

 Department of Human Resources 311 West Saratoga Street Baltimore MD 21201	FIA ACTION TRANSMITTAL
Control Number: 98-25	Effective Date: January 1, 1998 Issuance Date: December 19, 1997

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

Charles E. Haney for

FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA

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

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

ORIGINATING OFFICE: OFFICE OF POLICY AND RESEARCH

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. To take these changes into account for grant and food stamp purposes, process the affected cases 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, 1998 Social Security (RSDI) and SSI benefits will increase by 2.1% and Railroad Retirement and Veterans Benefits may also be adjusted. AIMS and CARES jurisdictions need to take these changes into account in all affected programs according to the procedures outlined on the following pages.

NOTE: COUNT THE INCREASE FOR ALL CASH ASSISTANCE AND FOOD STAMP CASES EFFECTIVE WITH JANUARY 1998 BENEFITS. THERE WILL BE ONLY ONE MASS CHANGE. TAKE THE CHANGES IN THE RAILROAD RETIREMENT AND VETERANS BENEFITS INTO ACCOUNT NO LATER THAN MARCH 1998.

I. SSI and RSDI Benefits Effective January 1998

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	\$10.00	\$484.00	\$494.00	\$504.00	\$514.00
Couple A	15.00	726.00	741.00	746.00	761.00
Individual B	6.67	322.67	329.34	342.67	349.34
Couple B	10.00	484.00	494.00	504.00	514.00
Individual with essential person A***	15.00	726.00	741.00	746.00	761.00
Couple with essential person A	20.00	968.00	988.00	988.00	1008.00
Individual with essential person B	10.00	484.00	494.00	504.00	514.00
Couple with essential person B	13.33	643.33	658.66	665.33	678.66

*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 1998, 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	\$5.00	\$242.00	\$247.00
B	\$3.33	\$161.00	\$164.33

PAA Rates Effective 1/98	Rate	Per Diem
Project Home Level A	\$457	\$15.02
Project Home Level B	557	18.31
Project Home Level C	863	28.37
Project Home Level D	1034	33.99
Domiciliary Care	564	18.54

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

II. New/Reopened Cases - AIMS

Enter the old RSDI/SSI benefit amount for any case approved through 12/30/97 for January 1998 onto AIMS unless a case is in exception status. 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 12/16/97.

Use the new RSDI/SSI amount for all grant calculations on applications approved after the actual mass change run scheduled for 12/30/97. AIMS will not mass change any case that has a application decision date of 12/31/97 or later.

Track the following three groups of cases manually and update them as appropriate. These cases should be fairly small in number. These are:

1. Applications made on 12/31/97.
2. Cases reopened or moved out of an exception status on 12/31/97 or later.
3. Cases where an application was made prior to 1/1/98 but approved on or after that date where eligibility is established for a period of time prior to 1/1/98. Generally, this will be an application made in 12/97 and decided on in 1/98 where eligibility extends back to 12/97.

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 State Verification Exchange System (SVES), Income Eligibility Verification System (IEVS) - screens S01, S03, and S05. Another method of verification is to use State Data Exchange (SDX) documents that 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 has asked that recipients not be referred to SSA for verification letters.

III. Ongoing Cases To Be Changed Effective January 1998 - Mass Change and Special Processing - AIMS

Cases meeting the following criteria will undergo a mass change by AIMS effective with the January 1998 issuance. Cases to be mass changed are all TCA, TEMHA and Food Stamp cases:

- not in special processing,
- not in suspend status,
- not in adverse action status for February 1998.

AIMS will generate and mail notices to customers regarding the effect of the RSDI/SSI increase on their food stamp and public assistance benefits for the cases being mass changed. The simulated run on 12/16/97, with the actual run planned for 12/30/97 will generate notices to the customers.

