



ESAR A. PERALES
 Commissioner

[An Administrative Directive is a written communication to local Social Services Districts providing directions to be followed in the administration of public assistance and care programs.]

ADMINISTRATIVE DIRECTIVE

TRANSMITTAL NO.: 85 ADM-50
 [Division of Income Maintenance]

TO: Commissioners of Social Services

SUBJECT: Federal Cost of Living Adjustment in Social Security and Supplemental Security Income (SSI) Benefits and Impact on ADC, Home Relief, Medical Assistance, SSI and Food Stamps

DATE: December 13, 1985

SUGGESTED DISTRIBUTION:
 Income Maintenance Staff
 Medical Assistance (MA) Staff
 Food Stamp (FS) Staff
 SSI/SDX Coordinators
 Services Staff

RECEIVED
 DEC 27 1985
 ONONDAGA NEIGHBORHOOD
 LEGAL SERVICES, INC.

CONTACT PERSON: Questions should be directed to the following people by calling 1-800-342-3715 and:

- for SSI, HR, ADC - Abe Anolik, extension 4-7218,
- for WMS MRS/A - Jim Lougen, extension 4-8538,
- for WMS ABEL - Tully Lenihan, extension 4-6055,
- for FS - Hugh Macpherson, extension 4-1160,
- for MA, Upstate - MA County Representative, extension 3-7581, and
- for MA, NYC - MA Representative, (212) 587-4853.

I. PURPOSE

The purpose of this ADM is to advise local districts of:

- the January 1986 federal cost-of-living adjustment (COLA) in Social Security (RSDI) benefits, and its impact on ADC, HR, MA, SSI and FS;
- the pass-through of the January 1, 1986 federal COLA in federal Supplemental Security Income (SSI) benefits, and the January 1, 1986 increase in state supplementation provided to SSI recipients residing in the community; and
- the impact of the increased SSI Congregate Care benefit levels and increased minimum personal needs allowances (PNA's).

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Social Services Law and Other Legal References	Bulletin/Chapter Reference	Miscellaneous Reference
85 ADM-35					
85 ADM-34		352.2, 352.3	SSL 209	PA Source Book	FS Manual Sections
85 ADM-29		352.8, 352.30,	SSL 131-o	Sections IX-H,	VI.H.2., VII.D.3., and
85 ADM-18		360.3(g)	Ch. 329 of 1985	XIII-D, and	VII.E.
85 ADM-6		360.4, 360.5,	Ch. 351 of 1985	XXIV-A	ABEL Transmittals
85 ADM-4		360.14	Ch. 361 of 1985	MARG. pp.83-86	85-10 and 85-11
85 ADM-3		360.15	PL 94-566		SSI State Manual
84 ADM-44		360.18(b)			
83 ADM-27		485.12			
82 ADM-5					

DSS (REV. 8/82)

II. BACKGROUND

- Section 215(i) of the Social Security Act provides for an automatic cost-of-living (COLA) adjustment of Social Security (RSDI) benefits when the Consumer Price Index increases by more than 3% over a specified period. The January 1986 increase has been set at 3.1%.
- Section 1617 of the Social Security Act provides that, whenever there is a COLA in RSDI benefits, the federal SSI benefit will be increased by the same percentage. Effective January 1, 1986, the federal SSI benefit levels will increase by \$11 for individuals and \$16 for couples.

Chapter 361 of the Laws of 1985 authorizes a pass-through of the federal SSI COLA to most SSI recipients in New York State. In addition, this law provides for an increase in the amount of state supplementation provided to couples in congregate care facilities so that the SSI benefit for couples is equal to twice the comparable individual SSI benefit. Finally, this law provides for increases in the minimum personal needs allowances (PNA's) for residents of certified Congregate Care facilities; effective January 1, 1986, the minimum PNA's will be \$53 for Level I, \$63 for Level II, and \$42 for Level III.

Chapter 329 of the Laws of 1985 authorizes increases in the amount of state supplementation provided to SSI recipients residing in the community. Effective January 1, 1986, for SSI recipients "living alone", state supplementation increases by \$11.00 for individuals and \$16.50 for couples; for SSI recipients "living with others", state supplementation increases by \$9.00 for individuals and \$13.50 for couples.

