



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

November 6, 2015

GENERAL LETTER NO. 14-B(8)-21

ISSUED BY: Bureau of Financial, Health and Work Supports
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 14, Chapter B(8), **COLA PROCESSING**,
Contents (page 1), revised; pages 15 and 16, revised; and page 17,
new.

Summary

Chapter 14-B(8) is revised to:

- ◆ Include the MEPD program in the Social Security COLA disregard section.
- ◆ Update language regarding when income maintenance makes changes.

Effective Date

Upon receipt.

Material Superseded

This material replaces the following pages from Employees' Manual, Title 14, Chapter B(8):

<u>Page</u>	<u>Date</u>
Contents (page 1)	November 9, 2007
15	November 4, 2011
16	November 9, 2007

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

	<u>Page</u>
Overview	1
Programs Included in the Automated ABC Process	1
Data Sources	2
Methodology for Matching	3
System Actions for Programs	4
Medicaid and RCF	5
Delay of Facility Calculations	6
Food Assistance.....	7
FIP and Refugee Cash Assistance.....	7
Updates to the ABC System.....	7
Processing COLA.....	8
Medical Expense Deductions.....	9
Manual Processing	9
Applications	10
Errored Cases	11
Facility Couple and NIS Cases.....	11
Manual Determination of Social Security Gross Amount.....	11
Dual Entitlement.....	12
Medicare Premiums.....	12
State Supplementary Assistance	13
503 Medical-Only Cases	13
Medically Needy	14
Home- and Community-Based Waivers	14
Social Security COLA Disregard for QMB, SLMB, E-SLMB, and MEPD Eligibility	15
Other Income and Insurance Changes	15
Railroad Retirement Benefits	15
Civil Service Retirement Income	16
Veterans Benefits	16
Iowa Public Employment Retirement System Payments.....	16
Other Medical Insurance	17

Social Security COLA Disregard for QMB, SLMB, E-SLMB, and MEPD Eligibility

Social Security COLA increases are not counted as income for QMB, SLMB, E-SLMB, or MEPD until the month after the month when the revised federal poverty level is published. In determining initial and ongoing eligibility for these cases, exclude income attributable to the Social Security COLA until central office notifies you of when to recalculate the poverty level using the social security COLA increases.

For MEPD, Social Security COLA increases are also not counted as income when determining MEPD premiums until the month after the month when the revised federal poverty level is published.

NOTE: When there is QMB, SLMB, E-SLMB, or MEPD eligibility concurrent with eligibility for other coverage groups, the COLA increase must be used to determine eligibility for the other coverage groups.

If the client has income other than Social Security that increases, change the poverty level indicator to reflect the non-Social Security increase. However, do not change the poverty level indicator to reflect the Social Security COLA increase until it is countable for QMB, SLMB, E-SLMB, or MEPD.

Other Income and Insurance Changes

Pension or retirement benefit income and health insurance premiums are often changed for the same month as the SSI and Social Security COLAs. Income amounts are not automatically adjusted for other pensions. COLA calculations for facility and RCF records are delayed to allow workers to enter other unearned pension income and deduction amounts.

Railroad Retirement Benefits

The Railroad Retirement Board often increases benefits when Social Security COLAs are made. The Department is not notified of the increase for each recipient, and there is no simple formula that can be applied.

Clients are required to report this change of income according to the policies of the program under which they receive benefits. The Railroad Retirement Board provides a notice of entitlement to the client with the first payment of the increased benefit. The client should provide this to you.

If the client is unable to provide verification, you may contact the Railroad Retirement Board to verify the new benefit amount. The client shall complete an *Authorization for Release of Information*, form 470-0461, before this contact. The Board's telephone number is included in the Manual Letter. The name of the person receiving benefits and the claim number must be provided when requesting the new benefit amount.

Civil Service Retirement Income

Civil Service Retirement pensions often increase effective January 1. The rate of increase is issued in a Manual Letter, when available. The Department is not notified of the increase for each recipient. Clients are required to report this change of income according to the policies of the program under which they receive benefits.

You may verify civil service pension amounts by writing to the Civil Service Commission at 1900 E St. NW, Washington, D.C. 20415. The client shall complete an *Authorization for Release of Information*, form 470-0461, before you contact the Commission.

Veterans Benefits

Veterans benefits often increase effective January 1. The rate of increase for the pensions is issued in a Manual Letter, when available. The increase can be estimated by multiplying existing annual pension benefits by the rate preceded by one (1.0xx), rounding down, and then dividing annual benefits by 12 and dropping the cents.

Recipients shall report and verify changes according to the policies of the program under which they receive benefits. If the client is unable to provide verification, obtain an *Authorization for Release of Information*, form 470-0461, before contacting the Veterans Administration.

Iowa Public Employment Retirement System Payments

If IPERS benefits are changed effective January 1, or if dividends will be paid, information on the change will be included in the Manual Letter.

Other Medical Insurance

Medical insurance premiums are often changed when Medicare premiums are changed. There is no system-generated processing for these premium changes. For facility and RCF records, COLA calculations are delayed to allow workers to enter changes to deduction data.