

DEPARTMENT OF HEALTH SERVICES

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SACRAMENTO, CA 94234-7320



TO: All County Welfare Directors
All County Administrative Officers

December 11, 1989
Letter No.: 89-109

SUBJECT: JANUARY 1990 SOCIAL SECURITY TITLE II AND TITLE XVI COST OF LIVING ADJUSTMENTS (COLA) AND RELATED ISSUES

This letter is to provide all counties with the following information:

- o Update on the 1990 Medicare Part B Premium Increase. *
- o Instructions for computing the January 1990 COLA for Title II Retirement, Survivor's and Disability Insurance (RSDI) benefits.
- o The 1990 In Kind Support and Maintenance (ISM) Values for computing Pickle eligibility (Enclosure 1).
- o The 1990 Pickle Disregard Computation Chart (Enclosure 2).
- o The 1990 resource limit for both Medi-Cal and Pickle cases (Enclosure 3).
- o The 1990 Supplemental Security Income/State Supplementary Payment (SSI/SSP) payment levels (Enclosure 4).
- o The Federal Benefit Rate (FBR) to be used when determining Pickle eligibility (Enclosure 4).

Title II (RSDI) COLA

The Social Security Administration (SSA) has advised us that effective January 1, 1990, the Title II COLA is 4.7 percent. This percent increase applies to all Title II beneficiaries. Therefore, in all Medi-Cal only cases with Title II income the current benefit amount should be multiplied by 1.047 to compute the 1990 benefit amount. If we are notified that the COLA will not be 4.7 percent, we will advise you immediately.

* Due to the recent repeal of major portions of the Medicare Catastrophic Coverage Act we are unable to provide you with the "1990 Medicare Part B Premium Increase" amounts at this time. We will notify counties immediately upon our confirmation of the premium amounts from the federal Health Care Financing Administration.

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ISM Values

The ISM values in effect for January 1, 1990 through December 31, 1990 are provided on the enclosed chart (Enclosure 1). These figures are to be used for all Pickle eligibility determinations and redeterminations.

1990 Pickle Disregard Computation Chart

Effective January 1, 1990, the enclosed chart (Enclosure 2) is to be used when computing a Title II disregard amount for Pickle eligibles and applicants. We deleted the multiplier computations on the Disregard Computation Worksheet (DHS 7029/10-88) to avoid printing new forms annually. Therefore, please refer to Enclosure 4 or page 15-8 of your Pickle Handbook (1990 update) when completing the DHS 7029. The DHS 7029 is available to order from the DHS Warehouse located at their new address which is 1723 20th Street, Sacramento, CA 95814.

1990 Resource Limits

Effective January, 1990, the resource limit for both Medi-Cal only and Pickle eligibles remains at \$2,000 for one person and \$3,000 for two (Enclosure 3).

SSI/SSP Payment Levels and the FBR

The SSI/SSP payment levels and the FBR in effect for January 1, 1990 through December 31, 1990 are provided on the enclosed chart (Enclosure 4). These payment levels are to be used for all Pickle eligibility determinations and redeterminations.

Any questions concerning this letter should be directed to RaNae M. Dunne at (916) 324-4955/ATSS 454-4955.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosures

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

Expiration Date: December 31, 1990

P I C K L E H A N D B O O K

Enclosure 1

1990 ISM VALUES FOR
 COMPUTING PICKLE ELIGIBILITY

	<u>Individual</u>	<u>Couple</u>
VTR (not rebuttable)	\$501	\$974
PMV (rebuttable)	148	213

The VTR is the payment level to be used in situations 1 and 2 below. The PMV is the unearned income amount to be added in other situations. The following chart provides the method that must be used for determining Pickle eligibility for individuals and couples in various living arrangements.

	<u>HOUSEHOLD SITUATION (LIVING ARRANGEMENT)</u>	<u>PRINCIPLE</u>
1.	Living in household of another throughout a month and receiving food and shelter from someone in the household.	Reduce the applicable payment level by one-third (VTR). The VTR is the same as the payment level for a person "living in the household of another".
2.	Living in household of another who is providing food and shelter and also receiving ISM from a third party.	Reduce the applicable payment level by one-third (VTR). Exclude third party ISM.
3.	Living in own household (ownership or rental liability) and receiving ISM from someone outside the household.	Add PMV to other unearned income.
4.	Living in noninstitutional care* situation or group home and receiving ISM from someone outside the household.	Add PMV to other unearned income.
5.	Living in household of another and receiving ISM from someone outside the household.	Add PMV.

* All nonmedical institutions including those for education or vocational training. Also, see page 14-3 of ISM section.

