



**DATE:** December 20, 2023

**OPERATIONS MEMORANDUM #23-12-03**

**SUBJECT:** Medical Assistance (MA) Cost of Living Adjustment (COLA) Changes for 2024

**TO:** Executive Directors

**FROM:** Robert Hixson  
Director  
Bureau of Operations

**PURPOSE**

To provide instructions for implementing benefit changes due to the 2024 COLAs.

**BACKGROUND/DISCUSSION**

The Social Security Administration, Veterans Affairs (VA), and Railroad Retirement Board (RRB) have announced their COLA increases for January 1, 2024. This Operations Memorandum (OPS Memo) will be revised when the Black Lung increases are announced.

- Retirement, Survivors, and Disability Insurance 3.2 percent
- Supplemental Security Income (SSI) 3.2 percent
- VA Benefits 3.2 percent
- RRB – Tier I 3.2 percent
- RRB – Tier II 1.0 percent

Federal regulations prohibit the new COLA amounts from being applied to MA categories until the month following the month of the release of the new Federal Poverty Income Guideline (FPIG) tables. The categories that are affected are:

- All Long-Term Care (LTC) Buy-in budgets with Program Status Code (PSC) 66 (does not include PSC 80 and 00)

- All Waiver budgets with PSC 80 and 66 (does not include PSC 00)
- Healthy Horizons: PH 80, PH 00, PG 00
- Medical Assistance for Workers with Disability: PW, PI 80, and 66
- SSI-related Non-Money Payment: PA, PJ 00
- SSI-related Medically Needy Only: TA, TJ 80, and TJ 66
- Buy-In: TA, TJ 65, and TJ 67
- Modified Adjusted Gross Income: All category/PSC combinations
- Temporary Assistance for Needy Families-related MA: All category/PSC combinations

The automated COLA for LTC budgets will run on January 7, 2024.

The automated COLA for the Supplemental Nutrition Assistance Program (SNAP) will run on January 13, 2024.

During the run of automated COLA for SNAP, cases that are open with both SNAP and one of the above-referenced MA budgets will have the COLA increase entered on the Unearned Income screen in the Electronic Client Information System as a deduction, "18-COLA Adjustment". This will allow the COLA adjustment to apply to SNAP, but not to the affected MA budgets.

The "18-COLA Adjustment" deduction will be end dated via an automated batch based on the publication date of the 2024 FPIG.

### **County Assistance Office (CAO) Responsibility**

Federal Regulations require that a COLA be disregarded for MA budgets (including LTC) until the month following the month that the FPIGs are published.

**Example:** The FPIGs are usually published in January. The disregard month for the affected budgets would be February, and the effective date for updated COLA and FPIGs would be March 1.

The CAO will complete an eligibility review in March using the updated income and FPIGs for these budgets.

**Reminder:** For individuals who are COVID-maintained, MA must remain open until their renewal during the Unwinding period. There should be no reduction or

closure of MA coverage unless the closure meets an exception outlined in OPS Memo 23-03-03.

**NEXT STEPS**

1. Implement these changes effective for March 2024 benefits.
2. This OPS Memo will be revised, if necessary, to reflect updates and will become obsolete upon completion of all COLA review actions.