- Persons residing in any of the following three categories of Congregate Care facilities are not prohibited from being determined eligible for food stamps (FS):
 1. residents of Group Living (Level I - Family Care and Level II - Residential Care) facilities who are recipients of SSI or RSDI benefits, if the facility is certified by the NYS Office of Mental Health (OMH) or Office of Mental Retardation and Developmental Disabilities (OMRDD) and contains no more than 16 residents;
 2. residents of Supervised/Supportive Apartments certified by OMH or OMRDD (Level II) whether or not such persons are recipients of SSI or RSDI benefits; and
 3. residents of facilities providing treatment or rehabilitation services for drug or alcohol abuse, if the facility is certified by the New York State Division of Alcoholism and Alcohol Abuse or Division of Substance Abuse Services, and a representative of the facility acts as authorized representative of the resident for food stamp certification. Such residents may be eligible for food stamps regardless of their source of income.

III. PROGRAM IMPLICATIONS

- The full amount of the RSDI COLA is considered income available to reduce or eliminate need for ADC, HR, FS or Social Services or for MA except in those MA cases in which the applicant/recipient meets the criteria for eligibility in light of Lynch v. Rank as described in 85 ADM-35.

- The pass-through of the federal SSI COLA and the increase in state supplementation for SSI recipients in the community will result in an increase in income for most SSI recipients in New York State.
- Increased SSI benefit levels and PNA's will result in increased HR standards of assistance and HR PNA's for HR recipients residing in Congregate Care Level I and II facilities.

IV. REQUIRED ACTION

A. RSDI COLA and SSI Benefit Levels Increases

1. RSDI COLA - General

A flat 3.1% increase in RSDI shall be used to recompute the budgets for recipients in receipt of ADC, HR, FS and MA-Only. The exact amount of new Social Security benefits must be verified at the next client contact or the next regularly scheduled recertification interview. The difference between the flat 3.1% computation and the actual increase will not be considered a Quality Control error until after the first client contact.

2. Budgeting Procedures - ADC and HR

Effective June 1, 1985, retrospective budgeting is only required for cases with earned income, deemed earned income, or a recent attachment to the labor force. Current retrospective budgeting procedures shall be used for such cases. For cases not subject to retrospective budgeting, the RSDI increase shall be budgeted prospectively, that is, in the month it is actually received.

3. Budgeting Procedures - HR Supplementation

Local districts are required to provide HR to the small number of SSI recipients whose available income is less than the applicable HR standard of assistance and who are otherwise eligible for HR. Local districts shall identify all such individuals and rebudget such cases in accordance with the instructions contained in Section IX-H of the PA Source Book. The SSI income shall be budgeted as described in IV.A.2. above.

In-rebudgeting these HR supplementation cases, local districts must use the SSI standards of need summarized below. This updates the standards of need set forth on page 3 of 85 ADM-4. These updated standards of need should also be used in determining eligibility of any new applicants for HR supplementation.

SSI STANDARDS OF NEED

(Total SSI Benefit Levels)

<u>Living Arrangement</u>	<u>Individual</u>	<u>Couple</u>	<u>Supplementation Code (SDX)</u>
Living Alone	\$407.91	\$596.53	A
Living with Others*	\$353.24	\$544.53	B, (F)

* This category includes individuals who have been determined by the Social Security Administration to be in receipt of in-kind income equal to one-third of the federal SSI benefit (i.e., \$112.00 for an individual and \$168.00 for a couple). However, for purposes of HR supplementation, the availability of this in-kind income, as with all other in-kind income, must be evaluated in accordance with existing Department guidelines.

4. Budgeting Procedures - Medical Assistance - Only

All MA-Only cases in receipt of RSDI must be rebudgeted to determine continuing eligibility for MA. Individuals who had been receiving SSA and SSI at any time since April, 1977 and who lost SSI eligibility for any reason must be evaluated in light of Lynch v. Rank. Budgeting procedures outlined in 85 ADM-35 should be followed.

Persons who are part of this class of recipients ("Pickle" individuals) under Section 503 of Public Law 94-566 should be reviewed annually to ensure that SSI income and resource levels are not exceeded.

