



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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KIM GUADAGNO
Lt. Governor

MEGHAN DAVEY
Director

MEDICAID COMMUNICATION NO. 17-05

DATE: March 10, 2017

TO: NJ FamilyCare Eligibility Determining Agencies

SUBJECT: Pickle Category Eligibility Determinations
Lynch vs Rank Annual Outreach

BACKGROUND: Congress adopted the Pickle Amendment, section 503 of Public Law 94-566, in April, 1977. This amendment established a separate category of Medicaid and restores Medicaid coverage to former Supplemental Security Income (SSI) recipients who would still be eligible for SSI if not for Social Security Cost of Living Adjustment (COLA) increases in their Social Security Retirement, Survivors, and Disability Insurance (RSDI) benefits. The Pickle Amendment was expanded by the **1984 Lynch v. Rank** court decision, which deals with income deemed to the individual and requires Medicaid to outreach them for two years following initial ineligibility. Therefore, any RSDI income received or deemed to an individual will have the COLA amounts disregarded from the time an individual lost eligibility for SSI if it occurred after April 1977. The COLA disregards for each year since 1977 are listed as Attachment A for your information.

The criteria for determining if a person would qualify for continued Medicaid benefits under the Pickle Amendment are as follows:

- The individual currently gets Social Security Title II RSDI benefits.
- The individual received or was entitled to Social Security Title II RSDI and SSI at the same time in any month after April 1977.
- SSI benefits were stopped after April 1977.
- The individual received a Social Security Title II COLA since SSI was stopped, and he or she is currently ineligible for SSI.
- The individual would be eligible for SSI if the Social Security Title II COLA received after SSI ineligibility was not counted.

The Social Security Administration (SSA) has created a report called the Lynch vs. Rank Letters Report that has identified individuals who are potentially eligible for this COLA disregard. The Division of Medical Assistance and Health Services (DMAHS) has mailed an outreach letter (Attachment B) to all such persons informing them of their potential eligibility for Medicaid.

Molina posted the Lynch vs. Rank Report (KR520R01) in RMOD (this is the new system that replaced the BDS Data System) for reference by the County Welfare Agencies (CWAs) to identify the individuals who reside in their counties who are Pickle Amendment eligible. The report, which is sorted by social security number (SSN) within each county, includes each individual's current RSDI amount, the RSDI amount received in the last month of eligibility for SSI, and the year that individual was added to this report. Therefore, to use the COLA disregard, the individual's RSDI amount (or the RSDI amount deemed from a spouse or parent) received in the last month of eligibility for SSI will remain constant from that year forward to determine Medicaid eligibility. It should be noted that the address indicated on this report is the address to which the RSDI check is sent. In some cases, the address will be that of the representative payee or the financial institution in which the RSDI benefit is directly deposited. The outreach letters instruct the individuals to bring the letter with them to the CWA but the report can be utilized to search for this potential status. Should an individual who is currently a resident of your county come in to apply under these considerations without the letter and not be listed on your agency's report, please check if they are on another county's report due to a payee's address or a recent address change.

The CWA shall follow normal procedures for determining eligibility by utilizing the NJ FamilyCare Aged, Blind, Disabled Application. After the CWA confirms an individual's social security awards using the SOLQ system or other verification system, they do not have to obtain citizenship and identity information as SSA has already verified this when the person was on their program. This COLA disregard is applicable to the Medicaid Only program. Income determinations for other NJ FamilyCare Aged, Blind, Disabled programs (i.e. New Jersey Care...Special Medicaid Programs) do not include this disregard. When evaluating an ABD couple, each person must be looked at separately. One or both persons may qualify as potentially Pickle eligible. If both persons pass the screening process, they are potentially eligible as a Pickle couple. Combine their incomes and disregard amounts when computing the needs test. If both persons pass the screening process but are ineligible after completing the needs test for a couple, recompute the needs test for each individual using only his/her income and disregard.

Example: In 2011, Mary was receiving \$645 in monthly SSDI benefits and \$90 in SSI benefits (the 2011 FBR was \$705.25). That same year she started receiving a private pension of \$125 per month, making her combined SSDI and private pension income more than allowed by SSI (i.e., her countable income of \$750 (i.e., \$770 - \$20 general income exclusion) was now more than the 2011 SSI rate of \$705.25). Having lost SSI, Mary also lost her right to automatic Medicaid. Assume Mary's pension will remain a constant \$125 per month.

Because the Pickle Amendment allows Mary to disregard SSDI cost-of-living increases since 2011 (i.e., since she was last dually entitled to SSI and SSDI), her countable income for Pickle Amendment purposes will remain a constant \$750 in future years. This was more than the FBR of \$729.25 in 2012 and more than the FBR of \$741.25 in 2013, meaning

that she remained ineligible for Medicaid under Pickle. In 2014, with the FBR now up to \$752.25, Mary's countable income of \$750 (after ignoring SSDI cost-of-living increases) is now less than the SSI rate for her state. Since Mary would now be eligible for a small SSI check (\$2.25) if the post-2011 SSDI increases are ignored, Mary is now eligible for Medicaid under Pickle.

For those persons determined ineligible for Medicaid benefits for reasons other than the Social Security COLA increase, the CWA shall evaluate these people for eligibility under any other applicable Medicaid program.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility field staff for your agency at 609-588-2556.

