



## **MEPD and TW Bulletin 21-25**

**Date:** December 07, 2021

**To:** Eligibility Services Supervisors and Staff  
Program Managers  
Regional Directors  
Regional Attorneys  
Hearings Officers

**From:** Access and Eligibility Services Program Policy  
State Office 2115

**Subject: Federal Benefits 2022 Cost-of-Living Adjustments (COLA)**

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The information in this bulletin will be included in a future handbook revision. Until the handbook is updated, staff must use the information in this bulletin. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- [Medicaid for the Elderly and People with Disabilities Handbook \(MEPDH\)](https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins) at <https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins>;
- [Texas Works Handbook \(TWH\)](http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins) at <http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins>.

## Federal Benefits 2022 Cost-of-Living Adjustment (COLA)

### Background

The Social Security Administration (SSA) adjusts Retirement, Survivors and Disability Insurance (RSDI) benefits and Supplemental Security Income (SSI) benefits to reflect the annual cost-of-living adjustment (COLA) effective January 1 of each year. The COLA adjustment also impacts Railroad Retirement (RR) benefits. The annual COLA is based on increases in the Consumer Price Index (CPI). The COLA increase for 2022 is 5.9 percent.

### Policy Update

#### [MEPD](#)

##### *Income Limits*

The income limits for the institutional, Community Attendant Services (CAS), Home and Community-Based Services (HCBS) waiver, and Program of All-Inclusive Care for the Elderly (PACE) programs, are 300 percent of the SSI federal benefit rate and are adjusted annually. Effective January 1, 2022, the income limits are:

- Individual: \$2,523
- Couple: \$5,046

##### *Resource Limits*

The 2022 resource limits for the programs listed above will remain the same:

- Individuals: \$2,000
- Couple: \$3,000

#### [Medicare Saving Program \(MSP\)](#)

##### *Resource Limits*

The MSP resource limits are adjusted annually based on changes in the CPI. Effective January 1, 2022, the resource limits for Qualified Medicare Beneficiaries (QMB), Specified Low-Income Medicare Beneficiaries (SLMB), and Qualifying Individuals (QI-1) are:

- Individual: \$8,400
- Couple: \$12,600

The resource limits for the Qualified Disabled and Working Individuals (QDWI) Program are twice the countable resources allowed under the SSI program and will remain the same:

- Individual: \$4,000
- Couple: \$6,000

### *Income Limits*

The MSP income limits are adjusted annually based on the federal poverty level (FPL). There are no changes to the QMB, SLMB and QI-1 income limits until the new FPL amounts are published in early 2022.

### Federal Benefit Increases

#### *All Programs*

Social Security - RSDI and SSI beneficiaries will receive a 5.9 percent COLA increase effective January 1, 2022.

Effective January 1, 2022, the maximum SSI standard payment amount is:

- Individual: \$841
- Couple: \$1,261

#### *MEPD*

Income limits based on the SSI Federal Benefit Rate for the 2022 levels are:

- Individual: \$841
- Couple: \$1,261

#### *All Programs*

The following federal benefits are not included in the TIERS Mass Update but will receive a COLA update effective January 1, 2022:

- Civil Service annuitants will receive a 5.9 percent COLA increase in benefits for 2022;
- Railroad Retirement beneficiaries will receive 5.9 percent COLA increase in Tier I benefits and a 1.9 percent increase in Tier II benefits for 2022; and
- Veterans Administration (VA) beneficiaries will receive a 5.9 percent COLA increase for 2022

**Note:** Under federal law, the VA's compensation, pension rates, VA "new law" pension, and VA Dependency and Indemnity Compensation (DIC) benefits for surviving dependents of deceased veterans will receive the same percentage increase as Social Security benefits.

**Note:** Institutionalized VA beneficiaries whose benefits are capped at \$90 do not receive an increase.

## Medicare Part A

### *All Programs*

The standard Medicare Part A (Hospital Insurance) premium for beneficiaries not entitled to free Medicare Part A coverage will increase to \$499 for 2022. The reduced Medicare Part A premium amount will increase to \$274 for 2022.

The annual Medicare Part A deductible for hospitalized beneficiaries will increase to \$1,556 for 2022.

