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TO: **Economic Support Supervisors  
Economic Support Lead Workers  
Training Staff  
Child Care Coordinators  
W-2 Agencies  
Workforce Development Boards  
Job Center Leads and Managers**

FROM: Amy Mendel-Clemens  
Technical Assistance, Training & Education  
Section  
Bureau of Health Care Eligibility  
Division of Health Care Financing

**BHCE/BWP OPERATIONS MEMO**

No: 05-49

DATE: 12/02/2005

FS	<input checked="" type="checkbox"/>	MA	<input checked="" type="checkbox"/>	SC	<input checked="" type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input checked="" type="checkbox"/>	W-2	<input checked="" type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	WtW	<input type="checkbox"/>		
Other	EP	<input type="checkbox"/>	★		

**PRIORITY: HIGH**

SUBJECT: **2006 Cost of Living Adjustment (COLA)**

**CROSS REFERENCE:** Medicaid Eligibility Handbook (MEH)

**EFFECTIVE DATE:** January 1, 2006

**BACKGROUND**

The Cost of Living Adjustment (COLA) for 2005 is 4.1% for the SSA Old Age Survivors and Disability Insurance (OASDI or Title II) and Supplemental Security Income (SSI or Title XVI) programs.

CARES eligibility re-determinations will occur as part of the annual COLA mass change on the weekend of December 3, 2005. The Medicaid (MA) changes will be included in the 05-01 MEH release. The federal COLA increase will result in changes in CARES to the Medicaid (MA) income levels, allowances and deductions outlined in this memo.

The SS COLA will update Social Security amounts. We will still do our monthly SS auto-update on the second Saturday of the month. Remember, since SSA doesn't create a SS mid-month file, there is only one SS auto-update in December.

**NOTE** > SSI amounts will not be updated in CARES through the COLA mass change. SSI amounts will continue to be auto-updated on a weekly basis. The increase in federal SSI payments will appear as an auto-update after adverse action in December 2005 and will impact February 2006 benefits. The regular SSI auto-update alerts will be generated when these amounts change.

There will not be a COLA increase in State SSI Supplement or SSI-E payment amounts; however these amounts may be changed in the auto-update process for other reasons.

## **CARES**

### MASS CHANGE

Data updates are made based upon information received from the Social Security Administration (SSA) related to COLA increases to social security benefits (i.e., disability, survivor, and retirement). The Medicare Part B premium amount is also updated based upon the yearly amount set in federal law. For calendar year 2006, the federal benefit COLA increase is 4.1% of the current benefit.

The Mass Change will update specific fields on CARES Unearned Income page/AFUI and Medicare page/AFMD:

- Social Security Benefit
- SSA/COLA DAC Disregard
- QMB/SLMB "current" Disregard
- SSA claim number
- Social Security Payment Subtype
- All Fields on the Medicare page/AFMD

For each person in a W-2, Child Care, Medicaid, BadgerCare, Family Care Assistance Group (AG), or FoodShare (FS) AG that is open or has been closed less than 30 days, CARES will update the SSA benefit amount with an effective date of 01/06. SeniorCare only cases will not be updated automatically because it uses an annual budgeting technique.

When applicable, the CARES Medicare page/AFMD will be updated with the increased Medicare Part B premium amount. The premium payor will be updated on CWW Medicare Page/AFMD if SSA data differs from that in CARES.

### ALERTS

Alerts that require further action by the worker:

#### **369 SS INFO UPD AND DISCREP EXISTS**

The auto-update process adds together the net SS income of all SS income types on the Unearned Income page, plus any Medicare premium on the Medicare page, plus any SS recoupments, to see if it matches the gross SSA income on the BENDEX file. These three amounts are also shown on DXSA. If that total does not match, there could be a discrepancy (possible garnishments being taken from SS income for child support, back taxes, etc). If a mismatch is found, this process will update the Unearned Income page and set this alert for the worker. The worker must follow up with SSA to determine the reason for the discrepancy. Currently, the BENDEX file does not show what the garnishments are, only the recoupment amount being deducted to repay SS.

**349 ELIG NOT DET AT MC/AA RUN SFEX**

The case did not go through mass change or adverse action because it exceptioned off. These are the cases that appear on the EOS Exception report, CMC182RC. This report includes cases with overrides, those with person add/deletes that have not been confirmed, FoodShare cases closed less than 30 days and AG's in pending status. These cases are also listed on the monthly mass change report C3-7. The worker must run SFEX to determine eligibility and confirm when you get the correct determination. If you do not run SFEX and confirm before AA, you must run SFEX with the recurring month's date. For FS cases, issue a supplement or create an overpayment claim based on the correct eligibility.

The following alerts will not be set due to the large number of individuals involved.

**370 FYI SS INCOME UPDATED****383 FYI MEDICARE INFORMATION UPDATED**

When the COLA record includes Railroad Retirement, the case will not be automatically updated. The following alerts will be generated and sent to the primary worker and alternate worker when the update did not occur:

**379 SSA INDICATES RAILROAD BENEFIT**

This alert will be generated to the primary worker whenever the record from SSA indicates that the individual is receiving Railroad Benefits.

