IN CHAPTER 178, APPENDIX A, PART (a) (RELATING TO NMP-MA RESOURCE LIMITS).

* * * * *

BENEFIT COVERAGE

140.331. Benefit coverage.

* * * * *

(d) FOR QI-1s, TO THE EXTENT THAT FEDERAL FUNDING IS PROVIDED, THE DEPARTMENT WILL PROVIDE FULL MEDICAID PAYMENT OF THE MEDICARE PART B PREMIUM IF THE INDIVIDUAL IS ENROLLED IN OR ELIGIBLE FOR MEDICARE PART A.

(e) FOR QI-2s, TO THE EXTENT THAT FEDERAL FUNDING IS PROVIDED, THE DEPARTMENT WILL PROVIDE PARTIAL MEDICAID PAYMENT OF THE MEDICARE PART B PREMIUM IF THE INDIVIDUAL IS ENROLLED IN OR ELIGIBLE FOR MEDICARE PART A. THIS IS A REIMBURSEMENT TO THE RECIPIENT, NOT A PREMIUM PAYMENT TO MEDICARE.

[(d)](f) FOR QI-2s, PARTIAL PAYMENTS OF MEDICARE PART B PREMIUM PAYMENT WILL BE MADE FOR THE CALENDAR YEAR. FOR ALL OTHER RECIPIENTS OF PAYMENTS, [The] THE Department will pay the Medicare Part A premium, if appropriate, and the Medicare Part B premium beginning with the month following the month in which the applicant is determined eligible.

140.332. Category designation.

* * * * *

(e) ELDERLY/DISABLED PERSONS WHO ARE ELIGIBLE UNDER THE HEALTHY HORIZONS MEDICARE COST-SHARING PROGRAM FOR QI-1s AND QI-2s ARE DESIGNATED AS TA/TJ CATEGORY AND ARE IDENTIFIED BY THE APPROPRIATE PROGRAM STATUS CODE.

* * * * *



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
P.O. BOX 2675
HARRISBURG, PENNSYLVANIA 17105-2675

Feather O. Houstoun
Secretary

OCT 19 1999

Telephone 717-787-2600/3600
FAX 717-772-2062

Mr. Robert E. Nyce
Executive Director
Independent Regulatory Review Commission
14th Floor, Harrisstown II
333 Market Street
Harrisburg, Pennsylvania 17101

Dear Mr. Nyce:

On September 20, 1999, we requested that the time for review of final form regulation #14-462 (relating to Expansion of Income Limits (Qualifying Individuals)), be tolled to make revisions that were suggested by the Independent Regulatory Review Commission. Sections 140.202 (relating to definitions) and 140.331 (relating to benefit coverage) have been revised to reflect the Commission's suggestions.

The revisions reflect the Commission's suggestion to remove the language "**entitled to or voluntarily**" in Section 140.202 and clarify benefit coverage in Section 140.331. The preamble has been revised and addresses these changes. We are delivering the revised regulations to the Commission.

Sincerely,

A handwritten signature in cursive script, appearing to read "Feather O. Houstoun".

Feather O. Houstoun

Attachment

cc: The Honorable Harold F. Mowery
The Honorable Vincent J. Hughes
The Honorable Dennis M. O'Brien
The Honorable Frank L. Oliver
Howard Burde, Deputy General Counsel
Ms. Jane Demko
Mr. Stanley Mitchell
Mr. David J. DeVries
Ms. LeeAnn Labecki
Ms. Lois Hein

PLEASE RETURN TO:
INDEPENDENT REGULATORY REVIEW COMMISSION
14TH FLOOR, HARRISTOWN II

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT

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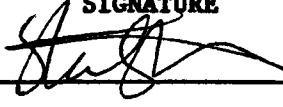
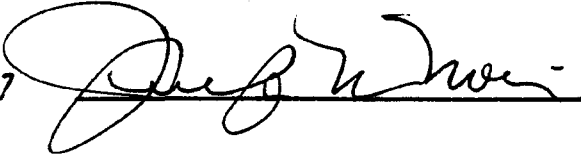
INDEPENDENT REGULATORY
REVIEW COMMISSION

I.D. NUMBER: #14-462
SUBJECT: EXPANSION OF INCOME LIMITS (QUALIFYING INDIVIDUALS)
AGENCY: DEPARTMENT OF PUBLIC WELFARE

TYPE OF REGULATION

Proposed Regulation
 Final Regulation
 Final Regulation with Notice of Proposed Rulemaking Omitted
 120-day Emergency Certification of the Attorney General
 120-day Emergency Certification of the Governor
 Delivery of Tolled Regulation
a. With Revisions
b. Without Revisions

FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
10/19/99		HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES
10/19/99	Valerie Easton	
10/19/99	Kristi L. Kruiden	SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE
10/19/99	Debi Sh...	
10/19/99	Kim C Garner	INDEPENDENT REGULATORY REVIEW COMMISSION
10/19/99		ATTORNEY GENERAL
		LEGISLATIVE REFERENCE BUREAU