In accordance with the requirements set forth in 82 ADM-5, any individual related to a federal assistance category for Medicaid purposes (including children in intact households) and whose cash Public Assistance case is closed as a result of an increase in RSDI benefits is entitled to a separate determination of eligibility for Medical Assistance.

NOTE: Districts are also reminded to apply the new MA Income/Resource exemption levels effective January 1, 1986, as appropriate, which will be provided in a separate administrative directive.

5. Budgeting Procedures - Food Stamps

All cases currently in receipt of FS which contain RSDI or SSI recipients and are being budgeted retrospectively must have their FS allotments recomputed to reflect the benefit increase for their March 1986 allotments. RSDI or SSI recipients currently in receipt of FS which are being budgeted prospectively must have their allotments recomputed to reflect the benefit increase for their January 1986 allotments. However, if the benefit increase makes any FS case ineligible, action must be taken to close such cases for January 1986. In addition, all new FS applicant cases must be budgeted prospectively for the first two months of eligibility. The new benefit levels must be used beginning January 1986 for all such prospectively budgeted cases.

NOTE: There are a small number of SSI recipients whose SSI cash grants have been reduced due to the federal determination that they are in receipt of inkind income due to the receipt of free or subsidized

food and shelter. Starting January 1986, the total income of such recipients will rise to \$245.07 if SSI-only or \$265.07 if in receipt of SSI plus other unearned income. However, the income of such recipients will decrease in March 1986 to \$241.24 if SSI-only or \$261.24 if in receipt of SSI plus other unearned income. Local districts shall be alert to such changes and budget affected cases accordingly.

B. Increased HR Standards of Assistance for Residents of Congregate Care Facilities

1. Home Relief

Effective January 1, 1986, all HR recipients residing in certified Congregate Care Level I and II facilities shall be identified and rebudgeted in accordance with the new standards of assistance set forth below.

	<u>HR Standards for Care</u>	<u>PNA</u>	<u>Total HR Standards of Assistance</u>
<u>Level I - Family Care</u>			
NYC	\$ 406	\$53	\$ 459*
Rest of State	\$ 368	\$53	\$ 421*
<u>Level II - Residential Care</u>			
NYC, Nassau, Suffolk and Westchester Counties	\$ 668	\$63	\$ 731
Rest of State	\$ 638	\$63	\$ 701

* HR standards of assistance for residents of Congregate Care facilities are the comparable SSI benefit levels rounded down to the next whole dollar. Because the SSI benefit levels for Congregate Care Level I are \$459.96 and \$421.96, the HR Level I standards are the SSI benefit levels rounded down.

2. Notification of New Benefit Levels

The Division of Adult Services has already notified residents and operators of DSS certified Level II facilities and local districts of the new SSI/HR benefit levels. Local districts shall inform all operators of DSS certified family-type homes supervised by the local district of the increases in the Congregate Care Level I benefit levels.

3. FS Budgeting in Congregate Care Facilities

a. HR-Only Recipients

As indicated in Section II. above, recipients not in receipt of RSDI or SSI, who are residing in Congregate Care facilities may only be determined eligible for Food Stamps if the facility is a supervised/supportive apartment or a drug or alcohol

treatment/rehabilitation program. For such cases currently in receipt of food stamps, since the revised standards of assistance (B.1. above) are effective January 1, 1986 and since PA grants are budgeted prospectively for FS, rebudgeting for FS to reflect the new income amounts must be effective for the January 1986 FS issuance of benefits. The Personal Care Costs Income Exclusions and the amounts of shelter costs have been revised due to the federal COLA and SSI state supplementation increases. These changes must be budgeted concurrently with the increased income amounts.

b. SSI and HR Recipients

Such persons may reside in supervised/supportive apartments, drug/alcohol treatment/rehabilitation programs, or group living Level I or Level II facilities. Since the revised Congregate Care standards of assistance (B.1. above) are effective January 1, 1986 and since PA grants are budgeted prospectively for FS, rebudgeting for FS to reflect the new income amounts must be effective for the January 1986 FS issuance of benefits for cases currently in receipt of food stamps. The Personal Care Costs Income Exclusions and the amounts of shelter costs have been revised due to the federal COLA and SSI State supplementation increases. These changes must be budgeted concurrently with the increased income amounts.