**380 SSA INDICATES RR BENEFIT**

This alert will be generated to the alternate worker whenever the record from SSA indicates that the individual is receiving Railroad Benefits.

**NOTE** ➤CUAH, alert help text often has useful information for workers providing information as to why the alert was set and what action is needed.

REPORTS

CARES data will now match SSA data more accurately since we are automatically updating SSA records on a monthly basis. We anticipate the number of exceptions generated during the mass change to be greatly reduced. For the exceptions that do result, we have identified a number of reports that local agencies can use to resolve these exceptions.

**Reports that require worker action**

EOS/CARES Report ID		Report Title
C306	CMC190RA	<b>MASS CHANGE EXCEPTION LISTING</b> This report is produced at any Mass Change and lists AGs that did not run through eligibility. Cases on this report must be reviewed by local agencies and the issues resolved. <b>The individual cases on this report will also have alert 349 generated.</b>

**Informational Reports**

The following reports are for information purposes only and may be useful when researching an exception.

EOS/CARES Report ID		Report Title
<b>C300</b>	<b>CMC180RA</b>	<b>AGS AFFECTED BY MASS CHANGE</b> This is a list of cases with an assistance group that increased or decreased as a result of the mass change. If one Assistance group in the case changed, <b>all</b> assistance groups are listed.
<b>C301</b>	<b>CMC180RB</b>	<b>MASS CHANGE SUMMARY BY AGENCY</b> This report shows the number of AGs by agency that opened, closed, increased and decreased. It also shows dollar amounts when applicable.
<b>C302</b>	<b>CMC180RC</b>	<b>MASS CHANGE SUMMARY STATEWIDE</b> This report shows the number of AGs statewide that opened, closed, increased and decreased. It also shows dollar amounts when applicable.

**CARES TABLES**

Reference table updates have been made to four tables that are used in determining MA eligibility. An effective date of January 1, 2006 has been used for CARES tables TMEP, TASP, and TSCA. TCDP changes have already been done through 2006. These changes are required because of changes in the federal portion of the SSI payment level upon which the MA income limits are based or because of a change in the Consumer Price Index (CPI).

**NOTE >** Changes to TMST will not be needed this year because the AFDC-related and the SSI-related medically needy limits are capped at \$591.67 for group sizes of 1 and 2.

CARES Table	Data Updated
<b>TMEP</b>	<ul style="list-style-type: none"> <li>• SSI related income and shelter limit changes in Community Waiver income limits and personal maintenance allowances</li> <li>• Medicare Part B premium amount</li> <li>• Spousal impoverishment maximum income allocation</li> </ul>
<b>TASP</b>	<ul style="list-style-type: none"> <li>• Spousal impoverishment asset limit</li> </ul>
<b>TCDP</b>	<ul style="list-style-type: none"> <li>• Dates controlling the time between the COLA mass change and the Federal Poverty Level mass change</li> </ul>
<b>TSCA</b>	<ul style="list-style-type: none"> <li>• SSA COLA percentage</li> </ul>

**NEW PROGRAM AMOUNTS FOR 2006****INSTITUTIONS CATEGORICALLY NEEDY INCOME LIMIT**

Cross Reference: MEH, Chapter 5.8.5, 8.1.5

Effective Date: 01/01/06

CARES: This change is part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically needy income limit for person in a medical institution.	\$ 1,809.00	\$ 1,737.00

**ELDERLY, BLIND, DISABLED (EBD) INCOME & ASSET CHANGES**

Cross Reference: MEH, Chapter 8.1.5

Effective Date: 01/01/06

CARES: These changes are part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically Needy Income Size 1	\$ 485.78 + Actual Shelter up to \$ 201.00	\$ 469.78 + Actual Shelter up to \$ 193.00
Size 2	\$ 734.72 + Actual Shelter up to \$ 301.33	\$ 711.38 + Actual Shelter up to \$ 289.67
Medically Needy Income		
Size 1	No Change	\$ 591.67
Size 2	No Change	\$ 591.67
Categorically Needy Assets		
Size 1	No Change	\$ 2,000.00
Size 2	No Change	\$ 3,000.00
Medically Needy Assets		
Size 1	No Change	\$ 2,000.00
Size 2	No Change	\$ 3,000.00

**EBD DEEMING AMOUNT TO AN INELIGIBLE MINOR**

Cross Reference: MEH, Chapter 1.1.3.1.2 & 8.1.5.1  
 Effective Date: 01/01/06  
 CARES: This change is part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
EBD Deeming Amount to an Ineligible Minor	\$ 301.00	\$ 290.00

**PARENTAL LIVING ALLOWANCE**

Cross Reference: MEH, Chapter 1.1.3.1.2 & 8.1.5.1  
 Effective Date: 01/01/06  
 CARES: This change is part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Parental Living Allowance – 1 Parent	\$ 603.00	\$ 579.00
2 Parents	\$ 904.00	\$ 869.00

**SPOUSAL IMPOVERISHMENT INCOME ALLOCATION & ASSET SHARE**

Cross Reference: MEH, Chapter 5.10.4.2 & 5.10.6.  
 Effective Date: 01/01/06  
 CARES: This change is part of the 12/3/05 CARES mass change.

