



Date: November 25, 2020

DMS Operations Memo 20-28

Amended December 15, 2020

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 Eligibility & Enrollment Policy  
Division of Medicaid Services

**2021 Cost-of-Living Adjustment (COLA) for Medicaid for the Elderly, Blind, or Disabled**

**CROSS REFERENCE**

Medicaid Eligibility Handbook

**EFFECTIVE DATE**

January 1, 2021

**PURPOSE**

This operations memo announces this year's Social Security Cost-of-Living Adjustment (COLA) and the resulting increase in some Medicaid financial eligibility limits, effective January 1, 2021.

**BACKGROUND**

As announced by the Social Security Administration, the COLA for calendar year 2021 is 1.3% 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 some of the Medicaid income levels, allowances, and deductions in CARES.

CARES eligibility redeterminations for January 2021 will occur as part of the annual 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 2020 and will impact February 2021 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.

## **POLICY**

### ***EBD DEDUCTIBLES***

Per MEH, 26.2.1, increases in Social Security benefits due to the COLA may not result in increases to the amount of met or unmet deductibles. However, any increases in Medicare Premiums must be used to adjust the amount of any remaining unmet deductibles.

### ***NEW PROGRAM AMOUNTS FOR 2021***

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

*Cross Reference:* Medicaid Eligibility Handbook, Section 39.4

*Effective Date:* January 1, 2021 unless otherwise noted

<b>ITEM</b>	<b>NEW AMOUNT</b>	<b>OLD AMOUNT</b>
Categorically needy monthly income limit for a person in a medical institution	<b>\$2,382</b>	\$2,349

**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, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically Needy Monthly Income Limits*		
Group Size of 1	<b>\$877.78</b>	\$866.78 <sup>†</sup>
Group Size of 2	<b>\$1,323.05</b>	\$1,307.05 <sup>†</sup>
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

\*Effective August 1, 2020, the maximum allowable shelter cost has been included in the SSI-Related income limits, instead of using the member's actual shelter costs up to the maximum allowable amount.

<sup>†</sup>Effective August 1, 2020

**Note:** The Medically Needy monthly income limits will be updated in early 2021 when the Federal Poverty Level income guidelines are updated.

**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, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly EBD Deeming Amount to an Ineligible Minor	<b>\$397</b>	\$392

**MONTHLY PARENTAL LIVING ALLOWANCE**

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

*Effective Date:* January 1, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly Parental Living Allowance – 1 Parent	<b>\$794</b>	\$783
Monthly Parental Living Allowance – 2 Parents	<b>\$1,191</b>	\$1,175

## **SPOUSAL IMPOVERISHMENT INCOME ALLOCATION AND ASSET SHARE**

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

*Effective Date:* January 1, 2021

### **Income:**

<b>ITEM</b>	<b>NEW AMOUNT</b>	<b>OLD AMOUNT</b>
Community Spouse Asset Share (CSAS) maximum	<b>\$130,380</b>	\$128,640
Income allocation maximum (monthly)	<b>\$3,259.50</b>	\$3,216.00

### **Assets:**

<b>IF the total countable assets of the couple are:</b>	<b>THEN the CSAS is:</b>	<b>MA Eligibility Limit</b>
\$260,760 or more	\$130,380	\$132,380
Less than \$260,760, but greater than \$100,000	half the total countable assets of the couple	$\frac{1}{2} + \$2,000$
\$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>\$3,259.50</b> , or <b>\$2,873.34</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>\$862.00</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>\$718.34</b> <del>718.33</del> 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>\$974</b> to <b>\$2,382</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)

### **2021 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 \$148.50.

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 2021
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 \$148.50).
5. Individuals whose modified adjusted gross income as reported on their IRS tax return from 2019 is above a certain amount.