c. NPA SSI/RSDI Recipients

For such persons currently receiving food stamps and residing in any FS eligible Congregate Care facility other than a facility in NYC, the increased SSI/RSDI and state supplements are budgeted retrospectively. Therefore, rebudgeting to reflect the increased income amounts must be done effective for the March 1986 FS issuance unless the increased amount will make them ineligible. For cases made ineligible due to net FS income with the increased income amount, action must be taken to close the case for January 1986. For such NPA FS cases in facilities in NYC which are budgeted prospectively, rebudgeting to reflect the increased income amounts must be done effective for the January 1986 FS issuance and January 1986 FS eligibility. To determine net FS income, the changes in the Personal Care Cost Income Exclusions and shelter costs must be made at the same time as the increased income amounts are budgeted.

NOTE: Attachment B provides the revised data for food stamp budgeting for residents of Group Living facilities who are recipients of SSI or RSDI. The same figures are applicable for SSI recipients who receive HR supplementation grants.

C. Notices

1. ADC and HR

Local districts shall notify recipients in writing of any reduction or discontinuance of assistance and their right to appeal such actions in accordance with 85 ADM-29. Unless other specific language is approved by the Department, the following must be used in these notices as the reason for the adverse action:

For a Reduction

"According to our records you are receiving both Social Security payments from the federal government and a Public Assistance grant from this Department. As a result of a 3.1% increase in Social Security benefits which will take effect in December, 1985 and be received in January, 1986, your grant must be reduced."

For a Discontinuance

"According to our records you are receiving both Social Security payments from the federal government and a Public Assistance grant from this Department. As a result of a 3.1% increase in Social Security benefits which will take effect in December, 1985 and be received in January, 1986, your grant must be discontinued."

2. FS - All Cases

Districts shall provide each household whose benefits are terminated or reduced prior to expiration of a current food stamp certification period with an individual Notice of Adverse Action (using form DSS-3620, "Notice of Intent to Change Food Stamp Benefits" or approved local equivalent) accompanied by an ABEL budget and an explanation thereof in accordance with Section VII.E. of the New York State Food Stamp Manual. All FS households whose eligibility or benefit amounts are changed as a result of recertification must receive notice of this change by form DSS-3152, "Action Taken on Your Food Stamp Case" or approved local equivalent in accordance with Section VI.H.2. of the New York State Food Stamp Manual.

3. MA-Only Cases

In accordance with federal and State policies and regulations, recipients must be notified in writing of any reduction or discontinuance of MA. The notices of reduction or discontinuance, as contained in this directive as Attachments D and E must be provided to all affected MA-Only recipients. These notices must be reproduced locally without modification. The appropriate notice must be mailed no later than 10 days prior to the date of the proposed action. In accordance with Department policy, two (2) copies of the appropriate notices must be sent to the client. One (1) copy must be maintained in the case record. A copy of the budget or MBL-printout should be sent with each notice.

Districts are also reminded that in instances in which there is a decrease in the monthly surplus amount (resulting from the net effect of the concurrent COLA increases and the MA Income Exemption level increase) recipients must be notified in writing of such increase in coverage.

V. WMS AND ABEL SUPPORT - UPSTATE ONLY

On November 18, 1985 ABEL began calculating PA and FS budgets using the procedures specified in this administrative directive. Detailed explanation of the changes to ABEL are found in ABEL Transmittal 85-11, Information #6: "January 1, 1986 Decrease in Personal Care Cost Income Exclusion Amounts".

WMS supported action on the January 1, 1986 COLA-related mass changes with a mass rebudgeting, reauthorization (MRB/A) in November 1985. A second MRB/A, scheduled for January 1986, will support action on those changes which are effective March 1, 1986. ABEL Transmittals 85-10 and 85-11 detail all related system support.

