



Date: November 18, 2016

DHCAA Operations Memo 16-36

To: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff

Affected Programs:	
<input checked="" type="checkbox"/> BadgerCare Plus	<input type="checkbox"/> Caretaker Supplement
<input type="checkbox"/> FoodShare	<input type="checkbox"/> FoodShare Employment and Training
<input checked="" type="checkbox"/> Medicaid	
<input type="checkbox"/> SeniorCare	

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Bureau of Enrollment Policy and Systems
Division of Health Care Access and Accountability

2017 Cost of Living Adjustment (COLA)

CROSS REFERENCE

Medicaid Eligibility Handbook (MEH)

EFFECTIVE DATE

January 1, 2017

PURPOSE

The purpose of this Operations Memos is to announce the updated Social Security Cost of Living Adjustment (COLA) and the resulting increase in some Medicaid financial eligibility limits, effective January 1, 2017, through December 31, 2017.

BACKGROUND

As announced by the Social Security Administration, the Cost of Living Adjustment (COLA) for calendar year 2017 is 0.3% 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 Medicare Part B costs are also updated based on the yearly amount set in federal law.

The federal COLA increase will result in changes to the Medicaid income levels, allowances, and deductions in CARES.

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 3, 2016. The monthly SS auto-update will be run prior to December adverse action. There is only one SS auto-update in December.

CARES eligibility re-determinations for January 2017 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 adverse action in December 2016 and will impact February 2017 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 Supplemental Security Income Exceptional Expense (SSI-E) payment amounts; however, these amounts may be changed in the auto-update process for other reasons.

POLICY

NEW PROGRAM AMOUNTS FOR 2017

INSTITUTIONS' CATEGORICALLY NEEDY INCOME LIMIT

Cross Reference: MEH, Chapter 39.4

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically needy income limit for person in a medical institution	\$2,205	\$2,199

ELDERLY, BLIND, AND DISABLED (EBD) INCOME AND ASSET CHANGES

Cross Reference: MEH, Chapter 39.4

Effective Date: January 1, 2017

CARES: These changes are part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically Needy Income Size 1	\$573.78+ Actual Shelter up to \$245.00	\$572.45 + Actual Shelter up to \$244.33
Size 2	\$867.38+ Actual Shelter up to \$367.67	\$865.38 + Actual Shelter up to \$366.67
Medically Needy Income Size 1	\$591.67	\$591.67
Size 2	\$591.67	\$591.67
Categorically Needy Assets Size 1	\$2,000	\$2,000
Size 2	\$3,000	\$3,000

ITEM	NEW AMOUNT	OLD AMOUNT
Medically Needy Assets		
Size 1	\$2,000	\$2,000
Size 2	\$3,000	\$3,000

EBD DEEMING AMOUNT TO AN INELIGIBLE MINOR

Cross Reference: MEH, Chapters 1.1.3.3, 15.1.2 and 39.4

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
EBD Deeming Amount to an Ineligible Minor	\$368	\$367

PARENTAL LIVING ALLOWANCE

Cross Reference: MEH, Chapters 1.1.3.3, 15.1.2 and 39.4

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Parental Living Allowance – 1 Parent	\$735	\$733
2 Parents	\$1,103	\$1,100

SPOUSAL IMPOVERISHMENT INCOME ALLOCATION AND ASSET SHARE

Cross Reference: MEH, Chapters 18.6.2 and 18.4.3

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

NOTE: All dollar amounts are monthly amounts.

Income:

ITEM	NEW AMOUNT	OLD AMOUNT
Community Spouse Asset Share (CSAS) maximum	\$120,900	\$119,220
Income allocation maximum	\$3,022.50	\$2,980.50

Assets:

IF the total countable assets of the couple are:	THEN the CSAS is:	MA Eligibility Limit
\$241,800 or more	\$120,900	\$122,900
Less than \$241,800 but greater than \$100,000	half of the total countable assets of the couple	½ + \$2,000
\$100,000 or less	\$50,000	\$52,000

Income Allocation and Allowance:

Community Spouse Allocation	The maximum allocation is the lesser of: \$3,022.50 , or \$2,670 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 \$801 . 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	\$667.50 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	\$915 to \$2,205 for a person in community waivers

SPOUSAL IMPOVERISHMENT FACT SHEET

IM workers and members can access the Wisconsin Medicaid Spousal Impoverishment Protection fact sheet, P-10063, in the publications library: dhs.wisconsin.gov/library/P-10063.htm

2017 MEDICARE PART B PREMIUM AMOUNT BASED ON INCOME

Most people who get Social Security benefits will pay less than this amount because the Part B premium increased more than the cost-of-living increase for 2017 Social Security benefits. The people who pay the amounts in the chart below are only those who fall into the following groups:

1. Individuals enrolled in Part B for the first time in 2017
2. Individuals who do not receive Social Security benefits.
3. Individuals who are directly billed for Part B premiums.
4. Individuals who have Medicare and Medicaid, and Medicaid pays their premiums (the state of Wisconsin will pay the standard premium amount of \$134).
5. Individuals whose modified adjusted gross income as reported on their IRS tax return from 2015 is above a certain amount.

