

MEMORANDUM

TO: Economic and Employment Services Program Administrators

FROM: Dr. Carla Whiteside-Hicks

DATE: November 2, 2023

SUBJECT: Mass Change Instructions for January 2024 OASDI/SSI Cost-of-Living Adjustments (COLA)

The purpose of this memo is to provide implementation instructions for the January 2024 COLA mass change. There will be an automated process associated with this mass change. As these instructions do not involve policy changes and are entirely procedural, we are releasing the instructions as a memorandum rather than through the normal policy development process. By using this format, we can provide timelier finalized procedures. Please make sure all appropriate staff receive this material.

1. **OASDI/SSI Cost-of-Living Adjustments**- A 3.2% increase in the OASDI/SSI benefit levels will take effect beginning with the January 2024 payment. SSI maximum benefits will increase \$29 for an individual, \$44 for a couple.

The Medicare Part B premium is increasing to \$174.70 per month. The standard Medicare Part A premium decreases to \$505 per month.

- A. **SSI Information**- The new SSI benefits will be transmitted via the SDX interface to be effective starting February. The following is a listing of the new benefit amounts.

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| (1) Eligible individual in own home (Includes individuals in a public community-based facility serving 16 or fewer individuals). | \$943 |
| (2) Eligible individual with eligible spouse in own home. | \$1415 |

- B. **OASDI Instructions** - The new OASDI benefit will be automatically calculated based on the SSA income amount entered in KEES. The 2024 COLA will be calculated by using a 3.2% multiplier with the effective month of February 2024. All calculated amounts will be rounded down by dropping the cents. No automated updates of SSA income through BENDEX or TPQY will occur. In order for the income to be automatically updated for COLA, the income must be listed with the program type of Non-Medical and not have an end date. Any SSA income with a begin date of January 2024 or after with the Non-Medical program type will not be included in the 3.2% calculation. It is expected that staff have already added the COLA increase for SSA.

Unless the new OASDI benefit was based on an incorrect income amount, the calculated amounts are to be regarded as correct even though the amount may be different from the actual OASDI amount due to it being rounded down. Staff are not required to update the amounts that are calculated until the next scheduled review or Interim Report, whichever comes first, for affected cases. Staff are discouraged from correcting these calculated amounts from EATSS. Corrections should be handled at the next review or Interim Report, whichever comes first.

SPECIAL NOTE: For any new applications or reviews/IR's processed November 17, 2023 (January come up month available) or after should include the new SSA amount when determining January 2024 benefits. Staff should use the income effective dating logic to end date the November and December income and then a new segment that has the January income with the COLA increase included.

If other verification is not available, the new SSA amount should be calculated as described in section B above.

2. **Effect of OASDI Benefit Increases on Cash Assistance**

At the time of the COLA mass run described above, OASDI amounts reflected on cash cases will be automatically updated based on the calculation process described above.

The new calculated OASDI amount will be automatically incorporated, and the cash benefit level recalculated for February. Mass change notices will be produced on TANF cases where February grant amounts change. TANF programs that are discontinued due to over income will be processed through batch EDBC and a notice will be generated. Programs resulting in a discontinuance for a reason other than over income will result in a read only EDBC and appear on the Batch EDBC Skip Report

3. **Effect of OASDI Benefit Increases on Child Care Assistance**

Child care income records will be updated with the new OASDI and SSI amounts. The family plan will not be updated during the COLA batch run. COLA will appear to have no effect on child care family share. However, it could affect the family share if the child care case is updated for other reasons. Staff need to be aware of the COLA income update and take appropriate action as needed.

4. **Effect of the OASDI and SSI Benefit Increase on Food Assistance**

A. **OASDI-** At the time of the COLA mass run as described above, OASDI amounts will be automatically updated based on the calculation process as previously described. SSI amounts for food assistance programs will be automatically updated, or added, based on the SDX COLA file in a separate process the weekend of December 16th, 2023, but will be handled in the same way as OASDI.

Benefits for February will then be processed for all FA programs as follows: The mass change process in December will incorporate the new calculated OASDI amount, and recalculate the food assistance benefit level for February. The mass change process will result in a mass change notice being created (See item C below). Food Assistance

programs that are discontinued due to over income will be processed through batch EDBC and a notice will be generated. Programs resulting in a discontinuance for a reason other than over income will result in a read only EDBC and appear on the Batch EDBC Skip Report.

Staff should also review the mass change detail report for unexpected changes to food assistance benefit amounts which may signify cases needing correction.

- B. **SSI-** A separate mass change will be processed the weekend of December 16th, 2023, using the SDX COLA file to update SSI amounts reflected on Food Assistance programs.

