

# Policy Transmittal

## Aging and People with Disabilities



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**Number:** APD-PT-21-041

**Issue date:** 12/6/2021

**Topic:** Medical Benefits

**Due date:**

**Transmitting (check the box that best applies):**

- ☐ New policy    ☒ Policy change    ☐ Policy clarification    ☐ Executive letter  
☐ Administrative Rule    ☒ Manual update    ☐ Other:

**Applies to (check all that apply):**

- ☐ All DHS employees    ☒ County Mental Health Directors  
☒ Area Agencies on Aging: Type B    ☐ Health Services  
☒ Aging and People with Disabilities    ☒ Office of Developmental Disabilities Services (ODDS)  
☒ Self Sufficiency Programs    ☒ ODDS Children's Intensive In Home Services  
☒ County DD program managers    ☐ Stabilization and Crisis Unit (SACU)  
☐ Support Service Brokerage Directors    ☐ Other (please specify):  
☒ ODDS Children's Residential Services  
☐ Child Welfare Programs

<b>Policy/rule title:</b>	2022 Cost of Living Adjustments		
<b>Policy/rule number(s):</b>	461-135-0780, 461-145-0220, 461-155-0250, 461-155-0270, 461-160-0580, and 461-160-0620	<b>Release number:</b>	
<b>Effective date:</b>	January 1, 2022	<b>Expiration date:</b>	
<b>References:</b>	OPEN, DHS 5530		
<b>Web address:</b>	<a href="https://dhsoha.sharepoint.com/teams/Hub-ODHS-APD-Staff-Tools/SitePages/Oregon%20Programs%20Eligibility%20Notebook%20(OPEN).aspx">https://dhsoha.sharepoint.com/teams/Hub-ODHS-APD-Staff-Tools/SitePages/Oregon%20Programs%20Eligibility%20Notebook%20(OPEN).aspx</a>  <a href="https://sharedsystems.dhsoha.state.or.us/DHSForms/Served/de5530.pdf?CFGRIDKEY=DHS%205530%2c%2cDHS%20Combined%20Standards%20%28includes%20SNAP%2c%20ERDC%2c%20TANF%2c%20APD%20and%20OHP%29%20-%20recycle%20prior%20versions%2cDe5530.pdf%2c%2c%2c">https://sharedsystems.dhsoha.state.or.us/DHSForms/Served/de5530.pdf?CFGRIDKEY=DHS%205530%2c%2cDHS%20Combined%20Standards%20%28includes%20SNAP%2c%20ERDC%2c%20TANF%2c%20APD%20and%20OHP%29%20-%20recycle%20prior%20versions%2cDe5530.pdf%2c%2c%2c</a>		

**Discussion/interpretation:** This Policy Transmittal explains the impact of SSA Cost of Living Adjustments (COLAs) on OSIPM and Medicare Savings Program (QMB/SMB/SMF) eligibility for 2022.

**Implementation/transition instructions:** Effective January 1, 2022, the Social Security Administration (SSA) will implement a 5.9% COLA for Social Security recipients. This includes Social Security payments under Title II of the Social Security Act (both SSB and SSDI) and Supplemental Security Income (SSI) under Title XVI of the Social Security Act.

For 2022, the SSI Standard will be \$841.00.

This COLA will also have the following impact:

**SSI/OSIPM Related Standards Changes:**

The 2022 OSIPM standards are as follows:

OSIPM Adjusted Income Standards		
Number in Need Group	One	Two
AB/AD/OAA	841.00	1,261.00

**The Long-Term Care Countable Income Standard (300% of SSI):** \$2,523.00

**Community-Based Care Maintenance Standard:** \$841.00

**In-Home Services Maintenance Standard:** \$1,341.00

**The Home Equity Exclusion Limit:** \$636,000.00

**Allocating and Deeming:** The maximum allocation rate for non-applying children in OSIPM will increase to \$420 per month.

**Room and Board and PIF:** For Community-Based Care (CBC) cases other than Behavioral Health (BH) residential treatment, the COLA adjusted Room and Board and Personal Incidental amounts are as follows:

- CBC Room and Board: \$654.00
- CBC PIF: Remaining funds after R&B and service liability are deducted. This amount will be \$187 for most.

**Nursing Facility PIF:** The PIF for NF and Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID) residents who are not receiving VA aid and attendance benefits is increasing to \$68.77.