The S930 Mass Change Detail Report will not be printed when the simulated mass change is run. In place of the S930, the local department may review the mass change processing via on-line access to a sample of cases. Use the transaction code AMCI 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 12/16/97 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, 1997 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 12/30/97. The adverse action notice must be sent by 12/24/97.
- For cases in suspend status, the case manager 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 12/30/97, 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 12/31/97. That will allow the mass change to take effect. If a case in adverse action status for February is entered onto AIMS before 12/30/97, 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 12/30/97, 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 12/1/97 but before the simulated run on 12/16/97, 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 12/30/97, 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, SVES, SDX, or 1610 verification systems, or verification supplied by the customer should be used at the next recertification, or interim change.

The simulated run will provide a closed case report that shows any public assistance case that closes due to this increase in income. Review each case according to the established policy and

complete a DHMH 8000 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 that 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 1997. Manual adjustments to cases should be made to prior to 12/16/97 to insure that an accurate S200 is sent to the customer. Changes made after the simulated run on 12/16/97 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 1998 Project Home levels A, C and the Domiciliary care rates will increase to **\$457, \$863 and \$564** 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 1998 are included on the chart in this Action Transmittal that 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 1998 benefits, use the new RSDI/SSI amounts and/or Project Home level A, B or C amount, as 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 1998 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.

A customer 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 1998. 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 1998 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 2.1% effective January 1998. 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 1998 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 12/5/96. Simulated 206N's will be generated for those cases that are on the nursing home patient master file as of 12/5/96.

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 1/1/98. For 206N's which were issued with effective dates after 1/1/98, 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. Local Departments should receive this listing between 12/01/97 and 12/05/97.** 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 1.021 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 1998.

IX. CARES

On 12/5/97, 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 that 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.

FIA case managers will receive a Mass Modification Report after 12/8/97 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 that 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 1/98 to determine the closure reason.
- Look at CAFI, FSFI, or MAFI screen for 1/98
- Look at the appropriate screens that relate to closure reason for 12/97 using an "as of" date of 12/5/97 and an effective month of 12/97.
- 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 1/98.
- Compare the financial eligibility screens for 1/98 with the eligibility screens prior to mass mod, using an "as of" date of 12/5/97.
- 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 12/26/97 to ensure that there is no break in FIA coverage.

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

Direct policy questions concerning this Action Transmittal to Yolanda M. Parker at (410) 767-7259; and systems questions AIMS or CARES to the OIM HELP DESK (1-800-347-1350 OR 767-7002).

Attachments

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

December 5, 1997

Operators of Project Home Facilities

Dear Sir or Madam,

Effective January 1998, Supplemental Security Income (SSI) and Social Security benefits are expected to increase by 2.1%. This means that the customer receiving SSI or a combination of SSI and Social Security benefits should receive an additional \$10.00 per month. Recipients of Social Security benefits only should also be receiving an increase. For those customers that receive SSI only, the SSI payment amount will increase by \$10.00 to \$494 effective January 1998.

The amount the State allows for Project Home levels A, C, and Domiciliary Care will also increase effective January 1998. Levels A, C and Domiciliary Care will increase to \$457, \$844 and 564 respectively. Levels B and D will remain at the current rates. The reason for the increase in Level A, C and Domiciliary Care only is the need to comply with Federal requirements regarding payment levels states must maintain for certain classes of SSI recipients. Customers will continue to receive \$82.00 for the personal needs allowance.

If customers under your care get Social Security/SSI benefits, there may be changes in their public assistance checks effective January 1998. Local Departments of Social Services will be notifying customers concerning any changes in the amounts of their public assistance checks effective January 1998.

Please inform customers under your care of these changes. If you have questions, please contact Yolanda M. Parker at (410) 767-7259.

December 5, 1997

Operators of Licensed Domiciliary Care Facilities

Dear Sir or Madam,

Effective January 1998, Supplemental Security Income (SSI) and Social Security benefits are expected to increase by 2.1%. This means that the customer receiving SSI or a combination of SSI and Social Security should receive \$10.00 more per month from the Social Security Administration. Recipients of Social Security benefits only should also receive an increase.

