



State of California—Health and Human Services Agency
Department of Health Care Services



Date: January 14, 2022

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 21-21E
ALL COUNTY WELFARE ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDS LIAISONS

SUBJECT: Errata to All County Welfare Directors Letter 21-21

The purpose of this All County Welfare Directors Letter (ACWDL) erratum is to provide the Substantial Gainful Activity (SGA) amounts and adding a reminder that negative actions are not permissible during the COVID-19 public health emergency (PHE).

Corrections to ACWDL 21-21 are recorded using the following:

- underline and bolding for new language and enclosure

Below is the language from ACWDL 21-21, with revisions located on page 1, 2, 3 and the addition of the enclosure at page 4

Purpose

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide counties with guidance for processing the 2022 Social Security Administration (SSA) Cost of Living Adjustment (COLA) in the Statewide Automated Welfare System (SAWS). The application of the COLA to certain current beneficiary eligibility groups has not changed and is only updated with the details provided below in this annual letter. Counties shall proceed with processing the 2022 SSA COLA in accordance with the policy of this letter. **This ACWDL also provides updated federal Substantial Gainful Activity amounts for 2022.**

This letter provides the counties with the following enclosure:

Enclosure 1: SSA Fact Sheet: 2022 Social Security Changes

Title II Retirement, Survivors, and Disability Insurance COLA

The SSA has advised DHCS that there will be a 5.9 percent COLA for year 2022. It should be noted, as in previous years, that the SSA applies the COLA to the actual, rather than the rounded, benefit amount. This may result in a \$1 discrepancy in Title II benefits for some beneficiaries and therefore, a \$1 understated Share of Cost (SOC) will be less than the actual amount. In order to avoid the unnecessary expense of computing every Title II case subsequently identified as having an incorrect SOC solely due to the COLA, counties are authorized instead to correct the SOC the next time the budget is recomputed due to a change-in-circumstance or at annual redetermination and will not be cited with Quality Control (QC) errors.

Processing the 2022 SSA COLA for Modified Adjusted Gross Income (MAGI) Eligibility Groups

The processing of the 2022 COLA will not affect the MAGI eligibility groups. The California Healthcare, Eligibility, Enrollment and Retention System (CalHEERS) will not complete a batch run for the SSA COLA at this time. Once 2022 federal poverty levels (FPLs) are updated in CalHEERS, the process by which the 2022 FPL updates are implemented will be the same as in 2021. The Department of Health Care Services (DHCS) will send a mailer to MAGI beneficiaries potentially impacted by the change to inform them of the FPL increase and that they may request a redetermination backdated to January 1, 2022.

Processing the 2022 SSA COLA for Non-MAGI Eligibility Groups

The 2022 SSA COLA will be disregarded from the eligibility determination for the Aged and Disabled FPL, Blind FPL, and Medicare Savings Programs until the publication of the 2022 FPL rates. All medically needy cases with Title II income must have the SOC adjusted to reflect the COLA, effective January 1, 2022.

Information regarding Medicare Premiums for 2022, Pickle In-Kind Support and Maintenance Values (ISM), Supplemental Security Income/State Supplemental Payment (SSI/SSP) Payment Standards, Pickle Resource Eligibility, and Pickle Multipliers will be released in forthcoming ACWDLs.

2022 Substantial Gainful Activity (SGA) Amounts Effective January 1, 2022:

\$1,350 for non-blind individuals

\$2,260 for blind individuals

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Note: Per Medi-Cal Eligibility Division Information Letters (MEDILs) I 20-07, I 20-08, I 20-18, I 20-25, and I 20-26, counties must delay processing of Medi-Cal annual renewals, and defer discontinuances and other negative actions based on the declared State and National Emergency due to the COVID-19PHE. The county shall continue to process determinations or redeterminations for those individuals who would gain access to health care coverage and resolve barriers related to access to care.

If you have any questions or if we can provide further information, please contact Meuy Saeteune at (916) 345-8064 or by email at Meuy.Saeteune@dhcs.ca.gov. **If you have questions regarding this errata, please contact Minel Tobertga by email at Minel.Tobertga@dhcs.ca.gov or by phone at (916) 345-8075.**

Original Signed By

Linda Nguyen, Chief
Policy Development Branch
Medi-Cal Eligibility Division

Enclosure



Fact Sheet

SOCIAL SECURITY

2022 SOCIAL SECURITY CHANGES

Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2020 through the third quarter of 2021, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 5.9 percent COLA for 2022. Other important 2022 Social Security information is as follows:

Tax Rate	2021	2022
Employee	7.65%	7.65%
Self-Employed	15.30%	15.30%

NOTE: The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes. The tax rates shown above do not include the 0.9 percent.

	2021	2022
Maximum Taxable Earnings		
Social Security (OASDI only)	\$142,800	\$147,000
Medicare (HI only)	No Limit	
Quarter of Coverage		
	\$1,470	\$1,510
Retirement Earnings Test Exempt Amounts		
Under full retirement age	\$18,960/yr. (\$1,580/mo.)	\$19,560/yr. (\$1,630/mo.)
NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.		
The year an individual reaches full	\$50,520/yr.	\$51,960/yr.

retirement age	(\$4,210/mo.)	(\$4,330/mo.)
NOTE: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit.		
Beginning the month an individual attains full retirement age	None	

	2021	2022
Social Security Disability Thresholds		
Substantial Gainful Activity (SGA)		
Non-Blind	\$1,310/mo.	\$1,350/mo.
Blind	\$2,190/mo.	\$2,260/mo.
Trial Work Period (TWP)	\$ 940/mo.	\$ 970/mo.
Maximum Social Security Benefit: Worker Retiring at Full Retirement Age		
	\$3,148/mo.	\$3,345/mo.
SSI Federal Payment Standard		
Individual	\$ 794/mo.	\$ 841/mo.
Couple	\$1,191/mo.	\$1,261/mo.
SSI Resource Limits		
Individual	\$2,000	\$2,000
Couple	\$3,000	\$3,000
SSI Student Exclusion		
Monthly limit	\$1,930	\$2,040
Annual limit	\$7,770	\$8,230
Estimated Average Monthly Social Security Benefits Payable in January 2022		
	Before 5.9% COLA	After 5.9% COLA
All Retired Workers	\$1,565	\$1,657
Aged Couple, Both Receiving Benefits	\$2,599	\$2,753
Widowed Mother and Two Children	\$3,009	\$3,187
Aged Widow(er) Alone	\$1,467	\$1,553
Disabled Worker, Spouse and One or More Children	\$2,250	\$2,383
All Disabled Workers	\$1,282	\$1,358

This press release was produced and disseminated at U.S. taxpayer expense.