

**Division of Aging and Adult Services Administrative Letter No. 08-15
Adult Services Section**

Date: December 15, 2008

Subject: Applying the 2009 Social Security Cost of Living Adjustment (COLA)
Disregard to Special Assistance In-Home (SA/IH) Cases Only

Distribution: County Directors
Special Assistance Supervisors
Adult Services Supervisors

Effective Date: December 15, 2008

The 5.8%-Social Security RSDI/SSI Cost of Living Adjustment (COLA) for January 2009 will affect the eligibility of a significant number of Special Assistance In-Home (SA/IH) cases statewide. Counties have made us aware of the hardship that counting the RSDI/SSI COLA has caused SA/IH recipients in the past who lose their SA/IH eligibility due to excess income, and who then must reapply once the new Federal Poverty Level (FPL) goes into effect in April each year.

The Division of Aging and Adult Services (DAAS) has researched its authority to disregard Social Security RSDI/SSI COLA for SA/IH recipients for the months of January, February, and March of each year while awaiting the new FPL to take effect. Communication from the Attorney General's Office has confirmed that DAAS has the statutory authority to follow Medicaid policy in disregarding the RSDI/SSI COLA for the months of January, February, and March for categorically needy cases. (Medicaid disregards the RSDI/SSI COLA for Medicaid categorically needy cases.)

Special Assistance In-Home Policy is now changed to follow Medicaid policy effective with the RSDI/SSI COLA January 1, 2009.

As with Medicaid, the VA COLA is not included in this disregard and will be counted effective January 1, 2009, when received. These cases will have to be manually updated as well.

Please note that the Adult Care Home Basic Rate increase from \$1,173 to \$1,207 effective date of January 1, 2009 remains the same for SA/IH cases.

Instructions are provided below for SA/IH cases and the COLA. Counties may have already manually processed their cases based on SA/IH policy put forth in Administrative Letter 08-12, dated November 10, 2008. Instructions for these situations are provided below.

I. SOCIAL SECURITY and VETERAN'S CHANGES DUE TO COLA ADJUSTMENT

A. RSDI/SSI

Effective January 1, 2009, recipients of RSDI and/or SSI will receive a 5.8%

COLA in their monthly benefits. Disregard the RSDI/SSI COLA when calculating SA/IH payments for January, February, and March 2009.

Further instructions will be provided by the DAAS for SA/IH payment calculations after the first of the year and prior to the February 2009 processing deadlines that affect April 2009 payments.

B. SSI Federal Benefit Rate (FBR)

Effective January 1, 2009, the SSI only FBR for an individual will increase to \$674 per month, and for SSI combined with other income to \$694 per month. Disregard the January 2009 SSI FBR and SSI/SSA FBR when calculating SA/IH payments for January, February, and March 2009.

Continue/resume use of the SSI only and SSI/SSA FBR in place for December 2008. The 2008 SSI only FBR is \$637, and the 2008 SSI/SSA FBR is \$657.

C. Veteran's Benefits (VA)

Effective January 1, 2009, most recipients of Veteran's Benefits will receive a 5.8% cost-of-living increase in their monthly checks. **The VA COLA is not included in this SA/IH COLA disregard and will be counted effective January 1, 2009, when received.**

II. Special Assistance ACH Basic Rate Increase

Session Law 2008-107 was ratified on July 8, 2008. The law contains a provision to increase the maximum basic Adult Care Home rate to \$1,207 for State/County Special Assistance for Adults. This change is effective January 1, 2009. The new rate is still in effect for all SA/IH cases.

III. Effects of the VA COLA and/or the SA/ACH Rate Increase on SA/In-Home Payments

Manually update all SA/IH cases (ambulation capacity code "H"), based on the VA COLA increase and/or the SA/ACH rate increase, both of which are effective January 1, 2009.

A. Maximum SA/ACH Basic Rate Change Effect on SA/In-Home Payments

Effective January 1, 2009, the maximum rate for Special Assistance recipients with ambulation capacity code "B" will increase from \$1,173 to \$1,207. There is no change in the personal needs allowance, which is \$46 for all Special Assistance recipients.

When calculating the maximum SA/IH payment (ambulation capacity code "H") base the maximum payment on 75% of the new SA/ACH rate (\$1,207 + \$46 = \$1,253) effective January 1, 2009.

Effective Monday, **November 24, 2008**, an edit was placed in EIS to allow a **Maintenance Amount up to \$1,157.00** for SA/IH ("H") application approvals or current case payment changes if the payment effective date is January 2009. This is based on the following formula:

The maximum Maintenance Amount is determined by calculating the payment for a recipient with the highest allowable income. The maximum allowable payment for an individual with \$867 TCMI is \$290.00 ($\$1,253 - \$867 = \$386 \times 0.75$ (75% of the maximum ACH payment for this income amount) = \$289.50 rounded to the nearest dollar = \$290.00). The maximum Maintenance Amount is $\$867.00 + \$290.00 = \$1,157.00$.

B. The SA In-Home Case Manager Makes the Final Decision on Increased SA/IH Payments

Note: SA In-Home Program recipients have a case manager and a service plan. It is important that SA/IH income maintenance caseworkers (IMCs) coordinate with SA/IH case managers to ensure that they are aware of any changes in eligibility and/or new potential SA/IH payment amounts.

