Division of Aging Administrative Letter No. 03-16
Adult Social Services Section

Date: **November 7, 2003**

Subject: **Social Security Cost of Living Adjustment (COLA 2004)**

Distribution: **County Directors**
Special Assistance Supervisors

I. SOCIAL SECURITY CHANGES DUE TO COLA ADJUSTMENT

A. RSDI/SSI

Effective January 1, 2004, recipients of RSDI and/or SSI will receive a 2.1% cost-of-living increase in their monthly benefits.

B. SSI Federal Benefit Rate (FBR)

Effective January 1, 2004, the SSI FBR for an individual will increase to $564.

II. RECIPIENT NOTICE OF COLA

All SA recipients who are authorized as of the November regular run (November 17) will be sent the following notice with the December 2003 SA check. This notice satisfies the notice requirements in SA-3330.

NOTICE TO SPECIAL ASSISTANCE (SA) RECIPIENTS
December 2003

If you receive a Social Security check and/or Supplemental Security Income (SSI) check, your Social Security/SSI check will go up effective January 1, 2004, due to the yearly Cost of Living Adjustment. This increase in your Social Security/SSI check will have an effect on your SA check because Social Security and SSI benefits are counted in determining the amount of your SA check. If your Social Security or SSI check increases, your SA check will decrease.

You have 60 days from the date you receive this notice to appeal this decision.

III. ONGOING CASES AUTOMATICALLY UPDATED IN EIS

EIS will automatically calculate the January 2004 Special Assistance payments to reflect the 2.1% COLA increase in RSDI/SSI benefits. SA cases in EIS with correct information will be updated on the night of November 21, 2003. The payment effective date will be January 1, 2004.

The **SA CASE UPDATED - AUDIT RPT** is a list of all updated cases and will be available in XPTR on November 24, 2003.

This report will show the recipient's name, listed in alphabetical order by district number, the county case number, the case ID number, the old and new SA payment amounts, the old and new RSDI/SSI amounts, and the adult care home rates. The $20 General Income Exclusion will be included in the new payment calculation for these cases.

Case profiles for each updated case listed on the Audit Report will also be listed in XPTR. No paper reports will be generated.

A. Cases Updated in EIS

Within 30 days of the update, verify the new RSDI amount through SOLQ. If the amount is different from that on the SA CASE UPDATED-AUDIT RPT, revise the payment amount as soon as the action can be taken and the appropriate notice can be sent.

B. Cases Updated in EIS, But Changes Occur After November 21, 2003 That Affect the Payment

1. Recompute the SA payment amount. When computing the new payment, use the case profile information to determine the revised RSDI/SSI amounts. These cases will have the $20 General Income Exclusion given automatically; do not give another $20 exclusion.

2. Send an adequate notice if the recipient received the notice with the December check.

3. Key the DSS-8125 no later than December 23, 2003 to reflect the correct payment amount effective January 1, 2004 or termination.

4. Verify the new benefits through SOLQ with those shown on the SA CASE UPDATED-AUDIT RPT. If the amounts are different, revise the payment amount as soon as the action can be taken and the appropriate notice can be sent.

IV. ONGOING CASES NOT UPDATED IN EIS

A. Reports of Cases Not Updated

The following reports identify cases that were not automatically updated by EIS. **You must manually update all cases listed on these reports** following instructions in B. below.

These reports will be available in XPTR on November 24, 2003. No paper copies will be generated.

1. **SA Error Report – Cases Not Updated –** These cases could not be automatically updated by EIS due to errors in the case data in EIS. The error messages include:

   a. **MAINT NOT $1,112, $1,137 or $1,277:** Cases with the Maintenance Amounts that are not equal to $1,112, $1,137 or $1,277.

   b. **PAYMT NOT EQUAL DIFF:** The Maintenance Amount minus the Total Countable Monthly Income minus the Grant Recoupment Amount does not equal the Monthly Payment Amount.

   c. **SSI AND RSDI = ZERO:** There are no entries for SSI and RSDI in EIS.

   d. **UNEARN INC = ZERO:** Either the Net Unearned Income amount or the Total Countable Monthly Income amount is zero.

   e. **TOT MO INC NOT BAL:** The total of the RSDI, SSI plus other unearned income and case level net earned income does not equal the Total Countable Monthly Income amount plus $20.

   f. **SSI NOT $552:** The SSI amount, which is present in EIS, is not $552, and there is no RSDI amount present.

   g. **SSI IND Y – NO SSI**: The SSI indicator is Y and no SSI amount is entered.

   h. **RSDI & SSI AMOUNT INVALID:** The total of the RSDI and SSI amounts exceeds allowable limit.

   i. **TOT UNEARN IS < RSDI & SSI:** The total unearned income is less than RSDI and/or SSI.

2. **SA Potential Terminated Cases** – These are cases in which the Monthly Payment Amount is less than $1.00 as a result of the increased RSDI/SSI. These recipients potentially have income that exceeds the allowable income limit based on their ambulation capacity and the cases may require termination.

   Instructions for Medicaid Passalong for Terminated Cases: Evaluate cases terminated due to the COLA increase for eligibility for continued Medicaid under passalong provisions. Refer to MA-2110, Passalong for instructions for determining if Medicaid passalong applies. Use Attachment 2 in MA-2110 to document whether the recipient is eligible for Medicaid passalong. If the recipient is eligible for Medicaid passalong, take the following actions in EIS:

   a. Key a DSS-8125 to transfer the case to Medicaid. The classification is always "N".

   b. Enter the code "PC" in the Individual Special Use field on the individual level in EIS.

   b. You will get an error message. Put the form on hold and call an EIS consultant at 919-857-4019. EIS will contact DIRM to process the case.

   c. If changes later occur in a passalong case, follow the same procedure. Key the DSS-8125, put it on hold and call EIS to process the case.

