



State of New Jersey
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN
Governor

MICHELE K. GUHL
Commissioner

MARGARET A. MURRAY
Director

MEDICAID COMMUNICATION NO. 99-22

DATE: November 19, 1999

TO: County Welfare Agency Directors
Institutional Services Section Area Supervisors

SUBJECT: Social Security Benefit Cost of Living Adjustment (COLA) for 2000

We have recently been advised by the Social Security Administration that the Social Security benefit cost-of-living adjustment (COLA) for 2000 is 2.4 percent and the monthly premium for Medicare Part B (SMI) coverage remains at \$45.50. This COLA increase and the Medicare premium deduction, where appropriate, will be reflected in the January 2000 checks.

In completing a Form PR-1 (formerly PA-3L) with a January 2000 effective date, it is important to use the COLA increase to calculate the new Social Security benefit and for those individuals who are responsible for Medicare premiums on and after January 1, 2000, to use the correct premium amount.

This information is vital for the accuracy of the 2000 COLA update process which automatically adjusts Form PR-1 (formerly PA-3L) Social Security income in the long-term care billing system. The Department of Health and Senior Services will return those PR-1 forms, with an effective date of 2000, which do not reflect the 2000 estimated COLA or the correct Medicare premium amount.

Questions concerning this communication should be referred to the field service staff assigned to your county.

Sincerely,

Margaret A. Murray
Director

MAM:C

c: Christine Grant, Commissioner
William Conroy, Acting Deputy Commissioner
Department of Health and Senior Services

David Heins, Director
Division of Family Development

Charles Venti, Acting Director
Division of Youth and Family Services