

**DATE:** January 25, 2021

**OPERATIONS MEMORANDUM #21-01-01**

**SUBJECT:** Supplemental Nutrition Assistance Program (SNAP) Cost of Living Adjustment (COLA) Change

**TO:** Executive Directors

**FROM:** Inez Titus  
Director  
Bureau of Operations

**PURPOSE**

To provide instructions for implementing benefit changes due to the 2021 COLAs.

**BACKGROUND/DISCUSSION**

Effective January 1, 2021, the COLA increase for recipients of Social Security Retirement, Survivors or Disability Insurance (RSDI) and Supplemental Security Income (SSI) is 1.3 percent.

On the weekend of January 16, 2021, the automated process will adjust certain e-CIS screens for February 2021 benefits based on the COLA changes as follows:

1. For Supplemental Nutrition Assistance Program (SNAP) only and combined SNAP/SSI cases that receive RSDI and/or SSI income, but no other COLA-related income, the system will enter the new SSI and RSDI amounts on the appropriate screen. The system will then calculate and issue the new SNAP amount for February 2021, if the change results in a decrease, and issue the appropriate client notice.
2. For other budgets, the system will update the SSI and RSDI amounts on the appropriate screens and set EDBC to "pend".

The County Assistance Office (CAO) must manually process any budget that includes Veterans Compensation, Railroad Retirement or Black Lung benefits. Black Lung and Railroad Retirement benefit amounts are available on the Income Eligibility Verification System (IEVS) if the individual also receives RSDI benefits. If the benefit amount is not available on IEVS, the amount of the January 2021 benefit is calculated

by multiplying the December 2020 benefit amount by the percentage increase and rounding down to the next lowest ten cents.

The new percentages are:

Veteran Benefits	<u>1.3 percent (.013)</u>
Railroad Retirement Tier 1	<u>1.3 percent (.013)</u>
Railroad Retirement Tier 2	<u>0.4 percent (.004)</u>
Black Lung Benefits	TBA

Process the appropriate budget by the deadline for the first benefit of February 2021 using the normal processing procedures.

### **SNAP ONLY/SNAP/SSI ONLY**

Individual Social Security Numbers from the State Data Exchange (SDX) and BENDEX files will be matched with individuals in CIS who have unearned income types 12 and 14. If a match exists, the e-CIS screens will be updated with the new benefit amount from the SDX and BENDEX files.

For all matches, e-CIS screens will be updated and will show the new income amounts. Any future results pending for the budget will also be updated **only if there is no change from the February budget. If there is a future record, review it for March benefits. Alert #30 will be created.**

Most changes will result in a decrease in SNAP benefits, but a few budgets may be increased if current unearned income amounts are not correct on the database. Benefits in some budgets will not change. An automated notice will be issued if benefits are reduced. Reason code 412 and worker ID 11111 will identify COLA changes. The SNAP Budget Authorization screen and CQBUDG will display client notice code 412, Option 1, CHAN. CHAN will ensure generation of the 162C that is to be issued for mass changes.

### **PA CAP**

The following table includes the 2021 COLA values and PA CAP benefit amounts. The PA CAP benefit amount changes are listed below.

Household income w/COLA	Shelter costs below \$196 benefit amount	Shelter cost at or above \$196 benefit amount
\$816.10	\$92	\$109
\$836.10	\$86	\$103

With PA CAP, there are two different confirming notices for COLA. Households in PA CAP (Program Status Code 70) will receive a 412 notice, option 2, while all other SNAP budgets will continue to receive the 412 notice, option 1.

### **CAO RESPONSIBILITY FOR MANUAL PROCESSING**

The automated COLA update will not be processed when:

1. An individual on SDX/BENDEX matches a CIS individual but no CQUNRD exists, or the Income/Unearned screen in e-CIS screen is incomplete or completed incorrectly.
2. SDX/BENDEX files identify a Medicare Part B deduction but no CQMEDX exists or the CQMEDX expense type 07, 12 or 99 currently stored in CIS is not \$148.50.
3. The budget is U or C only or a SNAP budget with an individual who is an eligible member of a cash budget (ES, EA, EP, EC or EE). For these budgets, the Income/Unearned screen in e-CIS will be updated and EDBC will be set to "pend". If the individual is a non-eligible member (NS, NA, NP or NT) of a cash budget, no updates will take place.
4. The SNAP budget contains an individual with unearned income code 12 or 14 and that individual also has income coded 15, 18 or 19. For these cases, the COLA update for all income must be completed by updating the Income/Unearned screen in e-CIS.
5. SNAP budgets have an active override.

### **APPLICATIONS AND RENEWALS**

Applications for all benefits (cash, cash/SNAP and SNAP only) are to be processed using the normal processing requirements. For example, if a person applies for cash/SNAP in December and has COLA income, use the payment amount received in December for the December benefits. For the January benefits, use the projected payment amount based on the COLA amount.

Renewals due before the COLA run in January 2021 are to be processed using the normal processing requirements and conditions that existed prior to January 1, 2021. For example, if a SNAP renewal is due in December, use the December payment and the December Medicare Part B premium for January. The COLA automation will use the new payment for February and process a new February benefit or set an alert depending on the case circumstances. When completing renewals, check the case to make certain the correct income screens, codes and Medicare Part B premiums are used.

### **CASE ALERTS**

If the automated COLA process cannot update a SNAP or cash budget, case alerts will be posted. These budgets should be reviewed, and the appropriate action taken to affect the February 2021 benefit. The alerts will be available in January 2021.

NOTE: You may see an increase in alert 126 being generated. This is due to the delinking of Cash and Medical Assistance benefits. These alerts are correct and need to be reviewed to ensure the correct income is being adjusted to the SNAP benefit.

### **OTHER CHANGES**

Extended SNAP (EFS) benefit budgets will be bypassed during the COLA batch process run and the unearned screens will not be updated.

At the EFS renewal, the worker must check the BENDEX and SDX files for current unearned income amounts.

The PA CAP FS-70 budgets will be bypassed during the regular COLA batch process because the COLA increase was adjusted for January 2021 benefits.

If you encounter problems that require special handling, please contact the Hotline.

### **NEXT STEPS**

1. Implement these changes effective for February 2021 benefits.
2. Review case alerts for appropriate action.
3. Send the appropriate notice for changes that are a result of the COLA reviews.
4. This Operations Memorandum will become obsolete upon completion of all COLA review actions.