

# **CHANGE NOTICE FOR MANUAL NO. 01-13, CHANGES RELATED TO 2013 COST-OF-LIVING ADJUSTMENT (COLA)**

**DATE: 12/20/2012**

**Manual: Aged, Blind, and Disabled Medicaid**

**Change No: 01 - 13**

**To: County Directors of Social Services**

**Effective: January 1, 2013**

## **I BACKGROUND**

- A. The 2013 COLA is 1.7 percent for Social Security benefits and SSI payments. Social Security benefits increased by 1.7 percent beginning with the December 2012 benefits, which are payable in January 2013. Federal SSI payment levels will also increase by 1.7 percent effective for payments made for January 2013.
- B. Under federal law, Veteran Affairs (VA) cost-of-living adjustments are the same percentage as for Social Security benefits.
- C. The Social Security Act contains provisions for the protection of income and resources when an institutionalized spouse has a community spouse. 2013 SSI and spousal impoverishment standards are updated throughout the ABD manual as applicable.
- D. Indian Health Services (IHS) is the principal federal health care provider and health advocate for Indian people and is not a third party insurance. IHS is payer of last resort to Medicaid.

Centers for Medicare and Medicaid Services (CMS) and other federal agencies use the term beneficiary instead of recipient, to match their terminology, as policy changes recipient and A/R will be changed to beneficiary and A/B.

## **II. CONTENT OF CHANGE**

- A. MA-2110, Pass-along examples and Pickle Chart are updated.
- B. MA-2130, Qualified Medicare Beneficiaries – Q, resource amounts updated.
- C. MA-2140, Qualified Medicare Beneficiaries – B, resource amounts updated.

- D. MA-2231, Community Spouse Resource Allowance amounts are updated. Examples are also updated to reflect current amounts.
- E. MA-2242, Home equity limits are updated
- F. MA-2250, Income has been revised to adjust the Student Income Exclusion in IX.D.3.
- G. MA-2270, Long-term Care Need and Budgeting, has been updated with the amounts for calculating community spouse income allowance, the dependent family member allowance, and monthly housing allowance. Also, Tables A, B, and C are updated with the minimum Medicaid reimbursement rates for ICF/MR, Hospice Care and the actual rates for hospital inappropriate level of care beds.
- H. MA-2311, LIS Processing and Maintenance, resource limits updated.
- I. MA-2360, Medicaid Deductible, V.B. Third Party Responsibility is updated to clarify Indian Health Services (IHS) is the payer of last resort to Medicaid and is not considered a third party insurance. IV.F. Medicare Part A and Part B premium, deductible and co-insurance amounts are updated, including all related examples.
- J. MA-2525, Disability, Substantial Gainful Activity (SGA) is updated.

### **III. EFFECTIVE DATE AND IMPLEMENTATION**

Effective January 1, 2013.

### **IV. MAINTENANCE OF MANUAL**

- A. Remove: **MA-2110, Pass-along, pages 3-6, 9, 10**  
Insert: [MA-2110](#), Pass-along, pages 3-6, 9, 10
- B. Remove: **MA-2130, Qualified Medicare Beneficiaries-Q, pages 1 & 2**  
Insert: [MA-2130](#), Qualified Medicare Beneficiaries-Q, pages 1 & 2
- C. Remove: **MA-2140, Qualified Medicare Beneficiaries-B, pages 1 & 2**  
Insert: [MA-2140](#), Qualified Medicare Beneficiaries-B, pages 1 & 2
- D. Remove: **MA-2231, Community Spouse Resource Protection, pages 7-12**  
Insert: [MA-2231](#), Community Spouse Resource Protection, pages 7-12
- E. Remove: **MA-2242, Home Equity Value for Evaluating Institutional Services, pages 1-2**  
  
Insert: [MA-2242](#), Home Equity Value for Evaluating Institutional Services, Pages 1-2
- F. Remove: **MA-2250, Income, pages 97, 98**  
Insert: [MA-2250](#), Income, pages 97, 98

- G. Remove: MA-2270, Long Term Care Need and Budgeting, pages 17-20**  
**Insert: [MA-2270](#), Long Term Care Need and Budgeting, pages 17-20**
- H. Remove: MA-2311, LIS Processing and Case Maintenance, pages 1, 2, 5-11**  
**Insert: [MA-2311](#), LIS Processing and Case Maintenance, pages 1, 2, 5-11**
- I. Remove: MA-2360, Medicaid Deductible, pages 13-16**  
**Insert: [MA-2360](#), Medicaid Deductible, pages 13-16**
- J. Remove: MA-2525, Disability, pages 11 & 12**  
**Insert: [MA-2525](#), Disability, pages 11 & 12**

If you have any questions regarding this information, please contact a Medicaid Program Representative.

Michael Watson, Director

(This material was researched and written by Pam Cooper, Policy Consultant, Medicaid Eligibility Unit)