



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN  
Governor

WILLIAM WALDMAN  
Commissioner

**MEDICAID COMMUNICATION NO.** 97-19

**DATE:** November 14, 1997

**TO:** County Welfare Agency Directors  
Institutional Services Section Area Supervisors

**SUBJECT:** Social Security Benefit Cost-of-Living Adjustment (COLA) for 1998

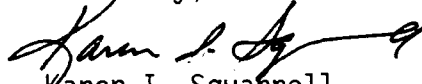
We have recently been advised by the Social Security Administration that the Social Security benefit cost-of-living adjustment (COLA) for 1998 is 2.1 percent and the new monthly premium for Medicare Part B (SMI) coverage continues to be \$43.80. This COLA increase and the Medicare deduction, where appropriate, will be reflected in the January 1998 checks.

If there is no change for January, except COLA, the 1998 COLA process will automatically adjust PA-3L Social Security income in the long-term care billing file.

If there is a change for January in addition to COLA, the CWA must make the necessary adjustment by using the COLA increase to calculate the new Social Security benefit. The Department of Health and Senior Services will return those PA-3L forms, with an effective date of 1998, which do not reflect the 1998 estimated COLA.

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

Sincerely,

  
Karen I. Squarrell  
Acting Director

KIS:Jm

c Len Fishman, Commissioner  
Susan C. Reinhard, Ph.D., Deputy Commissioner  
Department of Health and Senior Services

Karen Highsmith, Director  
Division of Family Development

Michelle Guhl, Deputy Commissioner  
Division of Youth and Family Services