



DEPARTMENT OF CHILDREN
AND FAMILIES
Secretary Eloise Anderson
201 East Washington Avenue, Room G200
P.O. Box 8916
Madison, WI 53708-8916
Telephone: 608-266-8684
Fax: 608-261-6972
www.dcf.wisconsin.gov

DEPARTMENT OF HEALTH SERVICES
Secretary Kitty Rhoades
1 West Wilson Street
P.O. Box 7850
Madison, WI 53707-7850
Telephone: (608) 266-9622
FAX: (608) 266-7882
www.dhs.wisconsin.gov

**State of Wisconsin
Governor Scott Walker**

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

| | | | |
|----------------------------|--------------------------|-------------------|-------------------------------------|
| DHS OPERATIONS MEMO | | | |
| No: | | DHS 14-53 | |
| DATE: | | 11/26/2014 | |
| FS | <input type="checkbox"/> | MA | <input checked="" type="checkbox"/> |
| SC | <input type="checkbox"/> | CTS | <input type="checkbox"/> |
| | | BC+ | <input type="checkbox"/> |
| | | FSET | <input type="checkbox"/> |

FROM: Shawn Smith, Bureau Director
Bureau of Enrollment Policy & Systems
Division of Health Care Access and Accountability

SUBJECT: 2015 Cost of Living Adjustment (COLA)

CROSS REFERENCE: Medicaid Eligibility Handbook (MEH)

EFFECTIVE DATE: January 1, 2015

BACKGROUND:

The Cost of Living Adjustment (COLA) for Calendar Year (CY) 2015 is **1.7%** for the Social Security Administration (SSA) Old Age, Survivors and Disability Insurance (OASDI or Title II) Program and the Supplemental Security Income (SSI or Title XVI) Program.

The federal COLA increase will result in changes to the Medicaid (MA) income levels, allowances, and deductions in CARES, as outlined in pages 6-12 of this memo. These changes will be included in a future MEH release.

The Social Security (SS) auto-update process will update SS amounts as part of the annual CARES COLA mass change on the weekend of December 6, 2014. The monthly SS auto-update will still be run prior to December adverse action (AA). There is only one SS auto-update in December.

CARES eligibility re-determinations for January 2015 will occur as part of the annual COLA mass change.

➤ **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 AA in December 2014 and will impact February 2015 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:

COLA MASS CHANGE:

Data updates are made based on information received from the SSA related to COLA increases to SS benefits (i.e., disability, survivor, and retirement). The Medicare Part B costs are also updated based on the yearly amount set in federal law. For CY 2015, the federal benefit COLA increase is **1.7%** of the current benefit.

The COLA mass change will update the following fields on the CARES Unearned Income page and Medicare page:

- “Social Security Benefit” field.
- “SSA/COLA DAC Disregard” field.
- “QMB/SLMB ‘Current’ Disregard” field.
- “SSA Claim Number” field.
- “Social Security Payment Subtype” field.
- All fields on the Medicare page.

For each person in a Wisconsin Works (W-2), Child Care, BadgerCare Plus, MA, Family Care, or FoodShare (FS) assistance group (AG) that is open or has been closed for less than 30 days, CARES will update the SSA benefit amount with an effective date of January 1, 2015. Because SeniorCare uses an annual budgeting process, SeniorCare-only cases will not be updated automatically.

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

ALERTS:**Alerts Requiring Further Action**

The following alerts require further action by the worker:

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

The auto-update process adds together the following:

- The net SS income of all SS income types on the Unearned Income page.
- Any Medicare premium on the Medicare page.
- Any SS recoupments.

➤**NOTE:** These three amounts are also shown on DXSA.

The total of these amounts is then matched against the gross SSA income on the BENDEX file. If they do not match, there could be a discrepancy (e.g., possible garnishments being taken from SS income for child support, back taxes, etc.). If a mismatch is found, the Unearned Income page will be updated with the net amount, and alert 369 will be set for the worker.

The worker must follow-up with SSA to determine the reason for the discrepancy. The worker will need to determine the difference between the gross amount and the net amount and enter this amount as "OT-Other" income on the Unearned Income page.

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

This alert indicates that the case did not go through mass change or AA because it exceptioned off.

The case will appear on EOS/CARES Report C306: Mass Change Exception Listing. EOS/CARES Report C306 includes the following:

- Cases with overrides.
- Cases with person add/deletes that have not been confirmed.
- FS cases closed for less than 30 days.
- AGs in pending status.

The case will also be listed on EOS/CARES Report C307.

For these cases, you 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, you must issue a supplement or create an overpayment claim based on the correct eligibility.

Alerts That Will Not Be Set

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**

Alerts Generated When COLA Record Includes Railroad Retirement Benefits

When the COLA record includes Railroad Retirement benefits, the case will not be automatically updated. The following alerts will be generated and sent to the primary worker and alternate worker in these situations:

- **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 Retirement 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 Retirement benefits.

➤ **NOTE:** CUAH, alert help text, often has useful information for workers. It provides information about why the alert was set and what action is needed.

