



## State of New Jersey

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712  
Trenton, NJ 08625-0712

CHRIS CHRISTIE  
*Governor*

ELIZABETH CONNOLLY  
*Acting Commissioner*

KIM GUADAGNO  
*Lt. Governor*

VALERIE HARR  
*Director*

**MEDICAID COMMUNICATION NO. 15-04**

**DATE: March 25, 2015**

**TO:** County Welfare Agency Directors  
ISS Agency Offices

**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 will post the Lynch vs. Rank Report on 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), 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 contact DMAHS, Office of County Operations at 609-588-2556 to 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 PA-1G application form. After the CWA confirms an individual's social security awards using the SOLQ 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 Medicaid programs, i.e., New Jersey Care...Special Medicaid Programs, does not include this disregard. When evaluating an ABD couple, each person must be looked at separately. One or both persons may qualify as potential 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 any other Medicaid program they may qualify for.

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

Sincerely,



Valerie Harr  
Director

VH:m

c: Elizabeth Connolly, Acting Commissioner  
Department of Human Services

Dawn Apgar, Deputy Commissioner  
Division of Developmental Disabilities

Lowell Arye, Deputy Commissioner  
Aging and Community Services

Lynn Kovich, Assistant Commissioner  
Division of Mental Health and Addiction Services

Joseph Amoroso, Director  
Division of Disability Services

Jeanette Page-Hawkins, Director  
Division of Family Development

Allison Blake, Commissioner  
Department of Children and Families

Mary E. O'Dowd, Commissioner  
Department of Health

**Lynch vs. Rank/Pickle Individuals  
SSI Cost of Living Adjustments- 1977-2014**

| <b><u>Year</u></b> | <b><u>COLA</u></b> |
|--------------------|--------------------|
| June 1977          | 5.9                |
| June 1978          | 6.5                |
| June 1979          | 9.9                |
| June 1980          | 14.3               |
| June 1981          | 11.2               |
| June 1982          | 7.4                |
| December 1983      | 3.5                |
| December 1984      | 3.5                |
| December 1985      | 3.1                |
| December 1986      | 1.3                |
| December 1987      | 4.2                |
| December 1989      | 4                  |
| December 1990      | 4.7                |
| December 1991      | 5.4                |
| December 1992      | 3.7                |
| December 1993      | 3                  |
| December 1994      | 2.8                |
| December 1995      | 2.6                |
| December 1996      | 2.9                |
| December 1997      | 2.1                |
| December 1998      | 1.3                |
| December 1999      | 2.5                |
| December 2000      | 3.5                |
| December 2001      | 2.6                |
| December 2002      | 1.4                |
| December 2003      | 2.1                |
| December 2004      | 2.7                |
| December 2005      | 4.1                |
| December 2006      | 3.3                |
| December 2007      | 2.3                |
| December 2008      | 5.8                |
| December 2009      | 0                  |
| December 2010      | 0                  |
| December 2011      | 3.6                |
| December 2012      | 1.7                |
| December 2013      | 1.5                |
| December 2014      | 1.7                |



**STATE OF NEW JERSEY  
DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

Name:  
Address:

Date:

**IMPORTANT MEDICAID NOTICE  
KEEP THIS IMPORTANT LETTER**

Dear \_\_\_\_\_ :

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 of this letter.

