
Senior Services News

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TO: Long Term Care Nursing Facilities (In-State and Out-of-State)

SUBJECT: One-Time Social Security Payment for Error in CPI Calculation

EFFECTIVE: Immediately

PURPOSE: To inform nursing facilities (NFs) of the Social Security Administration's (SSA) issuance of a one-time payment to Social Security beneficiaries and to instruct NFs listed as the representative payee for Social Security payments to Medicaid beneficiaries as to the appropriate method for disposition of the funds.

BACKGROUND: The Social Security Administration (SSA) has begun issuing one-time payments to Social Security beneficiaries and Supplemental Security Income (SSI) beneficiaries to compensate for an error the Bureau of Labor Statistics (BLS) made in the calculation of the consumer price index (CPI) starting in 1999. These payments, expected to be between \$12 and \$19, will ensure that beneficiaries are compensated for any shortfall in their benefits paid from January 2000 through July 2001. Regular monthly benefits, if affected, will be adjusted beginning with the payment received in August 2001.

ACTION: The Department of Health and Senior Services (Department) believes that this one-time payment from SSA belongs to the individual and, therefore, will not consider this payment in the calculation of the Medicaid beneficiary's share of the cost for nursing home care.

Nursing facilities listed as the representative payee for Social Security payments to Medicaid beneficiaries are instructed to deposit the one-time payment into the individual's Personal Needs Allowance (PNA) account.

Effective August 1, 2001, please include the adjusted Social Security amount on the Turn Around Document (TAD) when submitting claims.

Questions regarding this newsletter should be directed to June Britton, Provider Relations Unit, Division of Senior Benefits and Utilization Management, Department of Health and Senior Services, at (609) 588-2885.

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