

# Benefit Program Updates – November 2007

## I. SOCIAL SECURITY ADMINISTRATION

### A. New SSI Figures and COLA Adjustments

SSA recently announced a cost of living adjustment (COLA) of 2.3%. The following chart includes the benefit changes for 2008 and the amounts that are adjusted according to the COLA.

2008 SSI Eligibility Figures					2008 - Other SSA Figures
Living Arrangement	SSI FBR	SSI State Supp.	SSI Total Payment	SSI Asset Limit	
Independent Living					<ul style="list-style-type: none"> <li>• SGA - \$940</li> <li>• SGA/blind - \$1,570</li> <li>• TWP - \$670</li> <li>• Quarter of coverage - \$1,050</li> <li>• 1619(b)(Medicaid continuation) – \$31,323.00 or \$33,626.48 with E-supp. <b>(needs updating for 2008)</b></li> <li>• Average SSDI indiv. - \$1,004</li> <li>• Average SSDI indiv. w/ spouse and dependent children - \$1,690</li> <li>• Average retired worker - \$1,079</li> <li>• Max. Title II benefit at full retirement of age 65 and 10 months - \$2,185</li> <li>• SSI earned income break-even - \$1,359 (ind.)</li> <li>• State C-supp., \$250 1<sup>st</sup> child, \$150 each &gt;1</li> <li>• SSI student earned income excl. limit - \$1,550 monthly</li> </ul>
Eligible Individual	\$637.00	\$83.78	\$720.78	2,000	
Eligible Couple	956.00	132.05	1,088.05	3,000	
Couple/One Spouse Eligible	637.00	130.43	767.43	3,000	
Living in the Household of Another					
Eligible Individual	424.67	83.78	508.45	2,000	
Eligible Couple	637.37	132.05	769.42	3,000	
Couple/One Spouse Eligible	424.67	135.05	559.72	3,000	
SSI-E Exceptional Expense Supplement					
Eligible Individual	637.00	179.77	816.77	2,000	
Eligible Couple	956.00	477.41	1433.41	3,000	

Go to <http://www.ssa.gov/pressoffice/factsheets/colafacts2008.pdf> for a copy of SSA's 2008 Fact Sheet.

### B. Revisions to Medical Listing 5.0 - Digestive Impairments

On October 19<sup>th</sup>, 2007, significant revisions to the medical listing for digestive disorders (5.0) were published in the Federal Register. The new listing will go into effect December 18<sup>th</sup>, 2007. The SSA website has not yet been updated to reflect this. The most significant changes include: clarification of the requirements for chronic liver disease; expanded guidance in the introduction as to how the effects of treatment for various digestive disorders will be evaluated; new sub-

listing for short bowel syndrome; and updates to the medical terminology to be consistent with “plain language” guidelines.

### **C. Average Processing Times for the Office of Disability Adjudication and Review (ODAR)**

In the past few years the backlog has increased at ODAR offices throughout the country. The National Organization of Social Security Claimants’ Representatives (NOSSCR) recently published that average processing times nation-wide. Of the 143 ODAR locations, the Madison office came in 119<sup>th</sup> with an average processing time of 635 days; Milwaukee was in 117<sup>th</sup> place at 629 days; and Minneapolis came in 82<sup>nd</sup> with an average processing time of 523 days. The quickest ODAR site in the county is in Harrisburg, Pennsylvania, with an average wait of 277 days.

### **D. HR 2608 – SSI Extension for EBD Refugees**

Over 7,000 SSI recipients nationwide have lost SSI because of the existing seven year limit on benefits. On July 11, 2007, the House passed H.R. 2608, the SSI Extension for Elderly and Disabled Refugees Act. The bill was sent to the Senate where it awaits action. The SSI-related provisions of H.R. 2608 would:

- Extend temporarily the 7-year eligibility period for refugees, asylees, and certain other humanitarian immigrants to 9 years for fiscal years 2008 through 2010 (October 1, 2007 through September 30, 2010);
- Exempt those refugees, asylees, and certain other humanitarian immigrants with pending naturalization applications from the time-limited eligibility period;
- Apply retroactively to those non-citizens whose SSI benefits had previously ceased solely due to the expiration of the 7-year period as well as to eligible individuals whose 7-year period would expire before October 1, 2010;
- Provide for prospective monthly payment of additional SSI benefits over the duration of extended eligibility;
- Revert to the 7-year SSI eligibility period for refugees, asylees, and extension of SSI benefits for two years to refugees, asylees, and other qualified humanitarian immigrants, including those whose benefits have already terminated.

### **E. Updated Homeless Coordinator Contact Sheet for SSA offices in Wisconsin – See attachment.**

### **F. NOSSCR – POMS Acronym Finder**

The NOSSCR website includes two useful acronym finders for terms used in the SSA’s Program Operations Manual System (POMS). The first is for general terms – <http://www.nosscr.org/pomsnyms.html>. The second acronym finder is for terms used in appeals - <http://www.nosscr.org/acronyms.html>.