VI. MBL SUPPORT

On the weekend of November 30 - December 1, 1985, MBL supported action on the following changes: January 1, 1986 SSA COLA increase, new MA Income/Resource Exemption Levels and SSI Benefit Levels, with an automated Mass Rebudgeting and Principal Provider Update process. MBL Transmittal 85-4, dated 10/31/85, may be referred to for detail of all related system support.


VII. ADDITIONAL INFORMATION

- A. Attachment A, the "SSI Benefit Levels: Effective January 1, 1986" chart describes the new SSI benefit levels and the PNA amounts taking into account both the pass-through of the federal COLA and the increase in State payments to SSI recipients in the community.
- B. Attachment C, the "Personal Needs Allowances (PNA's) Effective January 1, 1986" chart describes the new PNA amounts in the SSI, HR and MA programs.
- C. Chapter 351 of the Laws of 1985 authorizes the establishment of a new type of Congregate Care Level II facilities called "residential care center for adults" (RCCA). When established, these facilities will be certified by the Office of Mental Health (OMH) to provide residential care to the mentally ill. At that time, RCCA's will be accreted to the Congregate Care Directory as Level II facilities.

A forthcoming ADM will advise local districts about RCCA's and relevant HR and FS budgeting procedures.

VIII. EFFECTIVE DATE

This administrative directive is effective January 1, 1986.


Michael J. Dowling
Deputy Commissioner
Division of Income Maintenance

SSI BENEFIT LEVELS: EFFECTIVE JANUARY 1, 1986

FED L/A CODE	STATE SUPP. CODE	LIVING ARRANGEMENT	FEDERAL BENEFIT RATE		STATE SUPPLEMENTATION RATE		COMBINED PAYMENT LEVEL	
			INDIVIDUAL	COUPLE	INDIVIDUAL	COUPLE	INDIVIDUAL	COUPLE
A	A	Living Alone	336.00	504.00	71.91	92.53	407.91	596.53
A,C	B	Living with Others	336.00	504.00	17.24	40.53	353.24	544.53
(B)	(F)	(Living in Household of Another ^{1/})	(224.00)	(336.00)			(241.24)	(376.53)
A	C	Level I - Family Care a) DSS certified Family Type Homes b) OMH or OMRDD certified Family Care Homes						
		New York City	336.00	504.00	123.96	415.92	459.96	919.92
		Rest of State	336.00	504.00	85.96	339.92	421.96	843.92
A	D	Level II - Residential Care a) DSS certified Adult Care Facilities b) OMH, OMRDD, or DAAA certified Community Residences and DSAS certified Residential Substance Abuse Treatment Programs NYC, Nassau, Suffolk & Westchester Counties	336.00	504.00	395.00	958.00	731.00	1,462.00
		Rest of State	336.00	504.00	365.00	898.00	701.00	1,402.00
A	E	Level III - Schools for the Mentally Retarded						
		New York City	336.00	504.00	482.96	1,133.92	818.96	1,637.92
		Rest of State	336.00	504.00	458.96	1,085.92	794.96	1,589.92
D	Z	Title XIX (Medicaid certified) Institutions ^{2/}	25.00	50.00	^{3/}	^{3/}	^{3/}	^{3/}
A	Z	(See ^{4/} below)	336.00	504.00	0	0	336.00	504.00

^{1/} The "living with others" category includes recipients whose federal benefit has been reduced by the "value of 1/3 reduction (VTR)" due to the federal determination that they are: a) living in someone else's household, and b) receiving some amount of both free food and free shelter (support and maintenance). The VTR is \$112 for an individual and \$168 for a couple.

^{2/} Applies when the recipient spends a full calendar month in the Institution and Title XIX (Medicaid) pays for at least 50% of the cost of care.

^{3/} Recipients in certain Title XIX Institutions (those licensed by the Health Department) receive an additional grant of \$15 per month called a State Supplemental Personal Needs Allowance (SSPNA). The SSPNA check is issued directly to the recipient by the NYS Department of Social Services.

^{4/} Applies when the recipient spends a full calendar month in a Title XIX Institution and Medicaid pays for less than 50% of the cost of care, or when the recipient resides in certain publicly operated community based residential facilities.