3. **SA Potential Zero-Pay Cases**

   These are cases whose Monthly Payment Amount is $1.00, $2.00, $3.00, or $4.00 as a result of the increased RSDI/SSI increase.

   It is important when manually updating these cases to record the actual Total Countable Monthly Income in the case record for future budgeting purposes. Enter the ACTUAL payment amount ($1.00, $2.00, $3.00 or $4.00) in the Monthly Payment Amount field. Enter a payment effective date of 01/04.

4. Original Disenfranchised Cases (Ambulation Capacity Code "A" or "S")

This is a list of all disenfranchised cases, ambulation capacity code "A" or "S", before and after the update. All SAA and SAD recipients with ambulation capacity code "A" or "S" must be manually updated.

These disenfranchised recipients who have a Total Countable Monthly Income of $1,276.51 or greater should be terminated.

Some of the originally disenfranchised recipients may have, at some point since October 1, 1995, met the income limit for Basic SA (ambulation capacity "B") due to either a decrease in income or an increase in the Basic Adult Care Home rate. If so, these individuals could have been switched to the Basic SA group. If the Total Countable Monthly Income is now between $1,111.51 and $1,276.50, do not terminate. As long as a disenfranchised recipient's Total Countable Monthly Income does not exceed $1,276.50 and he/she meets all other eligibility requirements, SA eligibility continues.

It is possible that an increase in income could make these recipients eligible as "D" disenfranchised, if their income is between $1,111.51 and $1,136.51. It is important to document the record to track the recipient's original status in the original "A" or "S" disenfranchised group to ensure their eligibility is protected.

When manually updating these cases, the following special instructions apply:

a. Review the case carefully to confirm that the recipient was in the original disenfranchised group "A" or "S".

b. Verify the Ambulation Capacity indicated on the latest FL-2.

c. Recalculate the budget using the appropriate Adult Care Home rate ($1,231 for "A" or "S" or $1,091 for "D") and the Maintenance Amount ($1,277 for "A" or "S" and $1,137 for "D").

d. A window will be open in EIS from November 24, 2003, until December 23, 2003, which will allow you to update the ambulation capacity code as appropriate. You will not be able to update this field after December 23, 2003.

e. If the SA Payment Amount after rebudgeting is $1.00, $2.00, $3.00 or $4.00, the case will become Zero-Pay.

f. Key the DSS-8125 by December 23, 2003, so that you can change the ambulation capacity code.

5. Newly Disenfranchised Cases (Ambulation Capacity Code "D")

Disenfranchised recipients with ambulation capacity code "D" who have a Total Countable Monthly Income of $1,136.51 or greater should be terminated. Refer to IV.A.2., above for instructions for evaluating for Medicaid passalong.

A window will be open in EIS from November 24, 2003, until December 23, 2003, which will allow you to update the ambulation capacity code as appropriate. You will not be able to update this field after December 23, 2003.

5. SA In-Home Program Recipients

These are SAA and SAD In-Home cases with an Ambulation Capacity Code "H." If your county is one of the 61 SA In-Home Program counties, you must manually update these cases. SA In-Home Program recipients have a case manager and a service plan, and it is important to coordinate with the case managers to ensure that they are aware of changes and can alter service plans as necessary.

SA In-Home Program cases with a Total Monthly Countable Income greater than $749.00 should be terminated. (To determine Medicaid income eligibility, do not round income. Use the actual countable income to compare to the income limit of $749.)

B. Procedures for Manually Updating Ongoing Cases Not Updated By EIS

1. After November 24, 2003, do not key a change in income for any case with RSDI or SSI until the new RSDI/SSI amount is verified.

2. Verify the new benefits from SOLQ.

3. Send a notice to notify the recipient of the change. An adequate notice is sufficient if the recipient was authorized in November and received the notice with the December check.

4. Key a DSS-8125 no later than December 23, 2003 to reflect the correct payment amount effective January 1, 2004 or termination.

V. APPLICATIONS AND REAPPLICATIONS APPROVED AFTER NOVEMBER 21, 2003

A. Payments Effective Prior to January 1, 2004

Use the previous RSDI and SSI amounts and the $20 General Income Exclusion. Key the DSS-8125 and/or DMA-5022 to approve the case and issue benefits. You may notify the recipient on the approval notice of the payment amounts prior to and after January 1, 2004.

B. Payment Effective January 1, 2004

Use the revised RSDI and SSI amounts and the $20 General Income Exclusion to determine eligibility and payment amounts from January 1, 2004, forward.

C. Zero-Pay Cases

It is important when manually updating these cases to record the actual Total Countable Monthly Income in the case record for future budgeting purposes. Enter the ACTUAL payment amount ($1.00, $2.00, $3.00 or $4.00) in the Monthly Payment Amount field. Enter a payment effective date of 01/04.

If you have any questions regarding this information, please contact your Adult Programs Representative or Jackie Franklin, SA Program Manager, at 919-733-3677.

Sincerely,

Karen E. Gottovi

Karen E. Gottovi, Director
Division of Aging

KEG/jf