



Date: November 22, 2017

DMS Operations Memo 17-56

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

Affected Programs:	
<input 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	

From: Rebecca McAtee, Bureau Director  
Bureau of Enrollment Policy and Systems  
Division of Medicaid Services

**2018 Cost-of-Living Adjustment (COLA) for Medicaid for the Elderly, Blind, or Disabled**

**CROSS REFERENCE**

Medicaid Eligibility Handbook

**EFFECTIVE DATE**

January 1, 2018

**PURPOSE**

The purpose of this Operations Memo is to announce this year's Social Security Cost-of-Living Adjustment (COLA) and the resulting increase in some Medicaid financial eligibility limits, effective January 1, 2018.

**BACKGROUND**

As announced by the Social Security Administration, the COLA for calendar year 2018 is 2% 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 many of the Medicaid income levels, allowances, and deductions in CARES.

The Social Security auto-update process will update Social Security amounts as part of the annual CARES COLA mass change on the weekend of December 2, 2017. The monthly Social Security auto-update will be run prior to December adverse action. There is only one Social Security auto-update in December.

CARES eligibility redeterminations for January 2018 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 2017 and will impact February 2018 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 2018***

***INSTITUTIONAL MEDICAID CATEGORICALLY NEEDY MONTHLY INCOME LIMIT***

*Cross Reference:* Medicaid Eligibility Handbook, Section 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

<b>ITEM</b>	<b>NEW AMOUNT</b>	<b>OLD AMOUNT</b>
Categorically needy monthly income limit for a person in a medical institution	<b>\$2,250</b>	\$2,205

***ELDERLY, BLIND, AND DISABLED (EBD) MEDICAID MONTHLY INCOME LIMITS AND ASSET LIMIT CHANGES***

*Cross Reference:* Medicaid Eligibility Handbook, Section 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

<b>ITEM</b>	<b>NEW AMOUNT</b>	<b>OLD AMOUNT</b>
Categorically Needy Monthly Income Limits Group Size of 1	<b>\$583.78+</b> Actual Shelter up to <b>\$250.00</b>	\$573.78+ Actual Shelter up to \$245.00
Group Size of 2	<b>\$882.05 +</b> Actual Shelter up to <b>\$375.00</b>	\$867.38+ Actual Shelter up to \$367.67
Medically Needy Monthly Income Limits Group Size of 1	<b>No Change</b>	\$591.67
Group Size of 2	<b>No Change</b>	\$591.67

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically Needy Asset Limits		
Group Size of 1	<b>No Change</b>	\$2,000
Group Size of 2	<b>No Change</b>	\$3,000
Medically Needy Asset Limits		
Group Size of 1	<b>No Change</b>	\$2,000
Group Size of 2	<b>No Change</b>	\$3,000

**MONTHLY EBD DEEMING AMOUNT TO AN INELIGIBLE MINOR**

*Cross Reference:* Medicaid Eligibility Handbook, Sections 1.1.3.3, 15.1.2 and 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly EBD Deeming Amount to an Ineligible Minor	<b>\$375</b>	\$368

**MONTHLY PARENTAL LIVING ALLOWANCE**

*Cross Reference:* Medicaid Eligibility Handbook, Sections 1.1.3.3, 15.1.2, and 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly Parental Living Allowance – 1 Parent	<b>\$750</b>	\$735
Monthly Parental Living Allowance – 2 Parents	<b>\$1,125</b>	\$1,103

**SPOUSAL IMPOVERISHMENT INCOME ALLOCATION AND ASSET SHARE**

*Cross Reference:* Medicaid Eligibility Handbook, Chapters 18.6.2 and 18.4.3

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

**Income:**

ITEM	NEW AMOUNT	OLD AMOUNT
Community Spouse Asset Share (CSAS) maximum	<b>\$123,600</b>	\$120,900
Income allocation maximum (monthly)	<b>\$3,090</b>	\$3,022.50

**Assets:**

IF the total countable assets of the couple are:	THEN the CSAS is:	MA Eligibility Limit
\$247,200 or more	\$123,600	\$125,600
Less than \$247,200, but greater than \$100,000	half the total countable assets of the couple	½ + \$2,000
\$100,000 or less	\$50,000	\$52,000

**Income Allocation and Allowance:**

<b>Community Spouse Allocation</b>	The maximum allocation is the lesser of: <b>\$3,090</b> , or <b>\$2,706.66</b> 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 <b>\$812</b> . 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.)
<b>Dependent Family Member Allocation</b>	<b>\$676.66</b> 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.)
<b>Personal Needs Allowance</b>	<b>\$45</b> for institutionalized individuals (no change)
<b>Community Waivers Allowance</b>	<b>\$930 to \$2,250</b> for a person in community waivers

**NOTE:** The dollar amounts for income allocation and allowance are monthly amounts.

**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](https://dhs.wisconsin.gov/library/P-10063.htm)

**2018 MEDICARE PART B PREMIUM AMOUNT BASED ON INCOME**

Some people who get Social Security benefits will pay less than the standard monthly premium amount of \$134.

