

**Administrative Letter No. 12- 03 - End of the 2012 Social Security Cost of Living Adjustment Disregard for Special Assistance In-Home (SA/IH) Cases and the Effect of the New 2012 Federal Poverty Level (FPL) on SA/IH Cases (Obsolete 04/01/2012, Change Notice 01-12)**

N. C. Division of Aging and Adult Services, Adult Services Section

**Date:** February 21, 2012

**Subject:** End of the 2012 Social Security Cost of Living Adjustment Disregard for Special Assistance In-Home (SA/IH) Cases and the Effect of the New 2012 Federal Poverty Level (FPL) on SA/IH Cases

**Distribution:** County Directors  
Special Assistance Supervisors  
Adult Services Supervisors

**Effective Date:** March 1, 2012

The disregard of the Social Security RSDI/SSI Cost of Living Adjustment (COLA) for Special Assistance In-Home (SA/IH) applicant/recipients (a/rs) ends, as stated in [DAAS- Administrative Letter 11-16](#), **Social Security Cost-of-Living Adjustment (COLA 2012)** and **VA Cost-of- Living Adjustment (COLA 2012) for Special Assistance Program (Revised)**, effective April 1, 2012. April 1, 2012 is also the effective date for implementing the new federal poverty level (FPL) of \$931 as the total countable monthly income (TCMI) limit for categorically needy (CN) Adult Medicaid a/rs.

Based on these two changes income maintenance caseworkers (IMCs) must assess each SA/IH recipient's TCMI to determine if they remain eligible for Adult Medicaid as CN. This letter provides instructions to IMCs to implement these changes for SA/IH cases.

**I. Procedures for Manually Updating Ongoing SA/IH Cases**

**A. Report of Current SA/IH Recipients as of December 31, 2011 Receiving RSDI, SSI or Both**

A report has been created in Client Services Data Warehouse under the name: "**SA/IH Active Cases with SSA, SSI, or Both by District**". This report identifies all Special Assistance cases that contain an ambulation capacity code 'H' as of the report month entered, receiving RSDI, SSI or both. Use this report to help identify SA/IH cases to review for the end of the COLA disregard.

**To Access the report and update it for your county DSS take the following steps.**

1. After logging in to CSDW go to Public Folders. Then,
2. See DHHS Main Document. Under that is the DAAS folder. Then,
3. Go to the Shared folder and click on the State Sanctioned folder. In that folder open the report "**SA/IH Active Cases with SSA, SSI, or Both by District**".

4. Change the Report month to January 2012 (201201).
5. Change the county number to your county number. Then click on "Run Query."

## II. Implementation Instructions for SA/IH Ongoing Cases

- A.** Effective April 1, 2012 begin counting the full RSDI/SSI amount, including the 2012 COLA. Continue to disregard the COLA for January, February and March 2012.

1. Treat the end of the COLA disregard as a change in income effective **April 1, 2012**.
2. Verify the 2012 RSDI/SSI benefits using SOLQ.

**B. Determine if the SA/IH a/r is Still Eligible for Adult Medicaid as CN**

SA/IH recipients must first qualify for full Medicaid as CN. Most SA/IH recipients' income must be at or below the FPL in order to qualify for CN Medicaid.

1. Compute the a/r's total countable monthly income (TCMI). This is the amount of countable income after all allowable deductions and exclusions. See [SA-3210](#) for instructions on calculating TCMI. Compare the changed income to the 2012 FPL for recipients who are not Medicaid passalong to see if they would still qualify for adult Medicaid as CN.
2. Only SA/IH a/rs eligible for Medicaid as passalong can have TCMI above the FPL. Compare the TCMI for these a/rs to the SA/IH Maintenance Amount of \$1228 to see if they are eligible for an SA/IH payment.

**C. If still Medicaid Eligible as CN, Calculate the New Maximum SA/IH payment**

1. Subtract the a/r's TCMI from the basic SA/ACH maintenance amount, \$1,228 (\$1,182 + \$46 personal needs allowance). The remainder is equivalent to the SA/ACH payment.
2. Multiply the equivalent SA/ACH payment amount by 0.75 to obtain the maximum SA/IH payment for the a/r.
3. Round to the nearest whole dollar \$.49 or less, round down; \$.50 or more, round up).
4. The result is the maximum allowable SA/IH payment.
5. **The actual payment may be less than the maximum allowable payment, based on the needs assessment by the case manager.** Coordinate with the SA/IH case manager for his/her decision of the appropriate SA/IH payment for each recipient. Explain that this action must be completed within a certain time frame for changes to be effective April 1, 2012.

6. Send a DSS-8110, timely notice to notify the recipient if the SA/IH payment decreases or if the a/r is no longer eligible for SA/IH.
7. Key a DSS-8125 to update income and the correct payment amount effective April 1, 2012, or to terminate the case due to excess income no later than,
  - **March 9, 2012** if using an **automated DSS-8110 timely notice**, or no later than,
  - **March 12, 2012** if completing a **manual DSS-8110 timely notice**.

**D. Cases Ineligible Due to the End of the COLA Disregard**

SA In-Home Program cases no longer eligible for full Medicaid whose TCMI is greater than \$931 or no longer qualify for Medicaid passalong and/or whose TCMI is greater than \$1228 must be terminated.

Send a manual timely notice to terminate the SA/IH benefit. **Be sure to assess the recipient for continued Medicaid under other classifications.**

**III. Implementation Instructions for SA/IH Applications**

**A. Pending SA/IH Applications Dated Prior to April 1, 2012**

1. For the months prior to April 2012, budget RSDI/SSI amounts prior to the 2012 COLA. For months effective April 2012 and later, budget current RSDI/SSI income.
2. Always verify whether the a/r is eligible for full Medicaid as CN.

**B. Applications Dated April 1, 2012 and Later**

1. Beginning April 1, 2012, budget current RSDI/SSI when calculating total countable monthly income (TCMI).
2. Always verify whether the applicant is eligible for full Medicaid as CN.

If you have any questions regarding this information, please contact your Special Assistance Program Representatives at [SpecialAssistance@dhhs.nc.gov](mailto:SpecialAssistance@dhhs.nc.gov)

Sincerely,

Dennis W. Streets, Director