## II. MEDICARE

### A. 2008 Medicare Cost Sharing

2008 Medicare Premiums and Deductibles		
Premium	Deductible	
<b>Part A</b> \$0 (fully insured) \$233 (30+ quarters of coverage) \$423 (< 30 quarters of coverage)	\$1,024 (per spell of illness)	
<b>Part B</b> \$96.40 (base for indiv. < \$82,000 or couple < \$164,000)	\$135	
<b>Part D</b> \$0, full subsidy eligibles and full-benefit Medicaid eligibles \$14-\$72, for others, variable depending on plan	\$0, full subsidy (135% FPL) and Medicaid “dual eligibles” \$50 – partial subsidy (135-150% FPL) \$265	
2007 Medicare Part A Cost-Sharing		
	Beneficiary pays	Medicare pays
Hospital – days 1-60	\$0 (after \$1,024 deductible met)	100% of cost
Hospital – days 61-90	\$256.00/day	All costs over \$256.00/day
Hospital - days 91-150	\$512.00/day	All costs over \$512.00/day
SNF stay days 1-20	0	100% cost
SNF stay days 21-100	\$128 per day	All costs over \$128 per day
<b>Medicare Part B Cost-Sharing:</b> After the \$135 deductible is met, beneficiaries are responsible for 20% of Medicare approved amount and Medicare pays 80% of Medicare approved amount.		
<b>Medicare Part D Cost-Sharing:</b> <ul style="list-style-type: none"> <li>• Dual eligibles &lt;100% FPL pay \$1.05 co-pay on generics and \$3.10 on brand names</li> <li>• Dual eligibles &gt;100% FPL pay \$2.25 co-pay on generics and \$5.60 on brand names</li> <li>• Full subsidy eligibles (&lt;135% FPL) will pay \$2.25 co-pay on generics and \$5.60 on brand names</li> <li>• Partial subsidy eligibles (135-150% FPL) will pay 15% of cost of drugs</li> <li>• Medicare Part D cost-sharing will be determined by individual plan, but must meet “actuarial equivalent” set by CMS</li> <li>• After paying \$275 deductible, beneficiary will pay about 25% of drug costs until about \$500 has paid.</li> <li>• After beneficiary has paid approx. \$775 (\$275 deductible and \$500 co-pays), beneficiary pays 100% of drug costs until total out-of-pocket (TROOP) expenses reaches \$4,050.</li> <li>• After TROOP reaches \$4,050, beneficiary pays about 5% of drug costs (\$2.25-\$5.60 for each prescription)</li> </ul>		

## **B. Part D Letters to Low-Income Subsidy Eligibles (including dual eligibles)**

**Letter to individuals who will be reassigned to a new Part D plan in 2008** - CMS began mailing letters earlier this month to individuals who continue to qualify for extra help, but will be reassigned to a new plan effective January 1, 2008. Re-assignment will be done for those who 1) qualify for the full (100%) premium subsidy whose Medicare Prescription Drug Plan premium in 2008 would increase above the regional low-income premium subsidy amount by more than a \$1, and 2) Medicare enrolled them in the plan. These individuals will receive a notice (CMS Publication No. 11209) on blue paper. Medicare is also re-assigning people who qualify for extra help for the full premium subsidy whose Medicare Prescription Drug Plans are leaving the Medicare Program. Medicare has also recently started mailing this notice (CMS Publication No. 11208) on blue paper.

**Letter to individuals who qualify for the full subsidy and who previously chose their own plan** - Medicare has begun mailing notices (CMS Publication No. 11267) on tan paper to certain people whose premium cost will increase but Medicare isn't re-assigning because they joined their own plan (i.e. were not autoenrolled last year). These will go to individuals who qualify for the full (100%) premium subsidy whose Medicare Prescription Drug Plan premium in 2008 would increase above the regional low-income premium subsidy amount by more than a \$1. This notice lets people know the cost for their drug plan premiums in 2008 and their options to stay in their plan or join another plan, including plans for which they will pay no monthly premium.

For more information on the above letters, use the following link to CMS's website - <http://www.cms.hhs.gov/limitedincomeandresources/>.

## **C. HR 2713 - Bill to eliminate the Medicare waiting period**

A bill was introduced in June of 2007 by Representative Gene Green (D-TX) and currently has 18 co-sponsors. It would phase out the waiting period over ten years. It would go down to 18 months in first year and then a 2 month reduction each subsequent year until 2017. It would also eliminate the wait for life threatening conditions beyond current provision for immediate eligibility for individuals with ESRD and ALS. This would include conditions considered fatal without treatment. The bill has not yet been voted on by the House.