P I C K L E H A N D B O O K

Enclosure 2

1990
Department of Health Services
Current Year
Pickle Persons Title II Disregard Computation Chart

Last SSI/SSP Check Received Between	Multiplier
1/89 to 12/89	.0449
1/88 to 12/88	.0816
1/87 to 12/87	.1186
1/86 to 12/86	.1300
1/85 to 12/85	.1561
1/84 to 12/84	.1847
7/82 to 12/83	.2122
7/81 to 6/82	.2665
7/80 to 6/81	.3404
7/79 to 6/80	.4229
7/78 to 6/79	.4749
7/77 to 6/78	.5069
4/77 to 6/77	.5344

Instructions
for
Current Year
Title II Disregard Computation Chart

This chart replaces and supersedes all previous Title II Disregard Computation charts. The steps to be taken to use this chart are outlined below.

1. Determine the current benefit amount.
2. Determine when the last SSI/SSP check was received.
3. Multiply the current benefit amount by the multiplier for the time period the last SSI/SSP check was received.
4. The result is the amount to be disregarded.

RESOURCE ELIGIBILITY

1990 Resource Limits
\$2,000--Individual
\$3,000--Couple

Pickle persons must be within the resource limit at 12:01 a.m. on the FIRST DAY OF THE MONTH for which eligibility is being determined. If a person is not eligible on the first, he/she is not eligible for the ENTIRE MONTH.

Using information from the MC 210 and the MC 210B, complete the Pickle Resource Worksheet (DHS 7037) to determine resource eligibility. Instructions for completion of the DHS 7037 are attached to the form.

Refer to the following for determining resource eligibility:

- . Resource charts.
- . Life estate and remainder interest tables.

Clarification

1. Possible Pickle Person Living With a Spouse

If both members of the couple are eligible, apply the resource limit for two persons and consider the resources of BOTH spouses (whether owned separately or jointly).

2. Possible Pickle Child

Allow the parents all of the resource exclusions for which they would be eligible if they were the applicants. Consider only the resources of the parent and his/her spouse. This includes, but is not limited to, home, household goods, personal effects, automobile, etc.

After the exclusions are applied, the remaining countable resources are deemed to the possible Pickle child. Where there is more than one possible Pickle child, the resources are deemed equally among those children:

Example

There are two possible Pickle children, and \$500 in parental resources must be deemed to them, deem \$250 to each child.

3. If applicant is ineligible as a possible Pickle person due to excess resources:

P I C K L E H A N D B O O K

Enclosure 4

SECTION 16--PAYMENT STANDARDS
JANUARY 1 THROUGH DECEMBER 31, 1990

	SSI/SSP											
	Independent Living Arrangements			Household of Another			Independent Living Arrangement Without Cooking Facilities			Nonmedical Board and Care		
	Total	SSI (FBR)	SSP	Total	SSI (FBR)	SSP	Total	SSI (FBR)	SSP	Total	SSI (FBR)	SSP
INDIVIDUAL:												
Aged or Disabled	630.00	386.00	244.00	501.34	257.34	244.00	698.00	386.00	312.00	709.00	386.00	323.00
Blind	704.00	386.00	318.00	575.34	257.34	318.00				709.00	386.00	323.00
Disabled Minor	499.00	386.00	113.00	370.34	257.34	113.00				709.00	386.00	323.00
COUPLE:												
Aged or Disabled per couple	1,167.00	579.00	588.00	974.00	386.00	588.00	1,303.00	579.00	724.00	1,418.00	579.00	839.00
per person	583.50	289.50	294.00	487.00	193.00	294.00	651.50	289.50	362.00	709.00	289.50	419.50
BLIND:												
per couple	1,372.00	579.00	793.00	1,179.00	386.00	793.00				1,418.00	579.00	839.00
per person	686.00	289.50	396.50	589.50	193.00	396.50				709.00	289.50	419.50
BLIND/AGED OR DISABLED:												
per couple	1,295.00	579.00	716.00	1,102.00	386.00	716.00				1,418.00	579.00	839.00
per person	647.50	289.50	358.00	551.00	193.00	358.00				709.00	289.50	419.50

Nonmedical Board and Care

Federal Benefit Rate (FBR)

	Minimum	Maximum		
TOTAL	\$709.00	\$709.00	INDIVIDUAL	
Board and Room	303.00	303.00	Aged, Blind, or Disabled	\$386.00
Care and Supervision	260.00	323.00	COUPLE	
Personal and Incidental Needs	146.00	83.00	Aged, Blind, or Disabled	\$579.00

* Independent living arrangement for a disabled minor means living in the home of his/her parents. Household of another is used if both the disabled minor and his/her parent(s) live in the household of someone else, i.e., grandparents, etc.