



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES

Med-QUEST Division  
Health Care Services Branch  
P. O. Box 700190  
Kapolei, Hawaii 96709-0190

January 30, 2015

MEMORANDUM

MEMO NO.  
FFS M15-02A

TO: Hospitals, Nursing Facilities, and Case Management Agencies

FROM: Kenneth S. Fink, MD, MGA, MPH *KF*  
Med-QUEST Division Administrator

SUBJECT: COST OF LIVING ADJUSTMENT (COLA)/FEDERAL POVERTY LEVEL  
(FPL) – UPDATED

This memo updates memo FFS M15-02. In that memo, we stated that the Federal Poverty Level (FPL) is usually not announced until the end of January or early February of each year, and that we would use a projected FPL increase percentage for February 2015 to match the 2015 federal cost of living adjustment (COLA) percentage of 1.7% for Social Security Retirement, Survivor, and Disability Insurance (RSDI) Income, Supplemental Security Income (SSI), and Veteran's Administration (VA) benefits.

However, the actual FPL increase of 1% was announced with sufficient time to make the change effective February 1, 2015. Instead of using the projected 1.7% FPL increase, we will use the actual 1% FPL increase effective February 1, 2015, and this will be prospective.

The COLA mass change based on the actual FPL increase will occur in March to be effective beginning in April. Eligibility, including any changes to cost-share or spenddown, shall be redetermined prospectively with an effective date of April 1, 2015 (i.e., cost share for January through March 2015 will not be adjusted).

Beneficiaries whose cost share or spenddown amount increases due to the COLA mass change shall receive a notice informing them of the increase.

Please contact the MQD via e-mail at [quest\\_integration@medicaid.dhs.state.hi.us](mailto:quest_integration@medicaid.dhs.state.hi.us) or call us at 808-692-8099 should you have any questions.

c: QUEST Integration Health Plans  
George Greene, Healthcare Association of Hawaii