



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



GAVIN NEWSOM
GOVERNOR

November 18, 2019

TO: ALL COUNTY WELFARE DIRECTORS Letter No.: 19 -24
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
ALL CONSORTIA PROJECT MANAGERS

SUBJECT: January 2020 Social Security Title II Cost of Living Adjustment

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide counties with guidance for processing the 2020 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 2020 SSA COLA in accordance with the policy of this letter.

Title II Retirement, Survivors, and Disability Insurance COLA

The SSA has advised DHCS that there will be a 1.6 percent COLA for 2020.

It should be noted, as in previous years, that 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 SOC. 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 2020 SSA COLA for Modified Adjusted Gross Income (MAGI) Eligibility Groups

The processing of the 2020 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 2020 federal poverty levels

(FPLs) are updated in CalHEERS, the process by which the 2020 FPL updates are implemented will be the same as in 2019. 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, 2020.

Processing the 2020 SSA COLA for Non-MAGI Eligibility Groups

The 2020 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 2020 FPL rates. All medically needy cases with Title II income must have the SOC adjusted to reflect the COLA, effective January 1, 2020.

Information regarding Medicare Premiums for 2020, 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 ACWDL's.

If you have any questions, or if we can provide further information, please contact Sara McDonald, by phone at (916) 345-8061 or by email at Sara.McDonald@dhcs.ca.gov.

Original Signed By

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