### **III. MEDICAID**

#### **A. BadgerCare+**

A few weeks ago the Governor signed the state budget bill into law. The budget bill included the new “BadgerCare+” program, which will go into effect on February 1<sup>st</sup>, 2008. A description of BadgerCare+ can be found on the Department’s website at -

<http://dhfs.wisconsin.gov/badgercareplus/index.htm>. BadgerCare+ will expand Medicaid coverage as follows:

- All children, regardless of family income;
- Pregnant women up to 300% FPL (currently limited to 185% FPL);
- Parents and caretakers up to 200% FPL (currently 185% at initial enrollment);
- Young adults leaving fostercare when they turn 18; and
- More farmers and self-employed individuals would be covered due to changes in how asset depreciation is calculated.

The provision for expanding to childless adults was kept in the budget, but didn’t include any funding. Beginning in 2009, the Department has authorization to propose a waiver to CMS to cover childless adults up to 200% FPL.

## **IV. HIRSP**

### **A. Plan Changes for 2008**

There will be significant changes to the HIRSP plans in 2008. The following are among the most significant changes for DBS clients:

- The names of the plans will change. Plan 1A will be called “HIRSP 1,000.” Plan 1B will be referred to as “HIRSP 2,500.” Plan 2 will now be referred to as the “HIRSP Medicare Supplement.”
- The only option for Medicare eligible individuals will be to enroll in the HIRSP Medicare Supplement. There are approximately 100 Medicare eligibles who are currently enrolled in Plan 1A or B. These individuals should have received notices that they will be required to enroll in the HIRSP Medicare Supplement.
- Medicare eligibles are required to enroll in Medicare Parts A, B or C, and D.
- There will no longer be a \$125 cap on out of pocket drug cost unless you are in the Medicare Supplement plan and qualify for the subsidy (household income below \$25,000). Instead, there will be drug copays of \$10 for Tier 1 drugs and \$30 for Tier 2 drugs.

### **B. Notices**

The attached notices recently went out to Plan 1 and Plan 2 recipients, which explain the changes in greater detail. For more information, go to <http://www.hirsp.org/>.

### **C. November 16<sup>th</sup> Deadline for Changing HIRSP Plans and Applying for Subsidy**

If you have clients who are currently enrolled in HIRSP and who want to switch to a new HIRSP plan in 2008, they must submit a "Choice of Coverage" request form by November 16th. Otherwise, they will remain in their current Plan for the entire calendar year of 2008. Applications for reduced premiums, deductibles and co pays for households with annual income below \$25,000 must also be filed by November 16th in order to receive the subsidy January 1st, 2008. The required forms are available at the HIRSP website at- <http://www.hirsp.org/>.

## **V. NEWS FROM THE FIELD**

### **A. Richland**

Cathy Frasier was recently successful in representing a client at the reconsideration stage of his disability determination. The client is a 53 year-old with heart disease, cardiomyopathy, diabetes, and renal insufficiency, among other impairments. The DDB initially denied the client despite multiple supportive statements from his treating physicians. Cathy wrote the attached advocacy letter which effectively explained why the opinion of her client's treating cardiologist should be given controlling weight. The letter goes on to explain why the treating source's opinion supports a finding that the client is limited to sedentary work and as such, should be found disabled at Step 5, in accordance with Medical Vocational Rule 201.12 or 201.14. According to Jessica Gilkison, who worked with Cathy on this case, the examiner at the DDB informed Cathy that this was one of the best advocacy letters that she had ever read.

### **B. Green**

Kit Weintraub was recently successful in representing a client on an appeal of the denial of an exception under Medicare Part D. Kit's client was on acid reflux meds that exceeded the quantity limits of her Med D plan. The plan denied her request for an exception despite two letters from doctors saying that client had tried lower dosage, it hadn't work, and higher dose controlled her acid reflux. Kit then submitted the attached letter to MAXIMUS, the third party review agency, which immediately reversed Humana's decision and ordered it to provide the medication within 24 hours.

### **C. Sheboygan**

Monica Froh is assisting a client who informed by CMS that she would be subject to a late-enrollment penalty for Medicare Part D. The client was notified by SSA on 8/21/07 that she was awarded SSDI dating back to back to 11/1/04. She was sent a Medicare card as it was 24 months after her SSDI benefits began. She then enrolled in AARP MedicareRX on 10/9/07. Unfortunately, CMS then assessed the client with a late enrollment penalty. This is incorrect because the client was still in her initial enrollment period, which lasts for two months after the month the Medicare beneficiary receives notice of retroactive Medicare. She enrolled within two months from SSA's notice of Medicare eligibility and should not have a penalty. DBSs should be on the look out for this when they are assisting clients who will have backdated Medicare eligibility following a lengthy appeal of their SSDI application.