

BROADCAST DMAS-11

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TO: Local directors and Medicaid staff

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SUBJECT: 2017 COLA-related changes

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The following acronyms are used in this broadcast:

ABD – Aged, Blind or Disabled
COLA – Cost-of-Living Adjustment
DMAS – Department of Medical Assistance Services
EDBC – Eligibility Determination Benefit Calculation
F&C – Families and Children
NABD – Non-aged/blind/disabled
NBD – Non-blind/disabled
MSP – Medicare Savings Program
QMB – Qualified Medicare Beneficiary
QDWI – Qualified Disabled Working Individual
QI – Qualified Individual
RR – Railroad Retirement
SLMB – Special Low Income Beneficiary
SOLQ-I – State Online Query Internet
SS – Social Security
SSI – Supplemental Security Income
SVES – State Verification and Exchange System
VA – Veterans Administration
VaCMS – Virginia Case Management System
VDSS – Virginia Department of Social Services
LTC – Long-term Care

This broadcast contains the new SSA COLA, new LTC resource standards, and the Medicare premiums and cost-sharing amounts effective January 1, 2017. Instructions for evaluating initial or continued Medicaid eligibility based on the new amounts are also contained in the broadcast.

The various amounts are listed below.

I. Changes Effective January 1, 2017

A. SSI, Medicare and Related Figures

- Recipients of SS, SSI, RR and VA benefits will receive a .3 percent COLA.
- SSI benefit limit = \$735 individual; \$1,103 couple
- 300 % of SSI limit = \$2,205
- NBD child allocation = \$368

- NABD Deeming standard = \$368
- Blind or disabled student earned income exclusion = \$1,790 per month, but not more than \$7,200 in a calendar year.

B. Long-term Care

- Spousal Resource Standard = \$24,180
- Maximum Spousal Resource Standard = \$120,900
- Maximum Monthly Maintenance Needs Allowance = \$3,022.50
- Personal Maintenance Allowance (165% of SSI) = \$1,213
- Special Earnings Allowance (200% of SSI) = \$1,470
- Home equity limit = \$560,000

The average monthly private nursing facility costs are unchanged for 2017:

- Northern Virginia = \$8,367
- All other localities = \$5,933.

C. Medicare Part A

About 99 percent of Medicare beneficiaries do not pay a premium for Part A coverage, since they have at least 40 quarters of Medicare-covered employment. The 2017 Medicare Part A premium for individuals with 30 to 39 quarters of Medicare-covered employment will be \$227 per month. The 2017 Medicare Part A premium for aged individuals with fewer than 30 quarters of Medicare-covered employment and disabled individuals under 65 who lost disability benefits because of work and earnings will be \$413 per month.

- Medicare Part A deductible = \$1,316
- Medicare Part A coinsurance for hospital stays of 61 days to 90 days = \$329 per day
- Medicare Part A coinsurance for hospital stays of over 90 days = \$658 per day
- Medicare Part A coinsurance for skilled nursing facility stays over 20 days = \$164.50 per day.

D. Medicare Part B

- Medicare Part B standard premium = \$109 per month.
- Medicare Part B annual deductible = \$183

The QMB, SLMB and QI fact sheets will be updated by VDSS and will be available at:

<http://spark.dss.virginia.gov/divisions/bp/me/facts.cgi>

E. MSP Resource Limits

QMB, SLMB, QI:

- Individual = \$7,390
- Couple = \$11,090

QDWI (unchanged for 2017)

- Individual = \$4,000
- Couple = \$6,000

II. Benefit Increases and Source of Verification

A. SSI

The new amounts are available now from SVES and SOLQ-I.

B. SS Benefits

The new amounts are available now from SVES and SOLQ-I.

C. RR Benefits

For individuals receiving SSI, the new RR amount can be verified from SVES and SOLQ-I. The benefit may also be verified by viewing the notice received by the recipient, or by contacting the RRB. Requests for verification can be faxed to the RRB in Richmond at (804) 771-8481 or in Roanoke at (540) 857-2769. The request should note the information is requested for the purpose of determining Medicaid eligibility.

Enrollees who receive both SS and RR benefits will not be entitled to the full increase on both benefits, since the increase in RR is offset by the amount of the increase in SS benefits.

D. VA Benefits

Individuals receiving VA benefits will receive the COLA in their January 2017 check. If the individual also receives SSI, the VA benefits used in determining the amount of SSI should be shown on the SDX, SVES, and SOLQ-I. For other enrollees, the gross amount of the VA benefit can be verified by calling 800-827-1000 or faxing a request to (540) 857-2833.

E. Other Retirement Benefits

Individuals may be receiving pensions from other sources that increase in January; possible sources include Civil Service, state or local governments and private employers. If individuals are receiving SSI, these pensions will be included as income on the SDX, SVES, and SOLQ-I. If the individual is not receiving SSI, the benefit must be verified by other appropriate methods, such as viewing the notice received by the recipient or contacting the source of the benefit.

III. Implementation

A. Delay Counting Increase in SS for ABD MI (\leq ABD 80 percent FPL, QMB, SLMB, QI)

Delay counting the SS COLA increases for the ABD MI covered groups until after the 2017 FPL is published. Increases in income sources other than SS must be counted.

B. ABD Cases With Income Other Than, or In Addition to, SS

All ABD enrollees with income other than, or in addition to, SS, including the ABD MI covered groups, must be reviewed to evaluate the effect of the cost-of-living increase in the other income. If the total countable income causes ineligibility for a non-SSI case, the case must be closed by January 16, 2017, to be effective January 31, 2017. The cases must be placed in spenddown status with the spenddown period beginning the first day of the month after cancellation. No negative action can be effective until the advance notice period has expired.

C. SSI Recipients

SSI recipients who receive SS benefits may lose SSI eligibility because of the SS increase. The eligibility of these individuals for Medicaid as protected cases must be evaluated using policy in M0320.203 of the Medicaid Eligibility Manual. The special SDX (503 LEADS) report will be issued to show individuals whose SSI eligibility is being terminated because of the cost-of-living increase.

D. Spenddown

Spenddown liability amounts for all applications taken on or after August 1, 2016 that have not been approved as a spenddown case must be recalculated when a change is reported or bills are submitted. Recalculate spenddown liability amounts for approved SLMB, QMB, QI, QDWI or Plan First cases when the individual brings in bills for the second spenddown budget period. Do not recalculate spenddown liability amounts for approved cases that are not SLMB, QMB, QI, QDWI or Plan First.

E. VaCMS Updates

[VDSS Broadcast 10099](#) contains information about VaCMS related to the COLA increase related and the VaCMS Mass Change.