MD:jm

c: Elizabeth Connolly, Acting Commissioner
Department of Human Services

Valerie Harr, Deputy Commissioner
Department of Human Services

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Natasha Johnson, Director
Division of Family Development

Cathleen D. Bennett, Commissioner
Department of Health

Allison Blake, Commissioner
Department of Children and Families

Attachment A

SSI Cost of Living Adjustments- 1977-2016

Year	COLA
June-77	5.9
June-78	6.5
June-79	9.9
June-80	14.3
June-81	11.2
June-82	7.4
December-83	3.5
December-84	3.5
December-85	3.1
December-86	1.3
December-87	4.2
December-89	4
December-90	4.7
December-91	5.4
December-92	3.7
December-93	3
December-94	2.8
December-95	2.6
December-96	2.9
December-97	2.1
December-98	1.3
December-99	2.5
December-00	3.5
December-01	2.6
December-02	1.4
December-03	2.1
December-04	2.7
December-05	4.1
December-06	3.3
December-07	2.3
December-08	5.8
December-09	0
December-10	0
December-11	3.6
December-12	1.7
December-13	1.5
December-14	1.7
December-15	0
December-16	0.3



State of New Jersey
**DEPARTMENT OF HUMAN SERVICES
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**IMPORTANT MEDICAID NOTICE
KEEP THIS IMPORTANT LETTER**

IF YOU ONCE RECEIVED SSI (SUPPLEMENTAL SECURITY INCOME) BENEFITS, YOU SHOULD READ THIS IMPORTANT NOTICE ABOUT YOUR ELIGIBILITY FOR MEDICAID BENEFITS. You do not need to read this notice if you never received SSI, or if you now receive SSI or NJ FamilyCare. If you live in a nursing facility, this notice will not apply to you.

A federal law called the "Pickle Amendment", regarding possible Medicaid eligibility, applies to people who meet the following three tests: (1) they now receive Social Security benefits; and (2) they used to receive SSI benefits but do not receive them now; and (3) they received both a Social Security check and an SSI check in the same month, in at least one month since April 1977.

IF YOU MEET THESE THREE TESTS, YOU MAY BE ELIGIBLE TO RECEIVE MEDICAID BENEFITS. To find out if you are eligible, you (or someone on your behalf) should contact your County Welfare Agency. For your convenience, the location and telephone number of your County Welfare Agency is included in the listing on the reverse side.

PLEASE NOTE THAT TO APPLY FOR MEDICAID UNDER THE PICKLE AMENDMENT, YOU OR YOUR REPRESENTATIVE MUST GO TO YOUR COUNTY WELFARE AGENCY. TAKE THIS LETTER WITH YOU WHEN YOU GO.



COUNTY WELFARE AGENCIES		COUNTY WELFARE AGENCIES continued	
Atlantic County Department of Family & Community Development 101 South Shore Road Northfield, NJ 08225	609-645-7700	Ocean County Board of Social Services 1027 Hooper Avenue, P.O. Box 547 Toms River, NJ 08754-0574	732-349-1500
Bergen County Board of Social Services 218 Route 17 North Rochelle Park, NJ 07662	201-368-4200	Passaic County Board of Social Services 80 Hamilton Street Paterson, NJ 07505-2057	973-881-0100
Burlington County Board of Social Services Human Services Facility 795 Woodlane Road Mount Holly, NJ 08060-3316	609-261-1000	Salem County Board of Social Services 147 South Virginia Avenue Penns Grove, NJ 08069-1797	856-299-7200
Camden County Board of Social Services Althea R. Wright Administration Building 600 Market Street Camden, NJ 08102-1255	856-225-8800	Somerset County Board of Social Services 73 East High Street, P.O. Box 936 Somerville, NJ 08876-0936	908-526-8800
Cape May County Board of Social Services Social Service Building 4005 Route 9 South Rio Grande, NJ 08242-1911	609-886-6200	Sussex County Division of Social Services 83 Spring Street, Ste 203, P.O. Box 218 Newton, NJ 07860-0218	973-383-3600
Cumberland County Board of Social Services 275 North Delsea Drive Vineland, NJ 08360-3607	856-691-4600	Union County Division of Social Services 342 Westminster Avenue Elizabeth, NJ 07208-3290	908-965-2700
Essex County Department of Citizen Services Division of Welfare 18 Rector Street – 5 th Floor Newark, NJ 07102	973-733-3000	Warren County Division of Temporary Assistance and Social Services 1 Shotwell Drive Belvidere, NJ 07823	908-475-6301
Gloucester County Division of Social Services 400 Hollydell Drive Sewell, NJ 08080-9318	856-582-9200	MEDICAL ASSISTANCE CUSTOMER CENTERS	
Hudson County Department of Family Services Division of Welfare 257 Cornelison Avenue Jersey City, NJ 07302	201-420-3000	Atlantic Burlington Camden Cape May Cumberland Gloucester Mercer Salem	Phone 856-614-2870 One Port Center 2 Riverside Drive, Suite 301 Camden, NJ 08103-1070 Fax 856-614-2575
Hunterdon County Department of Human Services Division of Social Services 6 Gauntt Place, P.O. Box 2900 Flemington, NJ 08822-2900	908-788-1300	Essex Hudson	153 Halsey Street 4 th Floor Newark, NJ 07101-2807 Phone 973-648-3700 Fax 973-642-6468
Mercer County Board of Social Services 200 Woolverton Street, P.O. Box 1450 Trenton, NJ 08650-2099	609-989-4320	Hunterdon Middlesex Monmouth	Phone 732-863-4400 100 Daniels Way 1 st Floor Freehold, NJ 07728-2668
Middlesex County Board of Social Services 181 Howe Lane, P.O. Box 509 New Brunswick, NJ 08903	732-745-3500	Ocean Somerset Union	Fax 732-863-4450
Monmouth County Division of Social Services 3000 Kozloski Road, P.O. Box 3000 Freehold, NJ 07728	732-431-6000	Bergen Morris Passaic Sussex Warren	Phone 973-977-4077 100 Hamilton Plaza 5 th Floor Paterson, NJ 07505-2109 Fax 973-684-8182