

CHANGE NOTICE FOR MANUAL NO. 11-25, CHANGES RELATED TO 2026 COST-OF-LIVING ADJUSTMENT (COLA)

DATE: DECEMBER 8, 2025

Manual: Aged, Blind, and Disabled Medicaid

Change No: 11-25

To: County Directors of Social Services

I. SOCIAL SECURITY COST-OF-LIVING ADJUSTMENT (COLA)

The Social Security Act provides for an automatic increase when there is an increase in inflation as measured by the Consumer Price Index (CPI). Based on the increase in the CPI from the third quarter of 2024 through the third quarter of 2026, there will be a 2.8 percent increase in COLA for 2026.

II. POLICY UPDATES

- A. MA-2940, Social Security and Cost-of-Living Adjustment (COLA) is updated with 2026 COLA related information.**
- B. MA-2231.II.B.2., Community Spouse Resource Protection, Spousal Resource Allowance is updated to reflect 2026 amounts.**
- C. MA-2240. XI., Private Nursing Facility Rate updated with current amounts.**
- D. MA-2242, Home Equity Value & Eligibility for Institutional Services, home equity amount is updated to reflect 2026 amount and procedures.**
- E. MA-2250.IX.D.3., Income, Student Income Exclusion amount is updated to reflect 2026 amount.**
- F. MA-2260.III, Financial Eligibility Regulations-PLA is updated to include the Living Allowance for Ineligible Child/Spouse 2026 amount.**
- G. MA-2270.XVII, Long Term Care Need and Budgeting**
 - 1. **Section VI. C.4.,** has been updated with the 2026 maximum community spouse income allowance.
 - 2. **Section VII.,** has been updated with the 2026 maximum dependent allowance.

3. **Section XVII**, Tables A, B, C and D are updated with the minimum Medicaid reimbursement rates for ICF/MR, Hospice Care and the actual rates for hospital inappropriate level of care beds.

H. MA-2311.IX, Low-Income Subsidy (LIS) Processing and Case Maintenance, Table 1, 2 and 3 are updated with the LIS Eligibility and LIS Benefit Determination amounts.

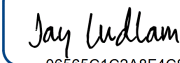
I. MA-2360.V.C., Medicaid Deductible, Medicare Part A and Part B premium, deductible and co-insurance are updated to reflect the 2026 amounts and related examples.

J. MA-2525.VII, Disability, *substantial gainful activity (SGA)* is hyper-linked to the Social Security Administration website.

III. EFFECTIVE DATE OF CHANGE AND IMPLEMENTATION

All revised and updated policies are effective January 1, 2026. NC FAST will send a communication with additional information, instructions, and reports.

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

DocuSigned by:

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Jay Ludlam

Deputy Secretary, NC Medicaid