## Medicare Part B

### *All Programs*

The standard Medicare Part B premium will increase to \$170.10 for 2022. By law, most beneficiaries with Medicare Part B (Medical Insurance) are covered by the "hold harmless" provision, which means the 2022 RSDI benefit cannot be less than the 2021 RSDI benefit. For these beneficiaries, the Medicare Part B premium for 2022 may vary based on the COLA increase in their RSDI benefit for 2022. Staff will need to rely on SOLQ for the exact amount.

The annual Medicare Part B deductible will increase to \$233 in 2022.

## Student Earned Income Exclusion (SEIE)

### *MEPD*

The monthly amount of earned income that can be excluded under the SEIE will increase to \$2,040 for 2022. The yearly amount that can be excluded under the SEIE will increase to \$8,230 for 2022.

## Substantial Home Equity

### *MEPD*

The maximum home equity amount will increase to \$636,000 for 2022.

## Spousal Standards

### *MEPD*

The minimum spousal protected resource amount (SPRA) will increase to \$27,480 for 2022.

The maximum SPRA will increase to \$137,400 for 2022.

The maximum monthly maintenance needs allowance (MMMNA) for spousal cases will increase to \$3,435 for 2022.

## **Appeal Procedures**

Recipients may appeal any adverse action resulting from the COLA update. Staff may continue benefits or continue benefits at the previous levels, if applicable, only if all of the following conditions are met:

- the appeal is based on incorrect computation of eligibility or benefits or misapplication of federal policy;
- the appeal is requested within 13 days of the date of the adverse action notice; and
- the person does not waive the right to continued benefits.

Remind TANF and SNAP recipients that an overpayment subject to recoupment will occur if the:

- benefits are continued at the previous level; and
- the hearing officer's decision is not in the recipient's favor.

### **Automation**

#### [Mass Update of TIERS Data](#)

Texas Integrated Eligibility Redesign System (TIERS) updates ran on December 4, 2021. TIERS will update the income and expenses for all recipients who have RSDI, SSI, and/or RR income or a Medicare premium expense, including EDGs/cases that are denied or not active.

The income and expense pages will reflect the updated effective begin dates, income amounts, Medicare Part B premium amount, and the new co-pay budget information. TIERS will generate exception reports for staff action on EDGs and cases that cannot be updated.

In addition, TIERS Mass Update will run eligibility, dispose the EDGs in the case, and send case-specific correspondence on active cases and EDGs in Ongoing case mode.

In the following situations, TIERS only updates the data but will not run eligibility:

- a case not in Ongoing mode;
- a case that contains an EDG with ongoing benefits that were overridden; or
- a case that contains a denied EDG.

TIERS generates a Mass Update Exception Report for cases in which the COLA update cannot be completed because the case was not in Ongoing mode or the case had an EDG with overridden benefits. Staff must take the appropriate action to verify and correct the recipient's income and premium amounts and run eligibility for all cases that appear on the exception report according to policy for each type of program assistance.

### Verification Sources

The following verification sources are used to update the income amounts and Medicare Part B premiums:

- "Percentage Increase Used" when TIERS calculated the new RSDI, SSI, or RR amount using the percentage calculation;
- "SDX" when TIERS updated the new RSDI, SSI, or RR amount from the SDX interface file;
- "BENDEX" when RSDI income amounts were updated from the annual BENDEX file;
- "SMIB" when Medicare Part B premium amounts were updated based on the interface file; and
- "COLA Update" when the Medicare Part B premium amount is updated and the recipient is not on the Supplemental Medical Insurance Benefits (SMIB) or BENDEX file.

A report (Excel spreadsheet) of all MEPD cases with a decrease in co-pay as a result of the COLA update will be created. Staff must take the appropriate action to verify and correct the recipient's income and premium amounts to ensure the co-payment calculation is accurate.

### Reports

TIERS generates interface exception reports (for the reasons in the list that follows) for cases that were not processed in the interface update. Automation staff forward the interface exception reports to Eligibility Operations. The interface exception reports contain specific instructions on the actions required by staff. Staff must take appropriate action to verify and correct income and premium amounts for all EDGs or cases that appear on the exception reports according to policy for each type of assistance.

