

Policy Clarifications - Medicaid - Long Term Care PMN17784-472

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Agency: CAOs

Citations:

Subject: 2016 Long-Term Care (LTC) Related Cost of Living Adjustment (COLA)

Will there be a 2016 automated COLA on LTC cases?

Response By: Division of Health Services

Date:11/24/2015

No, the Social Security Administration announced that there will be no increase in Social Security Retirement, Survivors, or Disability Insurance (RSDI) or Supplemental Security Income (SSI). The same factors that determine changes in Social Security income also determine changes in many LTC-related figures.

Because there is no COLA for 2016 the Medicare Part B premium most individuals are expected to pay will remain \$104.90/month. Due to the "Hold Harmless" provision, individuals who receive Social Security must not see a net decrease in their monthly benefit amount. This provision will allow all currently self-paying Medicare B recipients to continue to pay \$104.90 per month for their Medicare B benefits. Please see [Policy Clarification PMN-17785-450](#) for information on the 2016 Medicare B premium for new enrollees.

However, if an individual's Medicare Part B premium increases, the result of any increase will cause a decrease in the net Social Security cash benefit. In some cases, such as spousal cases, an increased cost of the Medicare Part B premium may cause an increase in the payment towards the cost of care. Changes in the payment towards cost of care caused by the increased Medicare Part B premium will need to be made in eCIS no later than January 15, 2016 so that the change is effective for January 2016.

It is important to remember that it is the individual's responsibility to report changes within ten days. Although there will be no automated COLA, the county assistance office must continue to act on reported changes, including changes in adjustable pensions and other income, as they occur.