



Department of Human Resources
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FIA ACTION TRANSMITTAL

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TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISOR-IN-CHARGE

FROM: ~~KEVIN MAHON~~, EXECUTIVE DIRECTOR, FIA

RE: SOCIAL SECURITY (RSDI) AND SSI COST-OF-LIVING INCREASES,
AND RELATED INCREASES

PROGRAMS AFFECTED: ALL CATEGORIES OF PUBLIC ASSISTANCE,
FOOD STAMPS, NON PUBLIC ASSISTANCE
MEDICAL ASSISTANCE

ORIGINATING OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND
REGULATION

Background:

Historically, Social Security Retirement, Survivors, and Disability Insurance (RSDI) and Supplemental Security Income (SSI) benefits have increased each year. This is usually true for Railroad Retirement and Veterans Benefits also. Generally, to take these changes into account for grant and food stamp purposes, the affected cases are processed according to mass change procedures as described herein. For medical assistance purposes, the impact of these benefit increases is also described in this Action Transmittal.

Action Required:

Effective January 1997 Social Security (RSDI) and SSI benefits will increase by 2.9% and Railroad Retirement and Veterans Benefits may also be adjusted. Local Departments, AIMS and CARES need to take these changes into account in all affected programs according to the procedures outlined on the following pages.

NOTE: ALL PUBLIC ASSISTANCE AND FOOD STAMP CASES WILL HAVE THE INCREASE COUNTED EFFECTIVE WITH JANUARY 1997 BENEFITS. THERE WILL ONLY BE ONE MASS CHANGE. CHANGES IN THE RAILROAD RETIREMENT AND VETERANS BENEFITS MUST BE TAKEN INTO ACCOUNT NO LATER THAN MARCH 1997.

Action Required of: All Local Departments, AIMS and CARES.

Any questions concerning this Action Transmittal should be directed as follows: AIMS or CARES-OIM HELP DESK (1-800-347-1350 OR 767-7002), Policy - Sue Woolford (767-7910).

I. SSI and RSDI Benefits Effective January 1997

Federal Living Arrangements*	Amount of SSI Increase	SSI Only		SSI and RSDI	
		Present Benefit 1	New Benefit 2	Present Benefit 3	New Benefit 4**
Individual A or C	\$14.00	\$470.00	\$484.00	\$490.00	\$504.00
Couple A	21.00	705.00	726.00	725.00	746.00
Individual B	9.33	313.34	322.67	333.34	342.67
Couple B	14.00	470.00	484.00	490.00	504.00
Individual with essential person A***	21.00	705.00	726.00	725.00	746.00
Couple with essential person A	28.00	940.00	968.00	960.00	988.00
Individual with essential person B	14.00	470.00	484.00	490.00	504.00
Couple with essential person B	19.00	626.66	645.66	646.66	665.66

*A - Independent living arrangement

B - One-third reduction for living in the household of another and receiving support and maintenance from the householder.

C - Child living with parents or stepparents whose resources and income are considered in

determining the countable income and resources of the child.

- Person(s) living in a Title XIX facility. In terms of SSI benefits effective January 1997, these rates will remain unchanged at \$30 for an individual and \$60 for a couple.

** - The benefit in Column 4 is always \$20 more than the benefit in Column 2. The same relationship exists between Columns 3 and 1.

*** Essential Person Increments:

Living Arrangements	Amount of SSI Increase	Present Benefit	New Benefit
A	7.00	\$235.00	\$242.00
B	5.00	156.66	161.00

PAA Rates Effective 1/97	Rate	Per Diem
Project Home Level A	\$448	\$14.73
Project Home Level B	557	18.31
Project Home Level C	845	27.78
Project Home Level D	1034	33.99
Domiciliary Care	552	18.14

Personal needs allowance for all PAA cases, including DHMH Rehabilitative Residence cases, is still \$82.00.

II. New/Reopened Cases - AIMS

Unless a case is in exception status, any case approved through 12/28/96 for January 1997 benefits must have the old RSDI/SSI benefit amount entered onto AIMS. AIMS will then update the RSDI/SSI amount, but will not generate a notice for cases entered onto the system after December's simulated run scheduled for 12/13/96.

Applications approved after the actual mass change run scheduled for 12/27/96 should use the new RSDI/SSI amount for all grant calculations. AIMS will not mass change any case which has been approved on the system 12/28/96 or later, that is, the application decision date is 12/28/96 or later.