The SA/IH IMC must notify the case manager of any change in client's maximum SA/IH payment in order for the case manager to determine the payment amount the recipient will require in order to remain safely at home. The case manager should alter service plans as necessary.

C. Cases Ineligible due to the VA COLA

SA In-Home Program cases with a Total Countable Monthly Income greater than \$867 should be terminated. To determine Medicaid income eligibility, do not round income. Use the actual countable income to compare to the income limit of \$867.

If the recipient was receiving SA/IH in November, and therefore received a notice with their December Medicaid card, send an adequate notice to terminate the SA/IH benefit. **Be sure to assess the recipient for continued Medicaid under other classifications.**

IV. Re-calculate the SA/IH payments for Cases that Have Been Terminated in EIS, or for Cases that the SA/IH Payments Were Reduced in EIS, Due to Application of the RSDI/SSI 2009 COLA.

A. Cases Terminated Due to the RSDI/SSI 2009 COLA

For cases which have already been terminated using the 2009 RSDI and /or SSI COLA you will need to manually re-calculate those payments, using the December 2008 RSDI/SSI amounts, and 75% of the January 2009 SA/ACH Basic rate of \$1,207.00

Reopen these cases by completing a reapplication against the closed SA/IH case using a DSS-8124 with the Application Type '2'. Approve the application effective January 1, 2009. Key the SA/IH payment authorized by the adult services case manager.

1. Approvals keyed by December 17, 2008 (regular run for SA) will process and be included in the SA regular run to produce January 2009 checks. The check should be received by the recipient by January 3, 2009.
2. Any approvals keyed after December 17, 2008 will not be included in the SA regular run to produce January 2009 checks. The January check will be written the first work night in January 2009.
3. Send a manual approval notice.

B. Cases in Which the SA/IH Payment Has Been Reduced in EIS Due to the RSDI/SSI COLA.

For those cases which have already been updated using the 2009 RSDI and /or SSI COLA, manually re-calculate those payments and key the new changed payment in EIS.

1. Payments keyed by December 17, 2008 (regular run for SA) will process and be included in the SA regular run to produce January 2009 checks. The check should be received by the recipient by January 3, 2009.
2. Payment changes keyed by December 23, 2008 (pull check) will process effective January but the January check will be pulled and rewritten the first work night in January, 2009.
3. Payment changes keyed after December 23, 2008 requires an ongoing payment effective date of February 1, 2009. Issue the January 2009 supplemental payment on the DMA-5022.
4. A manual adequate notice should be sent notifying the client of the change.

V. Procedures for Manually Updating Ongoing Cases

A. Report of Current SA In-Home Recipients as of November 21, 2008

A report was created in NCXPTR under the name: **DHREJA SA DEMO IN-HOME AS OF**. The report is entitled: SA IN-HOME RECIPIENTS AS OF NOV21 2008. This report identifies all Special Assistance cases that contain an ambulation capacity code 'H' as of the night of November 21, 2008. It may be necessary to add this report to each individual worker's profile in order to access it.

B. Updating Ongoing SA In-Home Cases

1. After November 21, 2008 do not key a change in income for any case with VA until the new VA amount is verified.
2. Verify the new VA benefits using SOLQ.
3. Calculate the new maximum SA/IH payment using 75% of the SA/ACH Basic payment based on the new rate ($\$1,207 + \$46.00 = \$1,253$).
4. The new SA/IH maintenance amount cannot be more than \$1,157.00.
5. Coordinate with the SA/IH case manager for his/her decision of what the appropriate SA/IH payment is for each recipient.
6. Send an adequate notice to notify the recipient of the change.
7. Key a DSS-8125 no later than December 23, 2008 to reflect the correct payment amount effective January 1, 2009 or terminate the case.

VI. APPLICATIONS AND REAPPLICATIONS APPROVED AFTER NOVEMBER 21, 2008

A. Payments Effective Prior to January 1, 2009

1. Use the previous December 2008 RSDI, SSI, and VA amounts and the \$20 General Income Exclusion.
2. Use the maximum SA/IH payment calculations for benefit months prior to January 2009, based on 75% of the 2007 SA/ACH Basic rate ($\$1,173 + \$46.00 = \$1,219$).
3. The maintenance amount for payments prior to January 2009 cannot be more than \$1,131.00.
4. Key the DSS-8125 and/or DMA-5022 to approve the case and issue benefits. Notify the recipient via the approval notice of the payment amounts prior to and after January 1, 2009.

B. Payments Effective January 1, 2009

1. Use the revised VA amounts effective January 1, 2009, and the \$20 General Income Exclusion to determine eligibility and payment amounts from January 1, 2009 forward.
2. Calculate the new maximum SA/IH payment using 75% of the SA/ACH payment based on the new rate ($\$1,207 + \$46.00 = \$1,253$).

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3. The new SA/IH maintenance amount cannot be more than \$1,157.00
4. To determine the final SA/IH payment follow the steps in II.C. above. Key in EIS. Be sure to send an adequate notice to the applicant/recipient.

If you have any questions regarding this information, please contact your [Adult Programs Representative](#).

Sincerely,

A handwritten signature in black ink that reads "Dennis W. Streets". The signature is written in a cursive style with a large, stylized 'S' at the end.

Dennis W. Streets, Director

DWS/SPM/bp