

TO: Nursing Facilities (In-State and Out-Of-State),
Intermediate Care Facilities/Mental Retardation,
State and County Governmental Psychiatric Hospitals

SUBJECT: 1993 SOCIAL SECURITY COST OF LIVING (COLA) INCREASE

The Social Security 3% cost of living increase went into effect on January 1, 1993. Paramax/Unisys has automatically recalculated the PA-3L information to reflect this increase. A copy of the COLA Update Report reflecting the PA-3L changes was printed by Paramax/Unisys on February 6, 1993 and forwarded to your facility.

The COLA Update Report format remains unchanged from last year's report and provides information on each recipient affected by the COLA adjustment. The Recipient Number, Recipient Name, Social Security amount before (SSA AMT BEFORE), Social Security amount after (SSA AMT AFTER), net income before (NET INC BEFORE), and net income after (NET INC AFTER) are indicated on this report.

The Social Security amount is listed in the 3rd column entitled "SSA AMT BEFORE". This figure represents the latest patient Social Security benefit amount on the Paramax/Unisys system prior to the COLA increase. The 4th column entitled "SSA AMT AFTER" represents the Social Security amount computed after applying the 3% COLA increase to the Social Security amount in column 3. The 5th column entitled "NET INC BEFORE" represents the patient payment prior to the COLA increase. The 6th column entitled "NET INC AFTER" represents the patient payment after subtracting the exempt income and Personal Needs Allowance (PNA) amounts from the COLA adjusted Social Security benefit amount.

Since the "NET INC AFTER" represents the PA-3L patient payment amount, we are requesting that you review the COLA computation on each recipient.

If the computed amount in the "NET INC AFTER" column is different from the Turn Around Document (TAD) BLOCK 35 amount and the difference is greater than \$1.00 the following procedures are to be followed:

- (1) Change the patient payment amount on the TAD in Block 35 to reflect the actual amount of patient liability and submit the TAD to Paramax/Unisys, CN 4805, Trenton, New Jersey 08650.
- (2) Inform the County Welfare Agency or the Institutional Services Section (ISS) area office that a new PA-3L needs to be completed for the recipient.

Questions on this matter should be directed to Ellen Keane, Bureau of Claims and Accounts, at 609-588-2885.

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(BLUE TAB MARKED "5")