

TO: Local District Commissioners, Medicaid Directors

FROM: Judith Arnold, Director
Division of Health Reform and Health Insurance Exchange Integration

SUBJECT: 2012 Federal Poverty Levels

EFFECTIVE DATE: January 1, 2012

CONTACT PERSON: Local District Support Unit
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The purpose of this GIS message is to inform the local departments of social services (LDSS) of the revised federal poverty levels (FPLs). The revised FPLs are effective January 1, 2012, and are the actual poverty levels published in the Federal Register on January 26, 2012.

The new FPLs are effective for cases with budget "From" dates of January 1, 2012 or later. The revised figures will be available on MBL March 19, 2012. For all new and pending applications, income must be compared to the revised FPLs. If a district determines that a previously budgeted case with a "From" date of January 1, 2012, has been negatively affected due to use of 2011 FPL, or a case is brought to the districts attention, the case should be rebudgeted using the revised FPLs. If eligible, covered medical expenses paid by an individual as a result of an improper calculation must be reimbursed pursuant to 10 OHIP/ADM-9, "Reimbursement of Paid Medical Expenses Under 18 NYCRR §360-7.5(a)."

Individuals enrolled in the Medicare Savings Program (MSP) received a cost of living (COLA) increase effective January 2012. This COLA increase was included in the Mass Rebudgeting (MRB) that occurred in November/December 2011. As a result, the eligibility of some MSP enrollees was adversely affected. The increase in the 2012 FPL is expected to offset the COLA increase, thereby sustaining MSP eligibility for those adversely affected by the COLA increase. Local districts received a list of affected cases. These cases should be rebudgeted when the new FPLs are available on MBL, the case reopened, retroactively to the effective date of closing.

As a result of the increase in the FPLs, the amount used in the Family Member Allowance (FMA) formula increased to \$1,892. The maximum monthly FMA increased to \$631. All spousal impoverishment cases involving a family member entitled to the family member allowance, which were active on or after January 1, 2012, and which were budgeted using the 2011 family member allowance, must be rebudgeted using the new family member allowance. In addition, the increased family member allowance must be used effective January 1, 2012, in determining any requested contribution of income from a community spouse or from a spouse living apart from a SSI-related applicant/recipient. Budget adjustments should be made at next contact or renewal.

A chart with the new FPLs is attached to this GIS. Please see the previously issued GIS 11 MA027, "2012 Medicaid Only Income and Resource Levels," for other pertinent eligibility determination information.