INCOME

ITEM	NEW AMOUNT	OLD AMOUNT
Community Spouse Asset Share (CSAS) maximum	\$ 99,540.00	\$ 95,100.00
Income allocation	\$ 2,488.50	\$ 2,377.50

ASSETS

<b>IF</b> the total countable assets of the couple are:	<b>THEN</b> the CSAS* is:	<b>MA Eligibility Limit</b>
\$199,080 or more	\$99,540	\$101,540
Less than \$199,080 but greater than \$100,000	½ of the total countable assets of the couple	½ + \$2,000
\$100,000 or less	\$50,000	\$52,000

\*CSAS is the "Community Spouse Asset Share".

Income Allocation & Allowance

**NOTE** ➤ All dollar amounts are monthly amounts

<b>Community Spouse Allocation</b>	The maximum allocation is the <u>lesser</u> of: \$2,488.50, or \$2,138.33 plus excess shelter allowance.  “Excess shelter allowance” means shelter expenses above \$641.50. Shelter expenses are mortgage, rent, taxes, maintenance fees, and a utility allowance.
<b>Dependent Family Member Allocation</b>	\$534.58 per dependent family member living with the community spouse. (This amount does not change with the COLA increases but rather with the Federal Poverty Level changes that occur in the spring of each year.)
<b>Personal Needs Allowance</b>	\$45 for institutionalized individuals.
<b>Community Waivers Allowance</b>	\$783 to \$1,809 for a person in community waivers

**Spousal Impoverishment Brochure**

Workers can access the Spousal Impoverishment Fact Sheet on the Internet at:

[www.dhfs.state.wi.us/Medicaid1/recpubs/factsheets/phc10063.htm](http://www.dhfs.state.wi.us/Medicaid1/recpubs/factsheets/phc10063.htm)

**MEDICARE PART B PREMIUM AMOUNT**

*Cross Reference:* None.  
*Effective Date:* 01/01/06  
*CARES:* This change is part of the 12/03/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Base Monthly Premium Amount	\$ 88.50	\$ 78.20

The actual amount paid by the person is listed on the BENDEX file.

For each individual where the Medicare Part B Premium Amount or the Medicare Part B Premium Payor is updated, the HIC number on AFMD will also be updated if the COLA file is different than the CARES information. The HIC number will not be updated if CARES has railroad retirement or black lung fund indicated on screen AFMD.

**SSI-E PAYMENT LEVEL**

*Cross Reference:* MEH, Chapter 5.11.1.1, 5.11.2.2, 8.1.5.  
*Effective Date:* No change.  
*CARES:* Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
State SSI-E Supplement	No change	\$ 95.99

**COMMUNITY WAIVERS BASIC NEEDS ALLOWANCE**

Cross Reference: MEH, Chapter 5.9.9.2.1, 8.1.5.1.  
 Effective Date: 01/01/06  
 CARES: This change is part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Basic Needs Allowance	\$ 783.00	\$ 759.00
EBD Maximum Personal Maintenance Allowance	\$ 1,809.00	\$ 1,737.00

**COMMUNITY WAIVERS SPECIAL INCOME LIMIT (GROUP B)**

Cross Reference: MEH, Chapter 5.9.9.2, 8.1.5.  
 Effective Date: 01/01/06  
 CARES: This change is part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Single person or spouse not applying.	\$ 1,809.00	\$ 1,737.00
Married couple (living together) both applying	\$3,618.00	\$3,474.00

**AFDC-RELATED INCOME CHANGES**

Cross Reference: MEH, Chapter 8.1.4  
 Effective Date: No change.  
 CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
Income:		
1. Categorically needy.	No Change	See <u>MEH</u> .
2. Medically needy.	No Change	Size 1 = \$ 591.67

**MEDICAID PURCHASE PLAN (MAPP) STANDARD LIVING ALLOWANCE**

Cross Reference: MEH, Chapter 5.12.5.1 and 8.1.5.1  
 Effective Date: 01/01/06  
 CARES: This change is part of the 12/3/05 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
MAPP Standard Living Allowance, SLA	\$ 706.00	\$ 682.00

**TUBERCULOSIS BENEFIT INCOME LIMIT**

Cross Reference: MEH, Chapter 5.11.7.2  
 Effective Date: 01/01/06  
 CARES: Not applicable (manual determination).

ITEM	NEW AMOUNT	OLD AMOUNT
Income limit for one person.	\$ 1,291.00	\$ 1,243.00

**CONTACTS**

BHCE CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WtW – Welfare to Work, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHFS/DHCF/BHCE/JE/JMJ