

CHANGE NOTICE FOR MANUAL NO. 03-26, 2026 FEDERAL POVERTY LEVEL CHANGES (FPL) INCOME CHANGES AND COST OF LIVING ADJUSTMENT (COLA) DISREGARD

DATE: February 3, 2026

Manual: Aged, Blind, and Disabled Medicaid

Change No: 03-26

To: County Directors of Social Services

I. BACKGROUND AND CONTENT OF CHANGE

Federal law requires poverty levels to be adjusted annually on the basis of the Consumer Price Index (CPI). This letter issues the 2026 Federal Poverty Level (FPL) income limit effective April 1, 2026.

When the COLA increase is greater than the Federal Poverty Level, some Medicaid beneficiaries may lose eligibility or move to deductible status. In this situation, the most recent COLA must be disregarded in determining continued eligibility. If the individual remains eligible when the Social Security Administration (SSA) COLA is disregarded, the disregard continues until the beneficiary loses Medicaid eligibility or becomes eligible without the disregard.

II. CONTENT OF CHANGE

A. The following charts have been updated with 2026 FPL income limit:

1. MA-2252, Non-MAGI Medicaid Income/Reserve Limits chart
2. MA-2311 LIS Processing and Case Maintenance Table 1 chart
4. DHB-5179, MAABD Eligibility Overview chart
5. [Basic Eligibility Medicaid Requirements chart](#)

B. NC FAST System

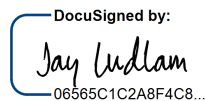
1. 2026 Federal Poverty Income/Reserve Limits are programmed in NC FAST. The system will use appropriate income/reserve limits for all applications and recertifications, including retroactive applications months.

2. COLA disregard is programmed in NC FAST. The system will apply disregard for those beneficiaries who received this year SSA COLA increase.

III. EFFECTIVE DATE AND IMPLEMENTATION

The 2026 FPL income limit increase is effective April 1, 2026.

If you have any questions regarding information in this change notice, please contact your Medicaid Operational Support Team Representative.

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Jay Ludlam
Deputy Secretary, NC Medicaid