**Policy Clarifications**

**Medicaid – All**

**PMN-19230-372**

**Submitted: 1/17/2019 Agency: CAOs**

**Subject: 2019 Cost of Living Adjustment (COLA)**

**Question: How is the 2019 COLA being implemented for Medical Assistance (MA) categories?**

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| **Response By: Division of Health Services** | **Date: 1/17/2019** |

Effective January 1, 2019, the following benefit types will receive a COLA of the percentage indicated:

* Retirement, Survivors, and Disability Insurance (RSDI) 2.8 percent
* Supplemental Security Income (SSI) 2.8 percent
* Veterans Affairs (VA) Benefits 2.8 percent
* Railroad Retirement Benefits (RRB) – Tier I 2.8 percent
* Railroad Retirement Benefits (RRB) – Tier II .09 percent
* Black Lung Benefits No COLA

Handbook chapters will be updated with the new figures.

Federal regulations prohibit the new COLA amounts from being applied to Healthy Horizons and Cost-Sharing MA and Long-Term Care (LTC) 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 LTC Buy-in budgets with Program Status Code (PSC) 80 and 66 (does not include PSC 00).
* All Waiver budgets w/PSC 80 and 66 (does not include PSC 00).
* Healthy Horizons: PH 80, PH 00, PG 00
* MAWD: PW, PI 80 and 66
* SSI related MNO: TA, TJ 80 and 66.
* Buy-In: TA, TJ 65 and 67

The Automated COLA for LTC budgets will run on January 6, 2019. See **Ops Memo 18-11-04** for more information about the LTC COLA for 2019.

The Automated COLA for Supplemental Nutrition Assistance Program (SNAP) will run on January 12, 2019. See **Ops Memo 18-12-02** for more information about the SNAP COLA For 2019.

During the SNAP COLA run, 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 eCIS as a Type 18 deduction. This will allow the COLA adjustment to apply to SNAP, but not to the affected MA budgets. The type 18 deduction will be end dated via an automated batch based on the publication date of the 2019 FPIG figures.