Three groups of cases, which should be fairly small in number, must be tracked manually and updated as appropriate. These are:

1. Applications made on 12/27/96.
2. Cases reopened or moved out of an exception status on 12/28/96 or later.
3. Cases where an application was made prior to 1/1/97 but approved on or after that date where eligibility is established for a period of time prior to 1/1/97. Generally, this will be an application made in 12/96 and decided on in 1/97 where eligibility extends back to 12/96.

In these cases, the notices issued to customers should reflect the appropriate RSDI/SSI amounts for each affected month.

To verify Social Security and SSI cost-of-living increases, use the Income Eligibility Verification System (IEVS) - screens S01, S03, and S05. Another method of verification is to use State Data Exchange (SDX) documents which will be mailed to local departments as soon as available. Other methods of verification include Social Security notices to customers as to new benefit amounts, Social Security's Third Party Query System in place between local departments and Social Security offices, or use of the form 1610. Social Security has asked that recipients not be referred to SSA for verification letters.

III. Ongoing Cases To Be Changed Effective January 1997 - Mass Change and Special Processing - AIMS

Cases meeting the following criteria will undergo a mass change by AIMS effective with the January 1997 issuance. Cases to be mass changed are all GPA-PW, TCA, TEMHA and Food Stamp cases:

- not in special processing,
- not in suspend status,
- not in adverse action status for February 1997.

For the cases being mass changed, AIMS will generate and mail notices to customers regarding the effect of the RSDI/SSI increases on their food stamp and public assistance benefits. Notices to clients will be generated from the simulated run on 12/13/96, with the actual run planned for 12/27/96.

When the simulated mass change is run, the S930 Mass Change Detail Report will not be printed. In place of the S930, each local department may review the mass change processing via on-line access to a sample of cases. Transaction code AMCI should be used to review the sample from the simulated run. When the actual mass change is run, the entire caseload of cases mass changed

will be available on-line for inquiry by using transaction code APRI. Data processing will retain a tape of the S930 data to produce a hard copy if necessary. The S920 Mass Change Exception Report will continue to be printed from the 12/13/96 simulated run, and distributed.

Cases in exception status are to be handled as follows:

- For cases in special processing, the case manager should use the December 1, 1996 S104 "Appeals and Special Processing Cases Report" to look at each case to see if there is RSDI/SSI income and, if so, update the case with the new amount by 12/27/96. The adverse action notice must be sent by 12/20/96.
- For cases in suspend status, the worker must be aware of these cases and whether a case fits the mass change criteria. If a case due for mass change is resumed after 12/27/96, the case manager must manually update the case with the new RSDI/SSI amount and provide written notice to the customer.
- For cases in adverse action status for February and fitting the mass change criteria, it is recommended that February adverse action not be entered onto AIMS until 12/27/96. That will allow the mass change to take effect. If a case in adverse action status for February is entered onto AIMS before 12/28/96, the case manager will have to manually update the RSDI/SSI amount for January and send a written notice to the customer. Also, the case manager will have to update the RSDI/SSI amount after the adverse action period for February has expired.

The simulated run S920 Mass Change Exception Report should be reviewed promptly so that timely action can be taken to update any case not handled using the S104 report.

After AIMS does the simulated run in December and through 12/27/96, cases in exception status where the RSDI/SSI adjustment has already been made should not be moved out of exception status or these cases will again be adjusted by AIMS. Cases in exception status where the RSDI/SSI adjustment has not been made can be moved from exception status after the simulated run and before the actual mass change run, and these cases will be mass changed by AIMS; however, AIMS will not produce a notice to the customer for these cases.

In case manager-entered recoupment deduction cases affected by the RSDI/SSI increase, if the case manager enters the new deduction amount after 12/1/96 but before the simulated run on 12/13/96, AIMS will adjust the grant and print a notice to the customer. If the new deduction amount is entered after the simulated run and before the actual mass change run on 12/27/96, AIMS will adjust the case but a notice will not be generated.

For purposes of verifying new RSDI/SSI amounts for individual cases, the IEVS, SDX, TPQY, or 1610 verification systems, or verification supplied by the customer should be used at the next recertification, or interim change.

The closed case report which shows any public assistance case that closes due to this increase in income will be provided from the simulated run. Each case must be reviewed according to established policy and a DHMH 8000 completed to take the appropriate action regarding MA eligibility.

