



## 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*

JENNIFER VELEZ  
*Commissioner*

KIM GUADAGNO  
*Lt. Governor*

VALERIE HARR  
*Director*

**MEDICAID COMMUNICATION NO. 14-04**

**DATE: March 26, 2014**

**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 call 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.

DMAHS will also distribute this report to the County Welfare Agencies (CWAs) to help with identifying 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 Eligibility Policy 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.

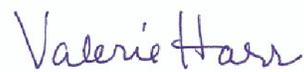
Because the Pickle Amendment allows Mary to disregard SSDI cost-of-living increases since 2011 (i.e., since she was last dually entitled to SSI and SSDI), her countable income for Pickle Amendment purposes will remain a constant \$750 in future years. This was more than the FBR of \$729.25 in 2012 and 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 Eligibility Policy field service staff for your agency at 609-588-2556.

Sincerely,



Valerie Harr  
Director

VH:m

c: Jennifer Velez, Commissioner  
Department of Human Services

Dawn Apgar, Deputy Commissioner  
Department of Human Services

Lowell Arye, Deputy Commissioner  
Department of Human Services

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

Liz Shea, Assistant Commissioner  
Division of Developmental Disabilities

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- 1977-2013**

<u>Year</u>	<u>COLA</u>
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



**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.

LD51 (01/14)

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

