

CHANGE NOTICE FOR MANUAL NO. 05-18, CHANGES RELATED TO 2019 COST-OF-LIVING ADJUSTMENT (COLA)

DATE: DECEMBER 6, 2018

Manual: Aged, Blind, and Disabled Medicaid

Change No: 05-18

To: County Directors of Social Services

Effective: January 1, 2019

I. BACKGROUND

- A. The 2019 Cost of Living Adjustment (COLA) is 2.8 percent for Social Security benefits and Supplemental Security Income (SSI) payments. Social Security benefits increased by 2.8 percent effective January 1, 2019.
- B. The Veteran Affairs (VA) cost-of-living adjustment is the same percentage as the Social Security benefits. Veterans will receive their increase in the January 2019 payment.

Veterans who are already receiving \$90 reduced improved pension will not receive an increase.

C. SSI Federal Benefit Rates (FBR)

	Individual	Couple	Essential Person
Full FBR	\$771.00	\$1,157.00	\$386.00
1/3 Reduced	\$514.00	\$771.00	

D. COLA Reports

The COLA reports are available on FAST Help under: Reports > Economic Services > Mass Change > RSDI/SSI/VA COLA Reports.

1. MA Exceptions Report identifies Medicaid cases that have potentially been impacted by COLA. Caseworkers will need to use this report to review the 'On Hold' changed decisions and take appropriate action. NCF-20030 notices were mailed for these cases.
2. MA Deductible Report identifies any Medicaid cases with a deductible that have been impacted by COLA. Caseworkers use this report to verify the changed

deductible and follow up with the beneficiary to determine if the new deductible can be met. NCF-20030 notices were mailed for these cases.

3. MA Ineligible Report identifies any Medicaid cases that are potentially terminating due to the COLA increase. NC Fast generated and mailed DSS-8110 notices for these cases. Caseworkers will need to complete a review to determine ongoing eligibility in another coverage category.
4. MA Processed Report identifies the Medicaid cases where COLA was the only change. These cases had a system accepted changed decision. DSS-8110 notices and DMA-5016 notices (if facility information was available) were mailed for these cases. Caseworkers will need to use this report to identify cases with a PML change that did not have a DMA-5016 generated due to missing facility information. Send a DSS-8110 to these identified cases.

E. Cases Not Affected By The RSDI COLA

The following cases are unaffected by the COLA and will not be updated.

1. MQB and MAABD Categorically Needy (PLA including CAP)

The COLA will not be applied to ongoing and pending MQB or MAABD PLA Categorically Needy cases until the spring of 2019. This is due to the federally mandated COLA passalong for Qualified Medicare Beneficiaries and categorically needy cases. The COLA will be applied in conjunction with the poverty income level increases. Instructions will be issued prior to the effective dates.

2. MAF-C

Because of continuous eligibility for children, the COLA will not apply to MAF-C cases when the only individual(s) active on the case are children. These cases are identified by the code in the family status field. When the family status code for all individuals on the case is "C", the COLA does not apply.

3. BCCM (MAF Classifications T, U, V, or W)
4. MIC, MPW and IAS
5. NC Health Choice (MIC Classification J and K)
6. SSI Cases

F. Pending Application

1. Pending Insurance Affordability Applications and Income Support Applications that are not associated with an Income Support case with an active PDC were NOT updated by NC FAST. Caseworkers need to manually update the evidence in these applications to reflect the new RSDI/SSI/VA benefit amount effective January 1, 2019 prior to processing the application.

2. Aged, Blind and Disabled (MAABD) and Qualified Medicare Beneficiary (MQB) applications will continue using 2018 Federal Poverty Level (FPL) until April 1, 2019 FPL change.

II. CONTENT OF CHANGE

- A. MA-2110.II.F., Pass-along examples and chart are updated.
- B. MA-2231.II.B.2., Community Spouse Resource Protection, Spousal Resource Allowance is updated to reflect current amounts.
- C. MA-2240.I, Transfer of Assets, home equity amount is updated to reflect current amount.
- D. MA-2242, Home Equity Value & Eligibility for Institutional Services, home equity amount is updated to reflect current amount and procedures.
- E. MA-2250.IX.D.3., Income, Student Income Exclusion amount is updated to reflect current amount.
- F. MA-2260.III, Financial Eligibility Regulations-PLA was updated to include the Living Allowance for Ineligible Child/Spouse current amount.
- G. MA-2260.VII, Financial Eligibility Regulations-PLA was updated to include 2018 Non-MAGI Medicaid Income/Reserve Limits chart.
- H. MA-2270.V.B.1., Long Term Care Need and Budgeting, Medicaid reimbursement daily rate website link has been updated.
- I. MA-2270.XII, Long Term Care Need and Budgeting, **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.
- J. MA-2311.IX, Low-Income Subsidy (LIS) Processing and Case Maintenance, **Table 2 and 3** are updated with the LIS Eligibility and LIS Benefit Determination amounts.
- K. MA-2360.V.B.4.c., Medicaid Deductible, Medicare Part A and Part B premium, deductible and co-insurance are updated to reflect the current amounts and related examples.
- L. MA-2525.IV.E., Disability, [**substantial gainful activity \(SGA\)**](#) is hyper-linked to the Social Security Administration website.

III. EFFECTIVE DATE AND IMPLEMENTATION

All revised and updated policies are effective January 1, 2019.

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

A handwritten signature in blue ink, appearing to read "Dave Richard for". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dave Richard
Deputy Secretary, NC Medicaid