The following instructions cover the impact of the RSDI/SSI increases on associated PA cases, PAA, and MSS populations.

Food Stamp Cases With Associated PA Cases - AIMS

When the PA and Food Stamp case have the same case number both will be automatically updated. Food Stamp cases which contain associated PA cases with a different case number and with RSDI/SSI income will need to have the PA grant information adjusted manually via the AIMS 3 and the AIMS 2/3 C. Again this year, AIMS will produce an AIMS S950 report entitled the Mass Change Associated Case Report. This report will identify food stamp cases which have PA associated cases which contain either RSDI/SSI income (resource type P04) or "other unearned income" (resource type P07). Associated cases with other types of income or only a flat PA grant amount will not be listed. This report will be available around the beginning of December 1996. Manual adjustments to cases should be made to prior to 12/13/96 to insure that an accurate S200 is sent to the customer. Changes made after the simulated run on 12/13/96 will need to have a manual notice sent to the customer.

PAA DOMICILIARY CARE AND PROJECT HOME CASES

In addition to the RSDI/SSI cost-of-living increases, effective January 1997 Project Home levels A, B and C rates will increase to \$484, \$557, and \$845, respectively. The reason for the increase is to comply with Federal requirements regarding state supplementation levels.

The impact of the RSDI/SSI and Project Home increases means that local departments must evaluate all PAA cases not enrolled in CARES to see if the increases apply and whether grant adjustments are necessary. Also, if PAA recipients not in CARES are receiving Food Stamps, the food stamp benefit amount should be evaluated to ensure that the change in the PAA grant amount has been taken into consideration.

The PAA rates effective January 1997 are included on the chart in this Action Transmittal which shows the new RSDI/SSI benefit amounts.

To process PAA cases affected by the RSDI/SSI and /or Project Home increases, follow the guidelines outlined here. For new PAA applications approved in December for January 1997 benefits, use the new RSDI/SSI amounts and /or Project Home level A, B or C amount, applicable.

For PAA cases already on the system and receiving RSDI/SSI and/or Project Home level A, B or C benefits, update the case with the new benefit amount(s) effective January 1997 and inform customers of the change(s) in a timely manner, using the attached letter.

If PAA cases in suspend status and receiving Federal benefits and/or Project Home Level A, B and C payments are resumed, manually update the case with the new RSDI/SSI and/or Project Home Level A, B and C amount(s) and provide written notice to the customer.

The case manager must track PAA cases in adverse action status, and update the RSDI/SSI and/or Project Home level A, B or C amount (s) after the adverse action period.

Customers living in rehabilitative residences under DHMH's Mental Hygiene Administration will continue to receive the \$82.00 personal needs allowance.

Attached to this Action Transmittal are copies of letters sent to operators of Project Home and licensed Domiciliary Care facilities to explain these changes and a copy of the notice to the customer.

Mandatory State Supplement (MSS) Cases

Regarding the Mandatory State Supplement cases, the SSI increase will be passed through to these cases. The cases will be adjusted by Federal staff and require no action by local departments.

IV. Increase In Railroad Retirement Benefits

Railroad Retirement (R.R.) benefits are expected to be adjusted in January 1997. Implementation of any changes in R.R. benefits shall take place through established reporting procedures. The case manager should verify new R.R. benefit amounts and make any necessary changes effective no later than March 1997 benefit issuance. Case managers should use verification provided by the customer or contact regional Railroad Retirement Boards (RRB) for verification.

V. Increase In Veterans Benefits

According to the Veterans Administration (VA), the cost-of-living increase in the VA pension program will also be 2.9% effective January 1997. The same procedures outlined for effecting Railroad Retirement changes should be followed for changes in VA benefits. Because of the variance in VA pension programs, use certification of benefit amount provided by the customer or contact the local VA office on a case-by-case basis.

VI. Implementing RSDI/SSI Increases In Medical Assistance For Customers In Long-Term Facilities.

The Medical Assistance Operations Administration, Department of Health and Mental Hygiene (DHMH), will process the new increase effective January 1997 except for customers enrolled in CARES who will be handled by DHR. For customers not in CARES, in January it is expected that DHMH will distribute simulated DHMH 206N's (Certifications for Nursing Home Care), reflecting increased customer liability. Two copies will be sent to the nursing home; one for the customer and one for the nursing home. The third copy will be sent to the local department, and the fourth retained by DHMH.

