



**Commonwealth of Massachusetts**  
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**MassHealth**  
**Long Term Care Facility Bulletin 86**  
**January 2004**

**TO:** Nursing Facilities, Chronic Disease and Rehabilitation Inpatient Hospitals, and Rest Homes Participating in MassHealth

**FROM:** Beth Waldman, Director, Office of Medicaid *Beth Waldman*

**RE:** **2004 Social Security Benefit Cost-of-Living Adjustment (COLA) for Residents of Long-Term-Care Facilities**

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**Background**

Effective January 1, 2004, a Social Security cost-of-living adjustment (COLA) increased monthly benefits for most recipients of Retirement/Survivors/Disability Insurance (RSDI) by 2.1%.

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**Patient-Paid Amount Increase for Residents of Long-Term-Care Facilities**

An increase in monthly income will, in most instances, result in an increase to the monthly patient-paid amount (PPA) for residents of long-term-care facilities. PPA increases must be applied toward claims submitted to the MassHealth for January 2004, and for each month thereafter.

Recently, system-generated notices about the new PPAs were mailed to members, spouses, and responsible parties. Letter-format notices indicating old and new PPAs for each member were mailed to affected providers. These provider notices replace the former card-format notices. A notice is not generated if there is no change in the PPA.

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**Patient-Paid Amount Increase for Residents of Rest Homes**

Effective January 1, 2004, the Supplemental Security Income (SSI) payment amount for residents of rest homes increased by \$12 per month, resulting in a \$12 per month increase in the PPA. The PPA increase must be applied to claims submitted to MassHealth for January 2004 and for each month thereafter. The minimum PPA will be \$797.

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**Personal Needs Allowances**

The personal needs allowance (PNA) for MassHealth members in nursing facilities and chronic disease hospitals remains \$60 per month.

The PNA for SSI recipients in rest homes remains \$60 per month.

The PNA for SSI recipients in nursing facilities and chronic disease hospitals remains \$65 per month.

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***Questions***

Questions about the information in this bulletin should be directed to the MassHealth Policy Hotline at 617-210-5331.

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