



COMMISSIONER
Chris Traylor

January 5, 2012

To: Community Care for the Aged and Disabled Residential Care Providers
Community Based Alternatives Providers
Assisted Living/Residential Care Providers
Adult Foster Care Providers

Subject: Information Letter No. 12-03
Delay in Cost of Living Adjustments

The Centers for Medicare & Medicaid Services has announced a 3.6 percent Cost of Living Adjustment (COLA) increase in federal benefits. As a result, the Social Security Administration (SSA) will adjust benefits effective January 1, 2012.

However, due to untimely receipt of a correct annual COLA file from SSA, the Health and Human Services Commission (HHSC) will not implement the COLA until February 1, 2012. For individuals who reside in Adult Foster Care and Assisted Living settings, the room and board and copayment adjustments will be implemented February 1, 2012. HHSC indicates no copayment adjustments will result for the month of January 2012.

If you have questions about the information in this letter, please contact the Policy Development and Oversight mailbox at pdo@dads.state.tx.us.

Sincerely,

[signature on file]

Teresa Richard
Director
Center for Policy and Innovation