Update 2008-17: Common Place  
January 2009 SSA COLA and Related Increases

Background
Social Security beneficiaries receive an annual Cost of Living Adjustment (COLA) at the beginning of each calendar year.

Changes
Social Security beneficiaries will receive a 5.8% increase to their Social Security benefits effective December 1, 2008 payable January 1, 2009.

Veterans Benefits are also increased by 5.8% effective December 1, 2008 payable January 1, 2009.

The new benefit amount can be determined by multiplying the current benefit amount by 1.058. The new 2009 gross Social Security benefit amount is rounded down to the next lower dollar.

CalWORKs & Food Stamps
The following changes apply to both CalWORKs and Food Stamps:

Applicants
The increased Social Security benefit amount must be used for eligibility and budgeting purposes beginning with the month of January 2009.

Example:
A client applies in November. The QR payment quarter is November/December/January based on the date of application. The SSA COLA increase must be reasonably anticipated for the month of January.
$100.00 in November,
$100.00 in December, and
$102.30 in January (with COLA increase).

$302.30 divided by 3 months = $100.76 Quarter Average

**Recipients**

For Quarterly Reporting recipients, the COLA increase is considered a county initiated mid-quarter action. Since the COLA is effective December 2008 and payable in January 2009, EWs must take action to decrease CalWORKS and Food Stamp benefits effective January 1, 2009 with a 10-day NOA.

**Food Stamps**

For non-quarterly reporting households, benefits must be adjusted to reflect the COLA increase no later than the second allotment issued after the month in which the change becomes effective (i.e. no later than February 2009).

**Medi-Cal**

The various Medi-Cal standard amounts affected by the COLA will be updated in the Chart Book and in CalWIN.

Disregard the SSA COLA increase for all programs where eligibility is based on the Federal Poverty Level (FPL) until the new FPLs are in effect on April 1, 2009. These programs include the:

- Income Disregard program
- 100% FPL
- 133% FPL
- 250% Working Disabled Program
- Aged &Disabled FPL Program
- QMB/SLMB/QL-1
- Bridging Program
- Section 1931(b) Applicant (100% FPL) Test.

**General Assistance**

The increased Social Security benefit amount must be used for eligibility and budgeting purposes beginning with the month of January 2009.

**CAPI**

The Presumed Maximum Value (PMV) allocation will increase to $244.66 for an individual and $357 for a couple. The sponsor deeming allocation is changing from $637 to $674. This will decrease grants for January 2009. An adequate 10-day NOA must be sent to clients affected by this change.

[Refer to “CAPI Reference Table,” page 9-1.]
The CAPI payment standards for Non-Medical Out-of-Home Care (NMOHC) for Individual and a Couple Household of relative with In-Kind Room & Board and Certified NMOHC are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>January 1, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$846.34</td>
</tr>
<tr>
<td>Couple (both CAPI)</td>
<td>$1699.66</td>
</tr>
<tr>
<td>CAPI Person With SSI Spouse</td>
<td>$1709.66</td>
</tr>
</tbody>
</table>

[Refer to “CAPI and SSI/SSP payment Standards,” page 9-3.]

NMOHC for Individual and a Couple In Licensed Facility or Household of Relative without In-Kind Room & Board:

<table>
<thead>
<tr>
<th>Description</th>
<th>January 1, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$1076.00</td>
</tr>
<tr>
<td>Couple</td>
<td>$2152.00</td>
</tr>
<tr>
<td>CAPI Person With SSI Spouse</td>
<td>$2162.00</td>
</tr>
</tbody>
</table>

[Refer to “CAPI and SSI/SSP payment Standards,” page 9-3.]

The CAPI PMV and NMOHC amounts affected by the COLA will be updated in the Chart Book and in CalWIN.

**Foster Care**

Some Foster Care children may become ineligible if the SSA/SSI benefits exceed the cost of their placement. If this occurs, a child sub-payee account will need to be set up by Fiscal. A 10-day Notice of Action is required for any adverse actions:

- For Foster Care, the Social Security benefit received in January 2009 must be reflected in the January Foster Care payment issued on February 1, 2009.

- For AAP and KinGAP, the change is effective January 1, 2009.

**Reminder:**

Social Security benefits received from an AAP child’s biological parent(s) are counted; however, it is exempt if it’s from the adoptive parent. SSI is exempt for federal AAP, but it is counted for non-federal AAP.

Intake staff may need to manually calculate the Social Security/SSI increase for pending cases that are approved after the automated COLA has been run.
If the child has a sub-payee account, EWs can contact our SSA/SSI Coordinator, Hieu Tran, if they have questions.