Interface Exception Reports are generated for the reasons below:

- TIERS or the interface file have multiple Social Security Claim Numbers (SSCNs). However, all the SSCNs do not match and the RSDI income records were not updated. Verify the RSDI amount for all SSCNs for the person and correct income amounts and SSCNs.
- The RSDI income records were not updated because the person is receiving RSDI on four or more SSCNs. Verify the RSDI amount for all SSCNs for the person and correct income amounts and SSCNs.
- The Medicare Part B premium does not equal the amount of \$170.10. Mass Update was not performed on this case. Review the case and update the premium.

- According to interface data, the Medicare Part B premium is paid by the state of Texas; however, TIERS does not reflect this information. Review the case, update data collection, and run eligibility.
- According to TIERS data, the Medicare Part B premium is paid by the State of Texas; however, the SMIB file does not reflect this information. Review the case, update data collection, and run eligibility.
- TIERS has multiple RSDI income records for a person with different SSCNs and the person also receives SSI. The records were not updated because the combined amount (RSDI and SSI) could not be determined. Verify the RSDI and SSI amounts for the person.
- TIERS indicates the person is receiving RSDI and SSI; however, based on BENDEX the person's combined RSDI and SSI is over the individual SSI income limit. The RSDI income amount was updated with the amount from BENDEX, and the SSI amount was updated to the difference between the combined amount and the RSDI amount. Verify both the RSDI and SSI amounts for the person.
- TIERS indicates the person is receiving RSDI and SSI. However, the person's combined RSDI and SSI is over the individual SSI income limit. Only the SSI income amount was updated using the percentage increase. Verify both the RSDI and SSI amounts for the person and take appropriate action.

### Correspondence

TIERS generates a TF0001 only if benefits are increased, decreased, or denied. The date on the TF0001, Notice of Case Action, is December 4, 2021. The COLA TF0001 contains the following messages based on the type of assistance impacted:

#### SNAP

**English:** "The amount of state benefits you get has changed. This is due to either a change in (1) the amount of money you get in federal benefits (RSDI, SSI, or Railroad Retirement), or (2) the amount you pay for Medicare Part B."

**Spanish:** "La cantidad de beneficios que usted recibe se ha modificado. Ello se debe a que uno de los datos siguientes ha sufrido un cambio: (1) la cantidad de dinero que usted recibe a través de beneficios federales (RSDI, SSI o pensión de ferrocarril), o (2) la cantidad que paga por Medicare Parte B."

#### TANF

**English:** "The amount of benefits you get has changed. This is due to the change in the amount of money you get in federal benefits (RSDI, SSI or Railroad Retirement)."

**Spanish:** “La cantidad de beneficios que usted recibe se ha modificado. Ello se debe a que la cantidad de dinero que usted recibe a través de beneficios federales (RSDI, SSI o pensión de ferrocarril) ha sufrido un cambio.”

[Medicaid \(Texas Works and MEPD\)](#)

**English:** “Your benefits are denied. This is due to the change in the amount of money you get in federal benefits (RSDI, SSI or Railroad Retirement).”

**Spanish:** “Se rechaza la prestación de beneficios. Ello se debe a que la cantidad de dinero que usted recibe a través de beneficios federales (RSDI, SSI o pensión de ferrocarril) ha sufrido un cambio.”

[Co-Payment Changes for Types of Assistance TA 10, TA 12, TP 10, TP 15, TP 16 or TP 17](#)

**English:** “The amount you need to pay each month has changed. This is due to either a change in (1) the amount of money you get in federal benefits (RSDI, SSI or Railroad Retirement) or (2) the amount you pay for Medicare Part B.”

**Spanish:** “La cantidad que usted tiene que pagar cada mes se ha modificado. Ello se debe a que uno de los datos siguientes ha sufrido un cambio: (1) la cantidad de dinero que usted recibe a través de beneficios federales (RSDI, SSI o pensión de ferrocarril), o (2) la cantidad que paga por Medicare Parte B.”

These messages appear in correspondence triggered due to either Mass Update or the first time the EDG is disposed after the COLA update.

### **Handbook**

The MEPD Handbook updates are scheduled for the March 2022 revision.

The MEPD Appendices are scheduled to be updated on the LOOP on December 10, 2021.

Texas Works Handbook updates are not required.

### **Training**

The MEPD New Hire Training and TIERS training will be updated.

### **Effective Date**

The COLA updates are effective January 1, 2022.