*Cross Reference:* None

*Effective Date:* January 1, 2021

<b>Yearly Income (as Reported on the 2019 IRS Tax Return)</b>			
<b>Single</b>	<b>Married (Filing Jointly)</b>	<b>Married (Filing Separately)</b>	<b>Monthly Premium</b>
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
\$88,001 – \$111,000	\$176,001 – \$222,000		\$207.90
\$111,001 – \$138,000	\$222,001 – \$276,000		\$297.00
\$138,001 – \$165,000	\$276,001 – \$330,000		\$386.10
\$165,001 – \$499,999	\$330,000 – \$750,000	\$88,001 – \$411,999	\$475.20
\$500,000 and above	\$750,000 and above	\$412,000 and above	\$504.90

More information on Part B premiums is available at the following Medicare website:

<https://www.cms.gov/newsroom/fact-sheets/2021-medicare-parts-b-premiums-and-deductibles>

### **SSI-E MONTHLY PAYMENT LEVEL**

*Cross Reference:* Medicaid Eligibility Handbook, Section 39.4

*Effective Date:* No change

<b>ITEM</b>	<b>NEW AMOUNT</b>	<b>OLD AMOUNT</b>
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, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly SSI Payment Level + E Supplement	<b>\$973.77</b>	\$962.77

**COMMUNITY WAIVERS MONTHLY BASIC NEEDS ALLOWANCE**

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

*Effective Date:* January 1, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly Basic Needs Allowance	<b>\$974</b>	\$963
EBD Maximum Monthly Personal Maintenance Allowance	<b>\$2,382</b>	\$2,349

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

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

*Effective Date:* January 1, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly income limit for a single person or spouse not applying	<b>\$2,382</b>	\$2,349

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

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

*Effective Date:* August 1, 2020

ITEM	NEW AMOUNT	OLD AMOUNT
MAPP Monthly Standard Living Allowance (SLA)	<b>N/A*</b>	\$886

\*As of August 1, 2020, this allowance is no longer used to calculate MAPP Premiums.

**TUBERCULOSIS BENEFIT MONTHLY INCOME LIMIT**

*Cross Reference:* BadgerCare Plus Eligibility Handbook, Chapter 43.2

*Effective Date:* January 1, 2021

ITEM	NEW AMOUNT	OLD AMOUNT
Monthly income limit for one person	<b>\$1,673</b>	\$1,651
Monthly income limit for a married couple	<b>\$2,467</b>	\$2,435

### **MEDICARE SAVINGS PROGRAM ASSET LIMITS**

*Cross Reference:* Medicaid Eligibility Handbook, Section 25.7.2

*Effective Date:* January 1, 2021

<b>ITEM</b>	<b>NEW AMOUNT</b>	<b>OLD AMOUNT</b>
Asset limit for one person	<b>\$7,970</b>	\$7,860
Asset limit for two persons	<b>\$11,960</b>	\$11,800

This applies only to Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), and Specified Low-Income Medicare Beneficiary Plus (SLMB+). It does not apply to Qualified Disabled and Working Individuals (QDWI).

### **COST-OF-LIVING ADJUSTMENT DISREGARD AMOUNTS**

*Cross Reference:* Medicaid Eligibility Handbook, Section 39.6

*Effective Date:* January 1, 2021

<b>COLA Disregard Amount</b>	
January - December 2020	0.012833
January - December 2019	0.028379
January - December 2018	0.054843
January - December 2017	0.073376
January - December 2016	0.076148
January - December 2015	0.076148
January - December 2014	0.091590
January - December 2013	0.105015
January - December 2012	0.119976
January - December 2011	0.150556
January - December 2010	0.150556
January - December 2009	0.150556
January - December 2008	0.197123
January - December 2007	0.215174
January - December 2006	0.240245
January - December 2005	0.270169
January - December 2004	0.289356
January - December 2003	0.303973
January - December 2002	0.313582
January - December 2001	0.330977
January - December 2000	0.353601
January - December 1999	0.368751
January - December 1998	0.376852
January - December 1997	0.389669
January - December 1996	0.406870
January - December 1995	0.421900

<b>COLA Disregard Amount</b>	
January - December 1994	0.437646
January - December 1993	0.451897
January - December 1992	0.467861
January - December 1991	0.486848
January - December 1990	0.513138
January - December 1989	0.534993
January - December 1988	0.552878
January - December 1987	0.570900
January - December 1986	0.576407
January - December 1985	0.589144
January - December 1984	0.603037
July 1983 - December 1983	0.616461
July 1982 - June 1983	0.642888
July 1981 - June 1982	0.678856
July 1980 - June 1981	0.719034
July 1979 - June 1980	0.744344
July 1978 - June 1979	0.759947
July 1977 - June 1978	0.773321
July 1976 - June 1977	0.786956
July 1975 - June 1976	0.802737

## **CONTACTS**

BEOT CARES Information and Problem Resolution Center

DHS/DMS/BEEP/MF