| MANUAL MATERIAL TRANSMITTED | | | | | |
|---|---|---|---|---|---|
| **MANUAL:** INCOME MAINTENANCE | | | **CHANGE NUMBER:** 62 | | |
| **DELETE** | | | **INSERT OR CHANGE** | | |
| **PAGES** | **CHAPTER** | **DATED** | **PAGES** | **CHAPTER** | **DATED** |
| Appendix B | 2 | 2/96 | Appendix B | 2 | 2/97 |
| B-1 thru B-14 | | | B-1 thru B-14 | | |
| **DATE:** December, 1996 | | | **TO:** All Income Maintenance Manual Holders | | |

This change is being made to Chapter 2, Appendix B to include information for the 1997 SSI/RSDI automatic and manual cost-of-living updates for Food Stamps, AFDC/U and Medicaid cases in the C-219 and M-219 data systems.


Information about RAPIDS cost-of-living updates will be issued by RAPIDS staff.


Questions should be directed to the IM Policy Unit in the Office of Family Support.

## APPENDIX B

### RSDI/SSI INCREASES 1997

In January 1997, SSI and RSDI recipients received a cost-of-living increase of 2.9%.  The new maximum payment levels for SSI are:

Single - $484                    Couple - $726

The Medicare premium amount is $43.80.

The Social Security Administration (SSA) has taken steps to ensure that the SSI amount does not increase in January and decrease in March for those persons who receive both SSI and RSDI.  SSA is using the new RSDI amount for January to determine the new January SSI amount, instead of the RSDI amount from the appropriate budget month.

A.   A, B, D, C, U, F CASES - EITHER RSDI OR SSI - AUTOMATIC AND MANUAL UPDATE

The computer will automatically update the income of all A, B, D, C, U, F, cases which are active in the data system as of 5:00 p.m. on the deadline date in February and which have SSI or RSDI income, but not both, coded in Block 63 or Block 64 and which will not become ineligible because of the increase.  When the first two digits of Block 63 are coded 13 or the first two digits of Block 64 are coded 00, the computer will calculate 2.9% of the amount in the block, add that amount to Block 76 and also add that amount to the original entry in Block 63 or 64 for A, B, D, C, U and F cases.

For C and U cases, the computer will calculate 2.9% of the amount in the block, add that amount to Block 48 and also add that amount to the original entry in Block 63 or 64.  AFDC/U cases with FS will have Block 63 or 64 updated only once, but Blocks 48 and 76 will both be updated.  Refer to item D below for AFDC/U case situations which will not be automatically updated.

1.   Printout Of Cases Automatically Updated

Each county will receive a printout of the cases updated by the computer.  It will be titled "RSDI/SSI/COLA Updates" and will show:

State Office notice has not expired.  Those requesting a Fair Hearing must have benefits reinstated immediately upon request.

b.  AFDC/U Cases

When the computer determines that a case becomes ineligible for an AFDC/U check due to the increase, it is not possible to stop the check without stopping FS, even though the case remains eligible for FS. These cases will receive their March check, if applicable, and FS without the update being calculated.  This applies to cases receiving a check of $10 or more, or cases receiving a $0 check amount as eligible for $1 - $9.

Client notification will be accomplished from the State Office.  These cases are reported on a printout which is received only at the State Office.  Each county will be notified by Office Automation from the State Office of cases which become ineligible. Workers must close these cases effective 3/97.

Cases becoming ineligible for AFDC/U, but remaining eligible for Food Stamps, are treated according to Section 2.3,D,5,a.  AFDC/U cases becoming ineligible for a check must have eligibility for Medicaid automatically determined without requiring a new ES-2.

**NOTE:** This procedure does not include cases which receive a check of $10 or more prior to the update and which become eligible for a check of $1 - $9 after the update and have a check amount of $0. These cases do not become ineligible for AFDC/U and are treated according to the instructions in item A and appear on the printout described in item A,1.

3.  Applications

The Worker must enter the new amount of RSDI and SSI for all cases entered in the data system after the deadline date in February.  Cases approved for February, before the February deadline, must have the new amounts of RSDI and SSI entered if the case will not be automatically updated.

If, for any reason, automatic updating of the amounts entered in Block 63 or 64 is not desired, simply omit

data system as of the December 1996 deadline date, and which are coded in the data system as having both SSI and RSDI benefits or Black Lung benefits.  These cases are included in the printout described in Item C below.

The same policy and procedures in item C below for FS benefits in AFDC/U cases are in effect for these cases, except that AFDC/U benefits must be stopped after thirteen (13) days notice, if the letter is not returned.  Section 2.3,D,5,a must be followed when an AFDC/U case with FS benefits is closed.  In addition, eligibility for Medicaid must be automatically determined.

C.   FOOD STAMPS INCLUDED IN AFDC/U CASES - MANUAL AND AUTOMATIC UPDATES

1.   Manual Update Of Non-Assistance RSDI/SSI

A letter will be sent by January 10, 1997 requiring that the information about RSDI/SSI/VA/RR/BL increases be reported to the county office.  This letter will be sent to all active AFDC/U cases in the data system as of the December 1996 deadline date, and in which Block 77 is greater than Block 56, or Block 63 or 64 is coded for receipt of RSDI, SSI, RR, BL or VA benefits.

These letters are to be returned by January 22, 1997.  A printout titled "RSDI/SSI/VA/RR/BL COLA's for Manual Update - 3/97" will be sent to each county.

When the forms are received by the Worker, the Worker will take action to update the Food Stamps based on the information provided by the client.  Thirteen (13) days advance notice is required in making these changes.