**Residential BH Treatment:** For individuals in 24-hour residential BH setting, the R&B rate will be \$654.00

**The Children's Room and Board amount:** \$841.00

**The Title IV-E Children's Room and Board Allowance:**

4ER – Title IV-E funded Room and Board: \$654.00

4ES – Title IV-E Room and Board Supplement: \$187.00

**Resource Assessment:**

The maximum Community Spouse Monthly income allowance in OAR 461-160-0620 (3)(d)(A) will be \$3,435.00.

The Community Spouse's maximum share of the couple's combined countable resources in OAR 461-160-0580 (2)(c)(A) and (2)(f)(A) will be \$137,400.00.

The Community Spouse's minimum share of the couple's combined countable resources in OAR 461-160-0580 (2)(c)(B) and (2)(f)(B) will be \$27,480.00.

**Medicare Part B Premium**

The Medicare Part B premium will be \$170.10 for most Medicaid recipients; however, those coded with CBI who became Medicare-eligible prior to 2022 may have a lower Medicare Part B premium amount. This can happen when individuals are covered by certain Medicare Advantage Plans, for example (i.e. the plans negotiate lower premiums). All individuals who begin receiving Medicare in 2022 will be charged the higher rate of \$170.10.

- The CBI medical expense amount will be updated in ONE automatically during the BDX update process. The existing expense record will be retained; however, the current expense amount will be end-dated 12/31/21 and a new expense amount will be added with a start date of 1/1/22.
  - *Note: If you are processing a renewal or other change after January and notice that the premium amount did not automatically increase from \$148.50 to \$170.10, update the premium amount as needed. This can happen if a case was in override status during the COLA mass update.*
- There are no Legacy cases affected by the change to the Part B premium.

**Medicare Savings Programs**

The resource limits for the QMB, SMB, and SMF were eliminated effective January 1, 2016.

The Medicare Savings Program (MSP) income standards are based upon the Federal Poverty Level (FPL). The annual FPL increase is generally announced in January or February each year and normally implemented in March. Under federal statute, current MSP recipients have protected eligibility until the month *after* the month in which the new FPL standards are published. To ensure that the January COLA increase does not render current MSP recipients ineligible pending the FPL increase, the following actions will be taken:

- For existing cases in ONE, the system will apply a disregard equal to the COLA amount to SSA income to prevent changes. *Please note that COVID provisions already prevent reductions from QMBP to SLMB or QSMF in the ONE system.*
- For existing cases in Legacy, the income standards will be inflated by the COLA percentage to prevent changes.

New MSP applicants must be assessed under the MSP standards published in OAR. For cases in Legacy, this must be done manually because it is not possible for the CM system to apply non-inflated standards to new cases.

### **EPD Participant Fee**

To avoid the disruption of EPD participant fee calculations for pending the implementation of the 2022 FPL standards, Central Office is taking the following action:

- For existing EPD cases in ONE, Central Office will be applying disregards to countable income to avoid increases in calculated Participant Fees.
- For any EPD cases still in Legacy, the income and participant fee standards will be inflated by the COLA percentage to prevent changes.

### **Service Liability**

Changes to service liability will occur at different times, depending upon the LTSS setting.

*Nursing Facilities:* New liability amounts for January 2022 will be automatically calculated using the COLA adjusted income figures and the new PIF and applied to January service months. ONE will generate a Notice of Eligibility with the new liability amount.

*Community Based Care Facilities:* New liability amounts for January 2022 will be automatically calculated using the COLA adjusted income figures and applied to the January service month – 512s for the month of January will be generated and mailed by central office, and ONE will generate a Notice of Eligibility with the new liability amount.

### *In-home Care Settings:*

More information will be provided about significant changes to the policy surrounding service liability for in-home care service recipients. Please note that these changes will also affect the EPD participant fee.