It should be noted that the gross SSI benefit from the SDX COLA file is used to calculate February food assistance benefits. However, there are some SSI cases in which the benefit has been reduced due to an overpayment recovery. Per KEESM, if the overpayment is not a result of fraudulent activity, the recovery is to be taken into consideration and only the net benefit counted. As the SDX file identifies benefits reduced due to overpayment recovery, a report will be provided listing all FA programs in which the gross SSI benefit has been reduced for this reason. The net benefit amount will also be provided. Staff must then review these cases to determine which recoveries result from non-fraudulent overpayments and adjust the SSI income accordingly.

- C. **Notices - Delay of Mass Change Notices** - Again this year, all mass change notices created when SSI and SSA mass change runs the weekend of December 16th, 2023, will not print at the time of generation. This notice can be located under the Distributed Documents tab.

If case changes are made after the weekend of December 16th, 2023, and a new notice is necessary, the original notice or notices created by mass change must be deleted and a new notice created. To assist staff, a worker generated mass change notice has been created. This notice includes wording about the OASDI and the SSI increase, the "generic wording" about cash assistance payments and a space for additional worker explanation. The copy and paste wording is located in the KEES Manual for the COLA change.

If no further changes are made and/or the mass change notice is not deleted, the system generated notice will print and mailing begins January 12th, 2024.

- 5. **Changes in Other Benefits and Expenses** - Other changes are also anticipated to take effect January 1, 2023. Following are instructions on making these changes:

- A. **Other Government Payments** - For changes in other cash benefits, primarily VA, Railroad Retirement, and Civil Service Retirement, staff will update the information at the review or IR. If the client reports the change, staff must act on the change when it is reported.
- B. **Medicare Premiums** - The Medicare Part B premium amount will impact Food Assistance benefits for some households. Medicare expenses will be automatically updated with the standard Part B premium amount for the month of February. On the weekend of December 16th, 2023, all Medicare expenses will be updated.

- C. **Blue Cross Blue Shield Premium Changes** - Premiums for Blue Cross Blue Shield Plan 65, Disability and Step plans may also change for January 2024. DCF staff is not required to verify or update these amounts, unless the client reports such. If the client reports the change in premium, it is up to the client to verify the change. **Do not contact BCBS to verify individual premium amounts.**

When KDHE updates the premium amounts, this information remains in the KEES system, but will not cause an EDBC batch to run. Therefore, staff will have to manually run EDBC on programs with an increase in premiums. Staff are not required to update, (run EDBC), on these updated amounts, but will do so when a user or batch runs EDBC runs for other reasons (IR, review, etc.).

If DCF staff make the premium change based on information received by the client, staff are required to notify KDHE of the action taken. (refer to shared data information)

- D. **Medicare Part D and Medicare Advantage Expenses** - Premiums for both Medicare Advantage plans (a.k.a. Part C or Medicare Managed Care) may change in 2024. These changes could impact Food Assistance benefits. No automated processing will occur for these changes as the premiums and levels of coverage vary significantly based on the carrier, plan, level of coverage, etc. However, persons may report changes in premiums which must be considered. The client is responsible for providing verification of any changes.

Again, KDHE will update any change in premium amounts. DCF staff are not required to verify or update these amounts, unless the client reports such. If the client reports the change in premium, it is up to the client to verify the change.

When KDHE updates the premium amounts, this information remains in the KEES system, but will not cause an EDBC batch to run. Therefore, staff will have to run online EDBC on cases with an increase in premiums. Staff are not required to update (run EDBC) on these updated amounts but will do so when a user or batch runs EDBC runs for other reasons (IR, review, etc.)

If DCF staff make the premium change based on information received by the client, staff are required to notify KDHE of the action taken. (refer to shared data information)

6. **Note Concerning Mass Change Reports** - There will be sets of mass change reports produced in December. These reports are targeted to be ready by mid-December and will be distributed to appropriate staff as soon as possible. A list of these reports will be provided:
- **Mass Change Detail Report**
 - **Batch EDBC Skip Report**
7. **Food Assistance Program Where an SSI Overpayment Recovery Is Occurring/Review for Proper Use of Net or Gross SSI Amount** - This report lists all clients on FA programs where an SSI overpayment recovery is occurring determined by the presence of an amount in the SDX overpayment recovery field on the SDX file. This report is being produced to help staff identify cases in which countable income needs to be adjusted to reflect a net SSI benefit amount.

8. **Errors or Problems Identified** - Any errors found, or other problems identified with the COLA mass change process are to be reported to KEES Help Desk. It is also important that the problems be reported and documented by taking screen prints of appropriate items before making corrections.

If you have any questions concerning this memo or the mass change process, please contact the appropriate program specialist. For system problems or concerns, contact KEES Help Desk.

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