Additional Notes: 1) The minimum personal needs allowances: Level I - \$53, Level II - \$63, Level III - \$42

2) The 1986 limits on countable resources: \$1700 for an individual and \$2550 for a couple

3) An essential person receives \$168

FOOD STAMPS

Attachment B

GROUP LIVING BUDGET DATA: EFFECTIVE JANUARY 1, 1986

(Applicable for SSI/RSDI Recipients Only)

Living Arrangement	Federal Benefit	State Supplement	Total Benefit
SSI Living with Others Benefit	\$336.00	\$17.24	\$353.24
Level I - Family Care OMH/OMRDD Certified Family Care Homes			
New York City	\$336.00	\$123.96	\$459.96
Rest of State	\$336.00	\$ 85.96	\$421.96
Level II - Residential Care			
a. DSS Certified Adult Care Facilities			
b. OMH/OMRDD Certified Community Residence			
NYC, Nassau, Suffolk and Westchester	\$336.00	\$395.00	\$731.00
Rest of State	\$336.00	\$365.00	\$701.00
c. OMH/OMRDD Operated Community Residences	\$336.00	0	\$336.00

The following monthly allowances and costs pertain to eligible residents of group living arrangements.

	<u>Minimum Personal Needs Allowance*</u>	<u>Personal Care Costs (Income Exclusion)</u>	<u>Shelter Costs</u>	<u>Board (Thrifty Food Plan)</u>
Level I - NYC	\$53.00	\$106.72	\$220.24	\$80.00
Level I - Rest of State	\$53.00	\$ 68.72	\$220.24	\$80.00
Level II - NYC, Nassau Suffolk and Westchester DSS/OMH/OMRDD Certified	\$63.00	\$377.76	\$210.24	\$80.00
Level II - Rest of State DSS/OMH/OMRDD Certified	\$63.00	\$347.76	\$210.24	\$80.00
Level II - State (OMH/OMRDD) Operated	\$63.00	0	\$193.00	\$80.00

The payment to the family caretaker/Level II Director/Level II Social Worker equals the personal care costs + shelter + board. The client keeps the personal needs allowance + any additional from other unearned or earned income.

*Personal needs amounts may be higher at some residences. If so, shelter costs are reduced by the amount of the difference between the minimum above and the actual amount allowed. Total SSI benefits and Personal Care Costs are not changed.

NOTE: The budget data for residents of Level II OMH/OMRDD Certified Community Residences are the same for SSI/RSDI recipient residents of Level II authorized drug/alcohol treatment facilities.

PERSONAL NEEDS ALLOWANCES (PNA's) EFFECTIVE JANUARY 1, 1986

Facility Type	Certifying Agency	Funding Source	Monthly PNA
Congregate Care Level I	DSS, OMH, OMRDD	SSI HR	\$53* \$53
Congregate Care Level II	DSS, OMH, OMRDD DAAA, DSAS	SSI HR	\$63* \$63
Congregate Care Level III	OMRDD	SSI	\$42*
Title XIX (Medicaid Certified) Facilities	Department of Health	SSI HR*** MA-Only income exemption	\$25 + \$15 SSPNA** (without other income) \$40 \$40 (with other income)
	OMH or OMRDD	SSI HR*** MA-Only income exemption	\$25 (without other income) \$40 \$28.50 (with other income)
Room and Board Situations and Non-Medical Facilities other than Congregate Care Level I, II or III	DSS or Uncertified	HR or ADC	\$45
Public Home	Operated by a City or County	Public Institu- tional Care	Up to \$10****

*This PNA is the minimum established in Social Services Law for SSI recipients. Any income disregarded in determining the amount of a recipient's SSI grant is included as part of the PNA. SSI disregards the first \$20 of unearned income; disregards for earned income include the first \$65 plus 1/2 of the remainder. Thus, for example, SSI recipients receiving Social Security benefits will have PNA's of \$20 more than the amounts noted on this chart. Recipients with earned income will have significantly larger PNA's.

**SSPNA is the State-administered State Supplemental Personal Needs Allowance provided to certain SSI recipients without other income in residential health care facilities as defined in Article 28 of the Public Health Law.