MEDICARE BENEFICIARIES, MEDICAID PURCHASE PLAN (MAPP), & COLA DISREGARD:

Special processing is used for Medicare beneficiaries and MAPP members when their SS benefits are increased by the COLA. Federal law prohibits using 2015 SS benefit amounts to determine financial eligibility until after the 2015 Federal Poverty Levels (FPL) are published by the federal government. This is to prevent cases from closing due to an increase in income before the higher FPL limits take effect. For this reason, the COLA increases that appear with the January SSI checks should be disregarded.

During the CARES COLA mass change in December 2014, the COLA increase amount will be stored in the "Current Disregard" field on the CWW Unearned Income page. For Medicare Beneficiaries and MAPP cases that are run after the COLA updates are made in CARES and before the FPL limits are updated, CARES will automatically subtract the COLA increase amount from the member's income before comparing it to the eligibility income limits. In addition, CARES will subtract the COLA increase amount in the "Current Disregard" field from the member's income before comparing it to the income limits for MAPP premiums.

For new Medicare Beneficiary and MAPP applications processed after December 1, 2014, workers should enter the 2015 COLA increase amount in the "Current Disregard" field on the CWW Unearned Income page (the 2014 SS benefit amount will auto-populate). Once entered, CARES will subtract the amount in the "Current Disregard" field from the SSI when determining

eligibility for benefits and the MAPP premium. Once CARES is updated with the 2015 FPL limits, the “Current Disregard” amount will be ignored by CARES. Eligibility for Medicare beneficiaries and MAPP members, as well as for MAPP premiums, will then be determined using the 2015 SS benefit amounts.

REPORTS:

SS information is updated in CARES on a monthly basis through the data exchange with the SSA. This process has reduced the number of exceptions created during the annual CARES COLA mass change. For the exceptions that are created, the following reports can be used to resolve the exceptions.

Reports That Require Worker Action

The following report requires worker action:

| EOS/CARES Report ID | | Report Title |
|---------------------|-----------------|--|
| C306 | CMC190RA | <p>MASS CHANGE EXCEPTION LISTING 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 must be resolved. The individual cases on this report will also have alert 349 generated.</p> |

Informational Reports

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

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

CARES TABLES:

Reference table updates are being made to three CARES tables that are used in determining MA eligibility. The updates will be effective on January 1, 2015, for CARES tables TMEP, TASP, and TSCA (updates to table TCDP have already been completed through **2015**). Changes to these tables 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 table TMST will not be needed this year because the Aid to Families with Dependent Children (AFDC)-related and the SSI-related medically needy limits are capped at **\$591.67** for group sizes of 1 and 2.

Summary of Updates to CARES Tables

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

NEW PROGRAM AMOUNTS FOR 2015:*INSTITUTIONS CATEGORICALLY NEEDY INCOME LIMIT:*

Cross Reference: MEH, Chapter 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|--|-------------------|-------------------|
| Categorically needy income limit for person in a medical institution | \$2,199.00 | \$2,163.00 |

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

Cross Reference: MEH, Chapter 39.4

Effective Date: January 1, 2015

CARES: These changes are part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|--------------------------------------|---|--|
| Categorically Needy Income Size 1 | \$572.45+ Actual Shelter up to \$244.33 | \$564.45 + Actual Shelter up to \$240.33 |
| Size 2 | \$865.38+ Actual Shelter up to \$366.67 | \$853.38 + Actual Shelter up to \$360.67 |
| Medically Needy Income Size 1 | \$591.67 | \$591.67 |
| Size 2 | \$591.67 | \$591.67 |
| Categorically Needy Assets Size 1 | \$2,000.00 | \$2,000.00 |
| Size 2 | \$3,000.00 | \$3,000.00 |
| Medically Needy Assets Size 1 | \$2,000.00 | \$2,000.00 |
| Size 2 | \$3,000.00 | \$3,000.00 |

EBD DEEMING AMOUNT TO AN INELIGIBLE MINOR:

Cross Reference: MEH, Chapters 1.1.3.3, 15.1.2 & 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|---|--------------|------------|
| EBD Deeming Amount to an Ineligible Minor | \$367 | \$361 |

PARENTAL LIVING ALLOWANCE:

Cross Reference: MEH, Chapters 1.1.3.3, 15.1.1 & 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|--------------------------------------|----------------|------------|
| Parental Living Allowance – 1 Parent | \$733 | \$721 |
| 2 Parents | \$1,100 | \$1,082 |

SPOUSAL IMPOVERISHMENT INCOME ALLOCATION & ASSET SHARE:

Cross Reference: MEH, Chapters 18.6.1 & 18.4.3

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

INCOME:

| ITEM | NEW AMOUNT | OLD AMOUNT |
|---|-------------------|------------|
| Community Spouse Asset Share (CSAS) maximum | \$119,220 | \$117,240 |
| Income allocation | \$2,980.50 | \$2,931 |

ASSETS:

| IF the total countable assets of the couple are: | THEN the CSAS* is: | MA Eligibility Limit |
|---|--|-----------------------------|
| \$238,440 or more | \$119,220 | \$121,220 |
| Less than \$238,440 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.