The people who pay the standard monthly premium or higher amounts shown in the chart below are those who fall into one of the following groups:

1. Individuals enrolled in Part B for the first time in 2018
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 2016 is above a certain amount.

*Cross Reference:* None

*Effective Date:* January 1, 2018

*CARES:* Auto-updated for each case.

<b>Yearly Income (as Reported on the 2016 IRS Tax Return)</b>			
<b>Single</b>	<b>Married (Filing Jointly)</b>	<b>Married (Filing Separately)</b>	<b>Monthly Premium</b>
\$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 – \$133,500	\$214,001 - \$267,000		\$267.90
\$133,501 – \$160,000	\$267,001 - \$320,000		\$348.30
Above \$160,000	Above \$320,000	Above \$85,000	\$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 from 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: <https://www.medicare.gov/your-medicare-costs/part-b-costs/part-b-costs.html>

**SSI-E MONTHLY PAYMENT LEVEL**

*Cross Reference:* Medicaid Eligibility Handbook, Section 39.4

*Effective Date:* No change

*CARES:* Not applicable

ITEM	NEW AMOUNT	OLD AMOUNT
State SSI-E Supplement monthly payment	<b>No Change</b>	\$95.99

**MONTHLY SSI PAYMENT LEVEL+ SUPPLEMENT (HOME MAINTENANCE MAXIMUM ALLOWANCES)**

*Cross Reference:* Medicaid Eligibility Handbook, Sections 15.7.1 and 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly SSI Payment Level + E Supplement	<b>\$929.77</b>	\$914.77

**COMMUNITY WAIVERS MONTHLY BASIC NEEDS ALLOWANCE**

*Cross Reference:* Medicaid Eligibility Handbook, Sections 28.8.3 and 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly Basic Needs Allowance	<b>\$930</b>	\$915
EBD Maximum Monthly Personal Maintenance Allowance	<b>\$2,250</b>	\$2,205

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

*Cross Reference:* Medicaid Eligibility Handbook, Sections 28.8.3 and 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly income limit for a single person or spouse not applying	<b>\$2,250</b>	\$2,205

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

*Cross Reference:* Medicaid Eligibility Handbook, Sections 26.5.1 and 39.4

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
MAPP Monthly Standard Living Allowance (SLA)	<b>\$853</b>	\$838

**TUBERCULOSIS BENEFIT MONTHLY INCOME LIMIT**

*Cross Reference:* Medicaid Eligibility Handbook, Chapters 25.7.2

*Effective Date:* January 1, 2018

*CARES:* Not applicable (manual determination)

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly income limit for one person	<b>\$1,585</b>	\$1,555

**MEDICARE SAVINGS PROGRAM ASSET LIMITS**

*Cross Reference:* Medicaid Eligibility Handbook, Sections 25.7.2

*Effective Date:* January 1, 2018

*CARES:* This change is part of the December 2, 2017, CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Asset limit for one person	<b>\$7,560</b>	\$7,390
Asset limit for two persons	<b>\$11,340</b>	\$11,090

Applies only to Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), and Specified Low-Income Medicare Beneficiary Plus (SLMB+); does not apply to 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 Social Security 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, home and community-based waivers, 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, 2018. 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. To use this feature, enter CUAH in the NEXT TRAN field and the alert number in the PARMS field.

### ***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 Social Security income of all Social Security income types on the Unearned Income page.
  - Any Medicare premium on the Medicare page.
  - Any Social Security 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 Social Security 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 adverse action 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.
- FoodShare cases closed for less than 30 days.
- Assistance Groups 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 adverse action, 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 to whom this alert applies during the mass change:

- 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 rules are used for Medicare beneficiaries and MAPP members when their Social Security benefits are increased by the COLA. Federal law prohibits using 2018 Social Security benefit amounts to determine financial eligibility until after the 2018 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 2017, 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 program 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, 2017, workers should enter the 2018 COLA increase amount in the “Current Disregard” field on the CWW Unearned Income page (the 2017 Social Security benefit amount will auto-populate). Once entered, CARES will subtract the amount in the “Current Disregard” field from SSI when determining eligibility for benefits and calculating the MAPP premium. Once CARES is updated with the 2018 FPL limits, the “Current Disregard” amount will be ignored by CARES. Eligibility for Medicare beneficiaries and MAPP members, as well as for calculation of MAPP premiums, will then be determined using the 2018 Social Security benefit amounts.

**REPORTS**

Social Security 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	<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 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	<b>AGS AFFECTED BY MASS CHANGE</b> 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	<b>MASS CHANGE SUMMARY BY AGENCY</b> This report shows the number of AGs by agency that opened, closed, increased, or decreased. It also shows dollar amounts, when applicable.
C302	CMC180RC	<b>MASS CHANGE SUMMARY STATEWIDE</b> 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, 2018, for CARES tables TMEP, TASP, and TSCA (updates to table TCDP have already been completed through 2018). 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**

<b>CARES Table</b>	<b>Data Updated</b>
TMEP	<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>
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

DHS/DMS/BEPS/MF