***An HR funded PNA is not provided to residents of hospitals or publicly operated facilities.

****The facility can provide the resident with up to \$10 for work performed by the resident.

[Revised November 1985, Bureau of Income Support]

ATTACHMENT D
(NEW EXCESS CASE)

NOTICE OF CHANGE IN YOUR COVERAGE
UNDER THE MEDICAL ASSISTANCE
(MEDICAID) PROGRAM

County	Case #	Case Name (L F, MI)
CIN #		Street
Notice Date	Effective Date	City State Zip

Dear Mr. (Ms.) Mrs. _____ :

OUR RECORDS SHOW THAT YOU WILL BE RECEIVING INCREASED SOCIAL SECURITY BENEFITS AS OF JANUARY 1, 1986.

DUE TO THIS INCREASE, WE HAVE DETERMINED THAT AS OF JANUARY 1, 1986, YOU ARE NO LONGER ELIGIBLE FOR FULL MEDICAID COVERAGE BECAUSE YOU HAVE MORE INCOME THAN MEDICAID ALLOWS FOR A FAMILY OF YOUR SIZE. HOWEVER, YOU CAN RECEIVE MEDICAID COVERAGE IN ANY MONTH IN WHICH YOU HAVE MEDICAL EXPENSES THAT REDUCE YOUR INCOME TO THE MEDICAID LEVEL.

We calculate your total monthly income as \$_____. We calculate your total monthly deductions as \$_____. Thus, your monthly net income for Medicaid purposes is the difference, or \$_____. (See reverse side for a list of the most common deductions).

In your case, we calculate your monthly net income as \$_____ over the New York Medicaid level. This is your monthly surplus income amount.

You can receive Medicaid coverage in any month in which your medical bills equal or exceed this surplus amount. If you have bills (whether paid or unpaid) equal to or greater than your surplus, the enclosed information will explain your surplus income coverage.

IF YOU DISAGREE WITH OUR DETERMINATION OR CALCULATIONS, YOU MAY ASK FOR A CONFERENCE OR REQUEST A FAIR HEARING IN THE WAY EXPLAINED ON THE REVERSE SIDE OF THIS PAGE.

IMPORTANT

If you lost S.S.I. benefits since 1977 due to a Social Security cost-of-living increase, you may be still eligible for full coverage. Please contact us immediately or request a fair hearing.

INFORMATION ABOUT DEDUCTIONS

We make certain deductions in calculating your monthly Medicaid net income. The most common ones are:

- 1) \$20.00 deduction per individual or couple if you are aged, blind, or disabled.
- 2) the monthly amount of your health insurance premiums (such as Blue Cross/Blue Shield and Medicare).
- 3) 7% of your January 1, 1986 Social Security check, if you were receiving Social Security in 1972 and meet certain other requirements.

If you wish information on the deductions used in your case or other deductions, contact us.

RIGHT TO A CONFERENCE - You may have a conference to review this action. If you want a conference, you should ask for one as soon as you can. A conference may clear up any questions you have about this action. You may ask for a conference by calling us at _____. This number is used only for asking for a conference. It is not the way you request a fair hearing, and if you ask for one it does not affect your right to a fair hearing. Read the fair hearing information below.

RIGHT TO A FAIR HEARING
IF YOU DON'T AGREE WITH THESE ACTIONS

If you think the action we have taken concerning your medical assistance is in error, you may request a State fair hearing in the following ways:

- (1) Call for a hearing at _____
- (2) Write for a hearing to: Fair Hearing, P.O. Box 1930, Albany, New York, 12201. If you write send one copy of this notice with the letter.

Your request for a fair hearing must be made within 60 days of the date of this notice. If you request a fair hearing before the effective date of this notice, (January 1, 1986) you will continue to receive your Medical Assistance unchanged until the fair hearing decision is issued.

If you request a fair hearing, a notice will be sent to you telling you where the hearing will be. If you feel that you are physically unable to attend the hearing, you should state this fact when you call or write. You can have an attorney or other person come to represent you at the hearing or you may come by yourself. At the hearing, you or your representative may present written or oral evidence to show why the action taken is wrong. You or your representative may bring witnesses and you may question anyone who appears at the hearing to present evidence against you. You should bring to the hearing any papers, such as medical bills, that may be helpful to your case.