| | |
|---|--|
| Community Spouse Allocation | The maximum allocation is the <u>lesser</u> of: \$2,980.50 , or \$2,621.67 plus excess shelter allowance. (The lower allocation limit does not change with the COLA increases. This amount will be updated on July 1.) “Excess shelter allowance” means shelter expenses above \$786.50 . Shelter expenses are mortgage, rent, taxes, maintenance fees, and a utility allowance. (The excess shelter allowance does not change with the COLA increases. This amount will be updated on July 1.) |
| Dependent Family Member Allocation | \$655.42 per dependent family member living with the community spouse. (This amount does not change with the COLA increases. This amount will be updated on July 1.) |
| Personal Needs Allowance | \$45 for institutionalized individuals. |
| Community Waivers Allowance | \$913 to \$2,199 for a person in community waivers. |

Spousal Impoverishment Fact Sheet

Workers can access the Spousal Impoverishment Fact Sheet for customers on the Internet at <http://dhs.wisconsin.gov/medicaid/publications.htm>

2013-2015 MEDICARE PART B PREMIUM AMOUNT BASED ON INCOME:

Cross Reference: None

Effective Date: January 1, 2013 (no change for 2014 or 2015)

CARES: This change was part of the December 1, 2012, CARES mass change.

| Yearly Income | | | |
|-----------------------|--------------------------|-----------------------------|-----------------|
| Single | Married (filing jointly) | Married (filing separately) | Monthly Premium |
| \$85,000 or less | \$170,000 or less | \$85,000 or less | \$104.90 |
| \$85,001 - \$107,000 | \$170,001 - \$214,000 | | \$146.90 |
| \$107,001 - \$160,000 | \$214,001 - \$320,000 | | \$209.80 |
| \$160,001 - \$214,000 | \$320,001 - \$428,000 | \$85,001 - \$129,000 | \$272.70 |
| Above \$214,001 | Above \$428,000 | Above \$129,000 | \$335.70 |

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

For each individual whose Medicare Part B premium amount or Medicare Part B premium payer is updated, the HIC number on the Medicare page 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 the Medicare page. More information on Part B premiums is available at the following Medicare website:

<http://www.medicare.gov/your-medicare-costs/part-b-costs/part-b-costs.html>

SSI-E PAYMENT LEVEL:

Cross Reference: MEH, Chapter 39.4

Effective Date: No change

CARES: Not applicable

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

SSI PAYMENT LEVEL + SUPPLEMENT (HOME MAINTENANCE MAXIMUM ALLOWANCES):

Cross Reference: MEH, Chapters 15.7.1 & 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|----------------------------------|-----------------|------------|
| SSI Payment Level + E Supplement | \$912.77 | \$900.77 |

COMMUNITY WAIVERS BASIC NEEDS ALLOWANCE:

Cross Reference: MEH, Chapters 18.6 & 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|--|---------------|------------|
| Basic Needs Allowance | \$913 | \$901 |
| EBD Maximum Personal Maintenance Allowance | \$2199 | \$2,163 |

COMMUNITY WAIVERS SPECIAL INCOME LIMIT (GROUP B):

Cross Reference: MEH, Chapters 28.8.3 & 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|--------------------------------------|----------------|------------|
| Single person or spouse not applying | \$2,199 | \$2,163 |

AFDC-RELATED INCOME CHANGES:

Cross Reference: MEH, Chapter 39.3

Effective Date: No change

CARES: Not applicable

| ITEM | NEW AMOUNT | OLD AMOUNT |
|-------------------------|------------|------------------|
| Income: | No Change | See <u>MEH</u> . |
| 1. Categorically needy. | No Change | See <u>MEH</u> |
| 2. Medically needy. | | |

MEDICAID PURCHASE PLAN (MAPP) STANDARD LIVING ALLOWANCE:

Cross Reference: MEH, Chapters 26.5.1, 39.4

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|-------------------------------------|--------------|------------|
| MAPP Standard Living Allowance, SLA | \$836 | \$824 |

TUBERCULOSIS BENEFIT INCOME LIMIT:

Cross Reference: MEH, Chapter 25.7.2

Effective Date: January 1, 2015

CARES: Not applicable (manual determination)

| ITEM | NEW AMOUNT | OLD AMOUNT |
|-----------------------------|-------------------|------------|
| Income limit for one person | \$1,551.00 | \$1,527 |

MEDICARE SAVINGS PROGRAM ASSET LIMITS:

Cross Reference: MEH, Chapter 32.6

Effective Date: January 1, 2015

CARES: This change is part of the December 6, 2014, CARES mass change.

| ITEM | NEW AMOUNT | OLD AMOUNT |
|-----------------------------|-----------------|------------|
| Asset limit for one person | \$7,280 | \$7,160 |
| Asset limit for two persons | \$10,930 | \$10,750 |

Applies only to QMB, SLMB and SLMB+, not QDWI

CONTACTS:

BEPS CARES Information & Problem Resolution Center

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – SeniorCare, CTS – Caretaker Supplement, FSET – FoodShare Employment and Training.

DHS/DHCAA/BEPS/FM;PK