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

| MEDICAL ASSISTANCE CUSTOMER CENTERS  |  |  | COUNTY WELFARE AGENCIES  |              |
|--|--|--|--|--------------|
| <b>Atlantic</b><br>Cape May<br>Cumberland  | Augusta Building<br>852 South White Horse Pike<br>Hammonton, NJ 08037-2018 | Phone 609-561-7569<br>Fax 609-567-0572 | Cumberland County Board of Social Services<br>275 North Delsea Drive<br>Vineland, NJ 08360-3607  | 856-691-4600 |
| Burlington<br><b>Camden</b><br>Gloucester<br>Mercer<br>Salem   | One Port Center<br>2 Riverside Drive, Suite 401<br>Camden, NJ 08103-1070   | Phone 856-614-2870<br>Fax 856-614-2575 | Essex County Department of Citizen Services<br>Division of Welfare<br>18 Rector Street – Ninth Floor<br>Newark, NJ 07102                   | 973-733-3000 |
| <b>Essex</b><br>Hudson   | 153 Halsey Street<br>4 <sup>th</sup> Floor<br>Newark, NJ 07101-2807        | Phone 973-648-3700<br>Fax 973-642-6468 | Gloucester County Division of Social Services<br>400 Hollydell Drive<br>Sewell, NJ 08080-9318  | 856-582-9200 |
| Hunterdon<br>Middlesex<br><b>Monmouth</b><br>Ocean<br>Somerset<br>Union  | 100 Daniels Way<br>1 <sup>st</sup> Floor<br>Freehold, NJ 07728-2668        | Phone 732-863-4400<br>Fax 732-863-4450 | Hudson County Department of Family Services<br>Division of Welfare<br>257 Cornelison Avenue<br>Jersey City, NJ 07302                       | 201-420-3000 |
| Bergen<br>Morris<br><b>Passaic</b><br>Sussex<br>Warren   | 100 Hamilton Plaza<br>5 <sup>th</sup> Floor<br>Paterson, NJ 07505-2109     | Phone 973-977-4077<br>Fax 973-684-8182 | Hunterdon County Department of Human Services<br>Division of Social Services<br>6 Gauntt Place, P.O. Box 2900<br>Flemington, NJ 08822-2900 | 908-788-1300 |
|  |  |  | Mercer County Board of Social Services<br>200 Woolverton Street, P. O. Box 1450<br>Trenton, NJ 08650-2099                                  | 609-989-4320 |
|  |  |  | Middlesex County Board of Social Services<br>181 Howe Lane, P. O. Box 509<br>New Brunswick, NJ 08903                                       | 732-745-3500 |
|  |  |  | Monmouth County Division of Social Services<br>3000 Kozloski Road, P.O. Box 3000<br>Freehold, NJ 07728                                     | 732-431-6000 |
|  |  |  | Morris County Office of Temporary Assistance<br>340 W. Hanover, P. O. Box 900<br>Morristown, NJ 07963-0900                                 | 973-326-7800 |
|  |  |  | Ocean County Board of Social Services<br>1027 Hooper Avenue, P. O. Box 547<br>Toms River, NJ 08754-0574                                    | 732-349-1500 |
| <b>COUNTY WELFARE AGENCIES</b>   |  |  | Passaic County Board of Social Services<br>80 Hamilton Street<br>Paterson, NJ 07505-2057   | 973-881-0100 |
| Atlantic County Department of Family & Community Development<br>1333 Atlantic Avenue<br>Atlantic City, NJ 08401-8297             |  | 609-348-3001                           | Salem County Board of Social Services<br>147 South Virginia Avenue<br>Penns Grove, NJ 08069-1797   | 856-299-7200 |
| Bergen County Board of Social Services<br>216 Route 17 North<br>17 Park Office Center, Building A<br>Rochelle Park, NJ 07662     |  | 201-368-4200                           | Somerset County Board of Social Services<br>73 East High Street, P. O. Box 936<br>Somerville, NJ 08876-0936                                | 908-526-8800 |
| Burlington County Board of Social Services<br>Human Services Facility<br>795 Woodlane Road<br>Mount Holly, NJ 08060-3316         |  | 609-261-1000                           | Sussex County Division of Social Services<br>83 Spring Street, Ste 203, P.O. Box 218<br>Newton, NJ 07860-0218                              | 973-383-3600 |
| Camden County Board of Social Services<br>Althea R. Wright Administration Building<br>600 Market Street<br>Camden, NJ 08102-1255 |  | 856-225-8800                           | Union County Division of Social Services<br>342 Westminster Avenue<br>Elizabeth, NJ 07208-3290   | 908-965-2700 |
| Cape May County Board of Social Services<br>Social Service Building<br>4005 Route 9 South<br>Rio Grande, NJ 08242-1911           |  | 609-886-6200                           | Warren County Division of Temporary Assistance and Social Services<br>1 Shotwell Drive<br>Belvidere, NJ 07823                              | 908-475-6301 |