### **General APD Service Payment System Information**

After the ONE COLA processes are completed, staff may make any necessary changes to the ONE record. This may include corrections to the COLA updated income/Medicare expense data, or other changes required on the case. Eligibility may be processed and authorized. The legacy APD payment systems will obtain this new information as follows:

- The CEP system periodically checks eligibility data before vouchers are produced. If the client is not eligible for the CEP service, based on the eligibility data, then the voucher will be voided.
- The CBC system will reprocess 512s on December 27th to draw in eligibility data when creating 512s for January 1, 2022. If changes are needed on the case after 12/27/21 for January, they can be made as needed and the 512 should be touched per the normal process.
- Updated information will be passed to MMIS at the time the changes in ONE are authorized for NF and in-home agency payment purposes

### **Legacy System Updates:**

Because of the COVID-19 emergency period provisions and the conversion to the ONE system, Central Office is in the process of identifying what changes need to be made to cases as a result of the 2022 COLA updates. More information about what specific actions must be taken in Legacy will be provided in a subsequent transmittal. This includes changes to the CBI amount or SSA-based income amounts. Please do not make updates at this time.

### **ONE Case Updates**

The 2022 COLA-related program standards were updated in ONE on November 10 effective January 1. This means ONE started running eligibility for January beginning 11/15/21 and applying the January 2022 income and spousal impoverishment standards.

The mass updates to apply the 5.9% COLA to SSI and SSB/SSDI income records are currently expected to be completed by December 13, 2021. Please note that the SDX and BDX updates will occur at different times (possibly up to a week apart). There will also be disregards applied to SSA income when eligibility is run on ongoing MSP and EPD recipients starting January to prevent program changes or EPD participant fee increases. Note: COVID provisions will not prevent all MSP closures or reductions; for example, moving an OSIPM recipient from SLMB to SBI is currently allowed, as is moving from SLMB-only to QSMF. These changes are not

allowed between January and March per federal policy surrounding protection between COLA and FPL updates.

### **IMPORTANT REMINDER**

Only cases that are in the appropriate status will be included in the COLA mass updates.

More information about system changes will be provided in a subsequent transmittal. Other than the exceptions discussed below, please do not make changes to SSA income records at this time.

There are two scenarios that are creating some issues and incorrect determinations prior to the upcoming COLA mass updates to Social Security income in ONE. They are listed below along with instructions on how to address:

- If you are seeing that ONE has already added the 2022 SSA income amount with a 12/1/21 start date:
  - Edit the record to extend the end date on the 2021 segment to 12/31/21 and change the beginning date on the ongoing segment to 1/1/22
  - *Note: This can happen where there's a change (unrelated to COLA) that was identified during the daily BENDEX interface/update process.*
- If you are processing a renewal or other change and ONE is running eligibility for January using 2021 SSA income and 2022 standards:
  - Look in SOLQi to find the 2022 SSA income (it may not show in BDX yet), update it in ONE effective 1/1/22, proceed with other actions, run eligibility, and authorize
  - Option 1 – track these cases so that you can check them after the COLA mass update runs to make sure ONE did not add a duplicate SSA income record
  - Option 2 – rely on the Benefit Decrease task to alert you of any duplicate income records
  - If the income is not updated and an invalid change is authorized as a result of this discrepancy (e.g. a QMBP-only recipient who was slightly over the OSIPM income limit in 2021 is incorrectly approved for OSIPM effective January 1, 2022), follow the instructions in the [COVID-19 Alternative Processes QRG](#) to restore the correct benefit(s).

Please note that workers should not be updating SSA records to remove partial dollars, doing so may potentially create duplicate income records when ONE “corrects” the income automatically. Central Office is working to update the way ONE handles income records it receives from SSA interfaces.

## **IMPORTANT REMINDER ABOUT COVID-19 PROVISIONS**

Remember that certain adverse actions are prohibited during the COVID-19 emergency period. If you see that a closure or reduction of medical benefits has occurred outside of the exceptions allowed in OAR [461-135-0880](https://www.oregon.gov/OSIPM/Pages/461-135-0880.aspx), please contact [apd.medicaidpolicy@dhsosha.state.or.us](mailto:apd.medicaidpolicy@dhsosha.state.or.us).

**Training/communication plan:** APD policy manuals, OPEN, training material, forms, and systems will be updated.

**Local/branch action required:** Please review this policy transmittal with staff who determine eligibility for OSIPM and Medicare Savings Programs.

**Central office action required:** Update worker guides and training materials and provide technical assistance as needed.

**Field/stakeholder review:** ☒ Yes ☐ No

**If yes, reviewed by:** APD Policy, APD Operations

### **Filing instructions:**

*If you have any questions about this policy, contact:*

Contact(s): APD.MedicaidPolicy@dhsosha.state.or.us	
Phone:	Fax:
Email:	