**CalWIN**

The COLA mass update is scheduled to run on the weekend of December 6, 2008 for all open and pending cases. The *RSDI COLA Increased Amount* field on the Collect Unearned Income Detail window will be populated with the 5.8% increased amount; and a new income record for January 2009 will be created in the Collect Income Received Detail window. Cases with income types listed below will be updated:

- SSA/RSDI: Income based on parent, spouse, or child disability
- SSA/RSDI: Survivors benefits
- SSA/RSDI: Blind
- SSA/RSDI: Disability benefits
- SSA/RSDI: Blind
- SSA/RSDI: Widow’s benefits
- SSA/RSDI: Retirement benefits
- Veterans Benefits.

**Exception:**

Cases for which EWs have manually entered the new income value for January 2009 will not be updated.

**Client Correspondence**

Notices of Action (NOAs) will be generated for those cases that have a change in benefits. Most of these NOAs will be mailed to the clients automatically. EWs **must** review those that have been placed online to determine whether the NOA should be mailed or deleted.

A listing of cases with online NOAs that require EW review will be provided after the mass update. Action must be taken by December NOA cutoff if the client is adversely affected.

**Reports**

Reports produced as a result of the mass update will be provided along with instructions as soon as they become available. Examples of some of the reports are:

- Mass Update Detail (MU0002R)
- Mass Update Exception (MU0003R)
- Mass Update Summary (MU0005R)

**Medi-Cal Standard Amounts**

The following reference tables have been updated during November Fiscal Month End with an effective date of January 1, 2009. Intake cases will be evaluated using the new values when EDBC is run.
• SSI/SSP Standard Allocation/Payment Standards  
  [Refer to “Current SSI/SSP Payment Standards,” page 6-1.]

• Federal Benefit Rate (FBR)  
  [Refer to “Federal Benefits Rate (FBR) and SSI Standard Allocations,” page 5-17.]

• Substantial Gainful Activity (SGA)  
  [Refer to “Substantial Gainful Activity (SGA) Chart,” page 5-31.]

• Pickle multiplier and In-Kind Support and Maintenance values  
  [Refer to “Pickle Disregard Computation Chart,” page 5-32 and “Presumed Maximum Vale (PMV),” page 5-33 and “Value of One-Third Reduction (VTR),” page 5-33.]

• Community Spouse and Family Member Allocation  
  [Refer to “Maximum Base Allocations - LTC Cases,” page 5-2.]

• Community Spouse Resource Allocation.  
  [Refer to “Community Spouse Resource Allowance (CSRA),” page 5-2.]

**Exception:**  
The Medicare Part B premium updates are not included in the automated COLA process. EWs will need to manually enter the amount of $96.40 in Data Collection. A listing of cases with individuals who pay Part B premium will be provided by the CalWIN project. No action is required for cases in State buy-in status.

  [Refer to “Social Security / Medicare Information,” page 5-25.]

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**FPL Programs**  
For cases with FPL and Section 1931(b) eligibles, the SSA amounts will be updated during the mass COLA run. CalWIN will also populate a “Y” value in the RSDI COLA Revised but FPL Revision Pending field on the Collect Case Summary Detail window to exclude the COLA increase from January through March. An automated process will take place in March to remove the “Y” value and apply the COLA effective April 1, 2009.

Cases with FPL eligibles but with no SSA income will be excluded from the COLA run. No EW action is required.

**Reminder:**  
EWs who are manually processing a case may need to enter the new SSA amount and manually set the value to a “Y” to ensure the SSA increase is not applied to FPL cases until April 1, 2009.
Section 1931(b)

The RSDI/VA amount will be updated and EDBC will be run on Section 1931(b) cases with RSDI/VA income. For the Applicant test (which is the 100% FPL test), EDBC will ignore the RSDI/VA increase. For cases where eligibility is based on the Recipient test (which is the MBSAC test), EDBC will use the new RSDI/VA amount for January 2009. Section 1931(b) cases with no RSDI/VA income will be excluded from the COLA run.

Continuous Eligibility for Children (CEC)

For cases with CEC eligibles with RSDI/VA income, the amount will be updated during the COLA EDBC run. CalWIN has current logic to continue CEC even with the increased amount. If there is no RSDI/VA income, it will be excluded from the COLA run. For either situation, there is no action required for the CEC child only.

Bridging Program

Cases that includes a child on Bridging Aid Code 7X with no RSDI/VA income, will be excluded from the COLA run. If there is a child in the case that was granted 7X with effective month of January (already authorized prior to COLA run), the RSDI/VA amount will be updated and the case will be included in the COLA EDBC run. If the child still passes the Bridging program for January, a trigger will be set to run February eligibility in the normal batch run.

Other COLAs

Railroad Retirement benefits, Civil Service Annuities, and State Teachers Retirement will also receive a cost of living increase; however, they will not be included in the mass COLA run. Listings will be provided for EWs to manually update the amounts.

Chart Book

The Chart Book has been updated with the new COLA amounts mentioned in this Update.

EW Supervisors

EW Supervisors must review this Update with their units immediately.

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