Cross Reference: None

Effective Date: January 1, 2017

CARES: Auto-updated for each case.

Yearly Income			
Single	Married (filing jointly)	Married (filing separately)	Monthly Premium
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$134
\$85,001 - \$107,000	\$170,001 - \$214,000		\$187.50
\$107,001 - \$160,000	\$214,001 - \$320,000		\$267.90
\$160,001 - \$214,000	\$320,001 - \$428,000	\$85,001 - \$129,000	\$348.30
Above \$214,001	Above \$428,000	Above \$129,000	\$428.60

The actual amount paid by the person is listed on the Beneficiary and Earnings Data Exchange (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 and 39.4

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
SSI Payment Level + E Supplement	\$914.77	\$912.77

COMMUNITY WAIVERS BASIC NEEDS ALLOWANCE

Cross Reference: MEH, Chapters 28.8.3 and 39.4

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Basic Needs Allowance	\$915	\$913
EBD Maximum Personal Maintenance Allowance	\$2,205	\$2,199

COMMUNITY WAIVERS SPECIAL INCOME LIMIT (GROUP B)

Cross Reference: MEH, Chapters 28.8.3 and 39.4

Effective Date: January 1, 2017

CARES: This change is part of the December 3, 2016, CARES mass change.

ITEM	New Amount	Old AMOUNT
Single person or spouse not applying	\$2,205	\$2,199

MEDICAID PURCHASE PLAN (MAPP) STANDARD LIVING ALLOWANCE*Cross Reference:* MEH, Chapters 26.5.1 and 39.4*Effective Date:* January 1, 2017*CARES:* This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
MAPP Standard Living Allowance, SLA	\$838	\$836

TUBERCULOSIS BENEFIT INCOME LIMIT*Cross Reference:* MEH, Chapter 25.7.2*Effective Date:* January 1, 2017*CARES:* Not applicable (manual determination)

ITEM	NEW AMOUNT	OLD AMOUNT
Income limit for one person	\$1,555	\$1,551

MEDICARE SAVINGS PROGRAM ASSET LIMITS*Cross Reference:* MEH, Chapter 32.6*Effective Date:* January 1, 2017*CARES:* This change is part of the December 3, 2016, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Asset limit for one person	\$7,390	\$7,280
Asset limit for two persons	\$11,090	\$10,930

Applies only to Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), and Specified Low-Income Medicare Beneficiary Plus (SLMB+), not Qualified Disabled and Working Individuals (QDWI).

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 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 member in a Wisconsin Works (W-2), child care, BadgerCare Plus, Medicaid, Family Care, or FoodShare assistance group 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, 2017. 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

CUAH, alert help text in the CARES Mainframe, often has useful information for workers. It provides information about why the alert was set and what action is needed.

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

Note: These three amounts are also shown on DXSA and DXSX.

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, alert 369 will be set for the worker.

The worker must follow-up with SSA to determine the reason for the discrepancy. The worker must determine if the income is disregarded or counted. If the income is required to be counted, the worker must enter the 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:

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

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

For these cases, you must initiate eligibility to determine eligibility and confirm when you get the correct determination. If you do not run eligibility and confirm before AA, you must run eligibility with the recurring month’s date.

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.

MEDICARE BENEFICIARIES, MEDICAID PURCHASE PLAN (MAPP), AND 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 2017 SS benefit amounts to determine financial eligibility until after the 2017 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 2016, 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, 2016, workers should enter the 2017 COLA increase amount in the “Current Disregard” field on the CWW Unearned Income page (the 2016 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 2017 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 2017 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	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.

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	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.
C301	CMC180RB	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.
C302	CMC180RC	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.

CARES TABLES

Reference table updates are being made to three CARES tables that are used in determining Medicaid eligibility. The updates will be effective on January 1, 2017, for CARES tables TMEP, TASP, and TSCA (updates to table TCDP have already been completed through 2017). Changes to these tables are required because of changes in the federal portion of the SSI payment level upon which the Medicaid income limits are based or because of a change in the Consumer Price Index.

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	Spousal impoverishment asset limit
TCDP	Dates controlling the time between the COLA mass change and the FPL mass change
TSCA	SSA COLA percentage

CONTACTS

BEPS CARES Information and Problem Resolution Center