DHMH will issue an explanatory Bulletin to Nursing Homes. The homes will begin to charge the customer new rates as of January. Each facility will be advised to contact the appropriate local department if a discrepancy is found in the customer's new liability amount. In these cases, the local department will need to issue a corrected 206N.

Because of the timing and work involved in securing the Social Security increase amounts and in preparing the simulated 206N to cover the January Social Security increase, DHMH anticipates a cut-off date of 12/6/96. Simulated 206N's will be generated for those cases that are on the nursing home patient master file as of 12/6/96.

When DHMH calculates the new liability amount for the simulated 206N, they will use 206N's issued by the local department with effective dates no later than 1/1/97. For 206N's which were issued with effective dates after 1/1/97, the simulated 206N liability amount will need to be checked against the case record 206N with the latest effective date and a corrected 206N completed if needed. DHMH will not issue simulated 206N's for those cases for which new liability amounts could not be calculated. Instead, DHMH will supply each Local Department with a listing of LTC unmatched cases. This listing should be received by Local Departments between 12/01/96 and 12/06/96. Cases appearing on the listing will need to be manually updated and corrected 206N's issued.

Customers in Rosewood (cost of care), Other Title XIX Intermediate Care Facilities, Mental Retardation Centers, Chronic and State Mental Hospitals

Financial Agents of these facilities will need to update the new liability amounts utilizing the new benefit figures reflected in the Social Security checks for which DHMH is the payee. For cases with other payees, the usual method of verification (documents supplied by patients' families) is to be used. If necessary, the factor method may be applied, that is, multiply the current benefit amount by 1.029 and round the product down to the nearest dollar.

VII. Community Medical Assistance Cases

Adjustments in these cases may be done at the time of redetermination or change in circumstances.

VIII. Coverage for Certain Former SSI Recipients Under the Pickle Amendment

Annual review for potential Pickle eligible is to be conducted in January 1997.

IX. CARES

On 12/6/96, the Social Security and SSI cost-of-living income adjustments (COLA) will be made to CARES Assistance Units (AUs) in active or spend-down status. This process, referred to as

- Mass Modifications, causes all assistance units to be put through batch eligibility. Batch eligibility examines each AU for all eligibility factors and determines program type, AU status and benefit level. Case managers will receive an alert (#224 Grant Changed in Batch) for any AU with a change in status or benefit level. Also produced, if applicable, are adverse action notices.

CARES will also update the SSA and SSI income fields on cases which are in suspend status, providing such income is present on the UINC screen. However, eligibility will not be calculated or notices produced until the case is reactivated. Cases in a pend status with SSI or SSA income should be reviewed so that the income is correctly reflected for January.

ACTION REQUIRED

FIA case managers will receive a Mass Modification Report after 12/6/96 which provides the results of this processing. As a result of the Mass Modification, most AUs will show either no change (AUs with no SSA and SSI benefits or MA cases with SSA income) or a decrease in benefits. The case managers should review the report for accuracy, particularly if the status changed from active to closed or there is an increase in benefits.

While most of the cases on the report are correct, there may be a small number of AUs which will show a status of closed or an increase in benefits. These actions must be reviewed as follows:

Closures

- Look at the STAT screen for 1/97 to determine the closure reason.
- Look at CAFI, FSFI, or MAFI screen for 1/97
- Look at the appropriate screens which relate to closure reason for 12/96 using an "as of" date of 12/6/96 and an effective month of 12/96.
- Evaluate whether the closure is correct. If correct, no action is required.

- If the closure is not correct due to some data problem which was not previously caught by eligibility, reinstate the AU and make required changes, and notify the HELP DESK.

Increases

- Look at CAFI, or the FSFI screen for 1/97.
- Compare the financial eligibility screens for 1/97 with the eligibility screens prior to mass mod, using an "as of" date of 12/6/96.
- If the reason for the increase is a change in the customer's circumstances (decrease in income, increase in expenses), take no action. The benefit is correct.
- If the reason for the increase in benefits is due to incorrect data which was not previously identified, reinstate the AU and make the changes required to correct the AU. Eligibility processing will correct the benefit level. Notify the HELP DESK of the problem.
- If the change is due to an increase in the disregard of stepparent income, the action is correct.

The Mass Modifications Report should be reviewed and required actions taken no later than 12/27/96 to ensure that there is no break in FIA coverage.

Attachments

cc: DHR Executive Staff
FIA Management Staff
Constituent Services
DHMH Executive Staff

KM/ymp