Because non-QR clients cannot, according to Food Stamp federal regulations, be required to report mass changes, it is not possible to stop the non-QR client's Food Stamps for failure to return the letter.  Those cases which do not return the form, but which are due for a redetermination in February, will have the update completed at the time of redetermination.  Those clients who do not return the form and are not due for a redetermination by the deadline date in February, must be contacted by the Worker to obtain the new benefit amounts.

QR cases are only required to report changes on the QR form and cannot be penalized for not returning the

D.   AFDC/U BENEFITS - AUTOMATIC AND MANUAL UPDATES

Those persons receiving RSDI and AFDC/U benefits will have
the AFDC/U benefits changed automatically.  No one receiving
SSI benefits is to be included in an AFDC/U payment, so SSI
increases have no effect on the AFDC/U payment.  Refer to
item A above for information on how this is accomplished.
See item C above for updates of Food Stamp benefits in an
AFDC/U case.

Many AFDC/U cases are incorrectly coded by showing SSI
benefits in either Block 63 or 64.  This coding is not valid
since Blocks 63 and 64 for AFDC/U cases are to be coded with
only the income which affects the AFDC/U check.  No portion
of such cases will be automatically updated.  Instead they
will appear on a printout titled, "Coding Errors - No
Automatic Updates 3/97".  The Worker must correct these
cases manually upon receipt of the printout.  Cases in which
Block 63 or Block 64 indicates receipt of this benefit with
no amount coded in Block 48 also appear on this printout and
must have all portions manually updated.

E.   LONG TERM CARE CASES - MANUAL UPDATES

All Long Term Care cases must be manually updated by the
Worker.  The updates are effective March 1997 and must be
transmitted after the January 1997 deadline date.  Work on
the updates, such as requesting information, performing
calculations and completing notification letters may begin
as soon as printouts are received, but changes must not be
transmitted until after the January deadline, effective
March 1997.  Updated items may include RSDI, the Medicare
premium portion of the non-reimbursable medical expense and
the CSMA and/or FMA, when the spouse and/or other family
members receive RSDI and/or other benefits which also
change.  The printouts outlined below will be produced to
enable the Worker to accomplish the updates.

1.   Printouts For Long Term Care Case Updates

a.   LTC Cases for Update - 1/97 RSDI Increase

This printout will be sent to the counties early in
January for updates effective March 1997.  Cases
which are due for redetermination in January or
February are not included on the printout.  The
printout contains the following information:

-   Case Number

client and the client's representative, when there is
information in Blocks 88, 89, 90 and 91.

F.    ALL OTHER MEDICAID CASES WITH RSDI, BLACK LUNG, RAILROAD
      RETIREMENT, VETERAN'S PENSION AND/OR VETERAN'S COMPENSATION
      INCOME - MANUAL UPDATES

      The data system cannot automatically update Medicaid cases
      because the income must be averaged over the POC.  Workers
      must manually update Medicaid cases with RSDI, Veteran's
      Compensation, Veteran's Pension, Railroad Retirement or
      Black Lung income no later than the deadline date in
      February, effective March.  Specific details are outlined
      below.

      1.    Printouts For Update Of Medicaid Cases

            a.   Medicaid Cases with RSDI, BL, RR, VC or VP Income

                 This printout will be produced after the January
                 deadline and will be distributed to each county.  The
                 Worker is responsible for updating all cases on the
                 printout, except those which have a POC or POE which
                 ends on or before February 28, 1997 as these cases
                 will be updated at redetermination or when the client
                 reapplies.  The printout contains all cases, except
                 Nursing Care and ICF/MR cases, which have RSDI, BL,
                 RR, VC or VP income indicated by coding in Blocks 45,
                 46, 49 and 50.  The following information is
                 contained on the printout:

                 -    Case Name

                 -    Case Number

                 -    Blocks 7, 45, 46, 49, 50, 31, 54, 57, 58 and 80.

            b.   M-219 Non-Long Term Care Cases - Block 45 and/or 49
                 Incorrect Coding

                 This printout will be sent to each county, in
                 conjunction with the updates, to insure that cases
                 which may require update are not missed due to
                 incorrect coding.  The Worker must correct the coding
                 and update the case, if appropriate.  The printout
                 contains the following information:

                 -    Case Name

February 24, 1997

Dear Recipient,

Because of the January increase in Social Security and SSI benefits, the Department of Health and Human Resources has determined that you are no longer eligible to receive an assistance check due to excessive income.  You will not receive a check in April or any month after that unless you reapply and are found eligible.

This action is being taken according to Section 205.10 (a)(4)(iii) of the Federal Register.

If you have questions about this change, want to request a Fair Hearing or want information about free legal services for eligible individuals, please contact your local Health and Human Resources Office.  If you request a Fair Hearing, benefits will be continued at the previous level until a final Hearing decision is made.  You may also call our toll-free number 1-800-642-8589.

February 24, 1997

Dear Recipient,

Because of the January increase in Social Security and SSI benefits, the Department of Health and Human Resources has determined that you are no longer eligible to receive Food Stamps due to excessive income.  You will not receive Food Stamps in March or any month after that unless you reapply and are found eligible.

This action is being taken according to Sections 273.12 (e)(3) and 273.13(b)(1) of the Federal Register.

If you have questions about this change, want to request a Fair Hearing or want information about free legal services for eligible individuals, please contact your local Health and Human Resources Office.  If you request a Fair Hearing, benefits will be continued at the previous level until a final hearing decision is made.  You may also call our toll-free number 1-800-642-8589.