For those customers receiving SSI only, the SSI payment amount will increase by \$10.00 to \$494 effective January 1998. The amount the State allows for Domiciliary Care will be increased to (\$564), and the amount the customer is allowed for personal needs (\$82.00) will remain the same. If the only change in the customer's financial situation is the Social Security/SSI increase, then the customer's public assistance check will decrease effective January 1998. Local Departments of Social Services will be notifying customers concerning the change in the amount of their public assistance checks effective January 1998. The customer is responsible for paying for their care with the income they receive.

Please inform customers under your care of these changes. If you have any questions, please contact Yolanda M. Parker at (410) 767-7259.

Sincerely,

**Kevin Mahon, Executive Director
Family Investment Administration**

Department of Social Services

Name	Date of Notice
Address	Category/Case #
	Case Manager
	Telephone #

Effective January 1998, Supplemental Security Income (SSI) and Social Security benefits from the Federal Government will increase. Project Home Levels A, C and Domiciliary care rates will also increase.

Depending on whether you receive benefits other than Public Assistance and the care rate where you live (Domiciliary Care or Project Home - Level A, B, C, or D), there may be a change in your Public Assistance check. Please see below how your Public Assistance check is now being calculated.

Your Public Assistance check has been computed as follows:

Cost of care	_____
Personal needs allowance	_____
Total needs	_____
Deductions (specify)	_____
_____	_____
_____	_____
Amount of grant	_____

Your benefits under the Public Assistance to Adults program will:

- Stay the same
- Increase to _____ beginning in _____.
- Be reduced to _____ beginning in _____.
- Stop. You received or will receive your last check in _____.

Beginning in January 1998, you owe the cost of care, \$ _____ to the operator of the facility where you live. The amount of money allowed for personal needs will still be \$82.00.

If you have any questions, please call the case manager listed above. You may appeal this decision if you do not agree with it. Information on how to appeal is printed on the other side of this letter.

Letter to PAA Domiciliary Care and Project Home Clients Receiving SSI/SSA Benefits.

WHAT TO DO IF YOU DON'T AGREE WITH THIS DECISION

1. You can call the telephone number on the other side of this letter and ask for a conference. Your case manager will be able to answer any questions you may have.

AND

2. You can also file an appeal. Your local department has the necessary forms and will help you to file an appeal. Call the number on the other side of this letter for appeal forms and more information about how to file an appeal.

YOUR CHECK MAY BE CONTINUED UNTIL A DECISION IS REACHED ON YOUR APPEAL IF YOU FILE YOUR APPEAL WITHIN 10 DAYS OF THE "DATE OF NOTICE" ON THE OTHER SIDE OF THIS LETTER. YOU MUST FILE YOUR APPEAL WITHIN 90 DAYS OF THE "DATE OF NOTICE" ON THE OTHER SIDE OF THIS LETTER.

WHAT HAPPENS WHEN YOU APPEAL

An appeal hearing will be scheduled at a time and place convenient for you and the officer who will hear your case. You should come to this hearing. If you wish, you can be represented by a lawyer or a friend or relative. You may get legal help through the Maryland Legal Services Program or the Legal Aid Bureau in some areas of the State. In Baltimore City, Legal Aid's Office is at 500 E. Lexington Street. (Telephone number 539-5340). In the counties, your case manager will tell you how to get free legal services.

At least six days before the hearing, the local department will send you a summary of the information used to reach its decision. If you want any employees of the local department to be present at your hearing, you may notify the hearings office and tell why you want these employees to be present. You or your lawyer can look at the documents used by the local department to reach its decision.

A hearings officer will send you a written decision which says whether the local department's decision was correct within 90 days after receiving your appeal request. If the local department's decision is found to be correct, and you have continued to receive an incorrect amount of benefits while waiting for a decision, you may have to repay the public assistance you received to which you were not entitled.

If you have any questions about your right to appeal, please call your local department at the telephone number listed on the other side of this letter.