



**State of New Jersey**

**DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

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DIRECTOR

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**MEDICAID COMMUNICATION 91-4**

**Date: February 11, 1991**

**To:** County Welfare Agency Directors  
Institutional Services Section Area Offices

**Subject:** Cost of Living Increase - 5.4% - January 1991

Attached for your review is the January 1991 Social Security Income Increase List covering patients in facilities in your county area. For the January cost of living increase, an automatic 5.4% was computed for those Medicaid patients who had a PA-3L in the long term care billing system prior to January 1991.

Since facilities are required to report **all** income changes, including those involving annual cost of living increases, a Medicaid Nursing Facilities Services Bulletin was sent instructing them to carefully review the current benefit amount in their billing reports against the actual amount received for January 1991. The facilities were further instructed to report **any** corrections to the County Welfare Agency or Institutional Services Section (ISS) area office so that a new PA-3L can be prepared, if necessary. Where errors greater than \$1.00 are identified by the facility, a corrected PA-3L must be submitted.

Those Medicaid patients who have income which may be affected by cost of living adjustments, but are not subject to the Social Security automatic increase, i.e., Railroad Retirement, are also identified and should be reviewed.

This information is to be communicated to appropriate staff. Your cooperation in this matter is necessary for the accurate and efficient operation of the long-term care billing system. Questions regarding this communication can be directed to the Bureau of Claims and Accounts at (609) 588-2885.

Sincerely,

Saul M. Kilstein  
Director

SMK:P1

Attachments

cc: Marion E. Reitz, Director  
Division of Economic Assistance

Nicholas Scalera, Acting Director  
Division of Youth and Family Services