If you need legal assistance for your conference or fair hearing, you may be able to obtain it free if you cannot afford a lawyer by contacting:

Signature of Worker: _____ Telephone No.: _____

Date: _____

ATTACHMENT E
(UNDERCARE EXCESS CASE)

NOTICE OF CHANGE IN YOUR COVERAGE
UNDER THE MEDICAL ASSISTANCE
(MEDICAID) PROGRAM

County Case # Case Name (L F, MI)
CIN # Street
Notice Date Effective Date City State Zip

Dear Mr. (Ms.) Mrs. _____:

OUR RECORDS SHOW THAT YOU WILL BE RECEIVING INCREASED SOCIAL SECURITY BENEFITS AS OF JANUARY 1, 1986.

Due to this increase in your Social Security benefit, your current excess income amount of \$_____ per month has been increased to \$_____ per month effective January 1, 1986. This means that you may be eligible for Medicaid benefits in any month in which you have medical expenses at or greater than the new excess income amount set forth below.

We calculate your total monthly income as \$_____. We calculate your total monthly deductions as \$_____. Thus, your monthly net income for Medicaid purposes is the difference, or \$_____. (See reverse side for list of the most common deductions).

In your case, we calculate your monthly net income as \$_____ over the New York Medicaid level. This is your monthly surplus income amount.

You can receive Medicaid coverage in any month in which your medical bills equal or exceed this surplus amount. If you have bills (whether paid or unpaid) equal to or greater than your surplus, the enclosed information will explain your surplus income coverage.

IF YOU DISAGREE WITH OUR DETERMINATION OR CALCULATIONS, YOU MAY ASK FOR A CONFERENCE OR REQUEST A FAIR HEARING IN THE WAY EXPLAINED ON THE REVERSE SIDE OF THIS PAGE.

IMPORTANT

If you lost S.S.I. benefits since 1977 due to a Social Security cost-of-living increase, you may be still eligible for full coverage. Please contact us immediately or request a fair hearing.

INFORMATION ABOUT DEDUCTIONS

We make certain deductions in calculating your monthly Medicaid net income. The most common ones are:

- 1) \$20.00 deduction per individual or couple if you are aged, blind, or disabled.
- 2) the monthly amount of your health insurance premiums (such as Blue Cross/Blue Shield and Medicare).
- 3) 7% of your January 1, 1986 Social Security check, if you were receiving Social Security in 1972 and meet certain other requirements.

If you wish information on the deductions used in your case or other deductions, contact us.

RIGHT TO A CONFERENCE - You may have a conference to review this action. If you want a conference, you should ask for one as soon as you can. A conference may clear up any questions you have about this action. You may ask for a conference by calling us at _____. This number is used only for asking for a conference. It is not the way you request a fair hearing, and if you ask for one it does not affect your right to a fair hearing. Read the fair hearing information below.

RIGHT TO A FAIR HEARING
IF YOU DON'T AGREE WITH THESE ACTIONS

If you think the action we have taken concerning your medical assistance is in error, you may request a State fair hearing in the following ways:

- (1) Call for a hearing at _____
- (2) Write for a hearing to: Fair Hearing, P.O. Box 1930, Albany, New York, 12201. If you write send one copy of this notice with the letter.

Your request for a fair hearing must be made within 60 days of the date of this notice. If you request a fair hearing before the effective date of this notice, (January 1, 1986) you will continue to receive your Medical Assistance unchanged until the fair hearing decision is issued.

If you request a fair hearing, a notice will be sent to you telling you where the hearing will be. If you feel that you are physically unable to attend the hearing, you should state this fact when you call or write. You can have an attorney or other person come to represent you at the hearing or you may come by yourself. At the hearing, you or your representative may present written or oral evidence to show why the action taken is wrong. You or your representative may bring witnesses and you may question anyone who appears at the hearing to present evidence against you. You should bring to the hearing any papers, such as medical bills, that may be helpful to your case.

If you need legal assistance for your conference or fair hearing, you may be able to obtain it free if you cannot afford a lawyer by contacting:

Signature of Worker: _____ Telephone No.: _____

Date: _____