Update 2012-37: Common Place
January 2013 SSA COLA and Related Increases

Background
The Social Security Administration (SSA) has informed the State of California - Health and Human Services Agency that there will be a cost-of-living increase for calendar year 2013.

Changes
Social Security beneficiaries will receive a 1.7% increase to their Social Security benefits effective December 1, 2012 payable January 1, 2013.

Veterans Benefits are also increased by 1.7% effective December 1, 2012 payable January 1, 2013.

The new benefit amount can be determined by multiplying the current benefit amount by 1.017. The new 2013 gross Social Security benefit amount is rounded down to the next lower dollar.

The Part B Supplemental Medical Insurance monthly Base Premium increased from $99.90 in 2012 to $104.90 in 2013.

CalWORKs & CalFresh
The following changes apply to both CalWORKs and CalFresh:

Applicants
The increased Social Security benefit amount must be used for eligibility and budgeting purposes beginning with the month of January 2013.
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.

$300.00 in November, $300.00 in December, and $305.10 in January (with COLA increase).

$905.10 divided by 3 months = $301.70 Quarter Average

Recipients
For Quarterly Reporting cases and cases subject to Annual Reporting/Child Only (AR/CO), the COLA increase is considered a county initiated mid-quarter action. Since the COLA is effective December 2012 and payable in January 2013, EWs must take action to decrease CalWORKs and CalFresh benefits effective January 1, 2013 with a 10-day NOA.

CalFresh
For Change 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 2013).

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, 2013. These programs include the:

- Income Disregard program
- 100% FPL
- 133% FPL
- Targeted Low-Income Children’s program (TLICP)
- 250% Working Disabled Program
- Aged & Disabled FPL Program
- QMB/SLMB/QI-1
- 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 2013.
CAPI

The Presumed Maximum Value (PMV) allocation will increase to $256.66 for an individual and $375.33 for a couple. The sponsor deeming allocation is changing to $710.00. This will decrease grants for January 2013. An adequate 10-day NOA must be sent to clients affected by this change.

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, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$870.34</td>
</tr>
<tr>
<td>Couple (both CAPI)</td>
<td>$1,736.33</td>
</tr>
<tr>
<td>CAPI Person With SSI Spouse</td>
<td>$1,746.33</td>
</tr>
</tbody>
</table>

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, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$1,112.00</td>
</tr>
<tr>
<td>Couple (both CAPI)</td>
<td>$2,224.00</td>
</tr>
<tr>
<td>CAPI Person With SSI Spouse</td>
<td>$2,234.00</td>
</tr>
</tbody>
</table>

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

Foster Care, KinGap, AAP

- For Foster Care, benefits continue uninterrupted. Fiscal will reflect the change on the Display Abatement Detail window in CalWIN.

- For KinGap, the increased Social Security benefit amount must be used for eligibility and budgeting purposes beginning with the month of January 2013.

Reminder:
Social Security benefits received from an AAP child’s biological or adoptive parent(s) are not counted. SSI is exempt for federal and non-federal AAP.

Implementation

The COLA is effective January 1, 2013
CalWIN

The COLA mass update ran on the weekend of December 8, 2012 for all open and pending cases. The **RSDI COLA Increased Amount** field on the **Collect Unearned Income Detail** window was populated with the 1.7% increased amount; and a new income record for January 2013 created in the **Collect Income Received Detail** window. Cases with income types listed below were updated:

- SSA/RSDI: Income based on parent, spouse, or child disability
- SSA/RSDI: Survivors benefits
- SSA/RSDI: Blind
- SSA/RSDI: Disability benefits
- SSA/RSDI: Widower’s benefits
- SSA/RSDI: Retirement benefits
- SSA/RSDI: Blind Disabled Adult Child (DAC)
- SSI Only - Aged
- SSI Only - Blind
- SSI Only - Disabled
- SSI/SSP or SSP only - Aged
- SSI/SSP or SSP only - Blind
- SSI/SSP or SSP only - Disabled

**Note:**

If the income type is exempt the benefit will be updated; but there will be no change to the case budget.

**Exception:**

Cases for which Eligibility Workers (EWs) have manually entered the new income value for January 2013 were not updated.

Client Correspondence

Notices of Action (NOAs) were generated for those cases that have a change in benefits. Most of these NOAs were 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 was provided after the mass update. Action must be taken by December NOA cutoff if the client is adversely affected.

Medi-Cal Standard Amounts

The following reference tables have been updated during November Fiscal Month End with an effective date of January 1, 2013. Intake cases will be evaluated using the new values when EDBC is run.

- Federal Benefit Rate (FBR)
- Pickle multiplier and In-Kind Support and Maintenance values
- Substantial Gainful Activity (SGA)
• Community Spouse Allocation
• Community Spouse Resource Allocation

[Refer to Chart Book, “Medi-Cal Charts,” page 5-1 for various 2013 standards.]

**Medicare Part B Premium for 2013**

The Medicare Part B Premium update is not a reference table update but was included in the automated COLA process. Value in the field, “Monthly Premium:” for Part B on the Collect Medicare Expense Detail window was updated to $104.90. This update does not affect any person whose Medicare premium is paid by the State under the Buy-In.

**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, 2013.

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, 2013.

**Section 1931(b)**

The RSDI amount was updated and EDBC run on Section 1931(b) cases with RSDI income. For the Applicant test (which is the 100% FPL test), EDBC ignored the RSDI increase. For cases where eligibility is based on the Recipient test (which is the MBSAC test), EDBC uses the new RSDI amount for January 2013. Section 1931(b) cases with no RSDI income were excluded from the COLA run.

**Continuous eligibility for Children (CEC)**

For cases with CEC eligibles with RSDI income, the amount was updated during the COLA run. CalWIN has current logic to continue CEC even with the increased amount. If there is no RSDI income, it will be excluded from the COLA run. For either situation, there is no action required for the CEC child only.
Other COLAs
Railroad Retirement benefits, and Veterans’ benefits also received a cost of living increase; however, they were NOT included in the mass COLA run. Listings were 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 upon receipt.

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