

SENATE BILL REPORT

HB 1772

As of March 21, 2017

Title: An act relating to increasing the personal needs allowance for persons receiving state-financed care.

Brief Description: Increasing the personal needs allowance for persons receiving state-financed care.

Sponsors: Representatives Appleton, Johnson, Tharinger, Jinkins, Harris, Goodman and Santos.

Brief History: Passed House: 3/03/17, 96-1.

Committee Activity: Health Care: 3/23/17.

Brief Summary of Bill

- Requires the Personal Needs Allowance to be increased annually by the percentage cost-of-living adjustment for Old-Age, Survivors, and Disability Social Security benefits.

SENATE COMMITTEE ON HEALTH CARE

Staff: Kathleen Buchli (786-7488)

Background: Federal law requires Medicaid recipients to contribute to the cost of long-term care. The contribution amount is determined by deducting certain amounts from a recipient's monthly income. One of the permitted deductions is the personal needs allowance (PNA), an amount of the Medicaid recipient's own income that can be kept and spent on personal items. After deducting the PNA and other allowable deductions, all remaining income goes toward the cost of care.

The PNA in Washington is \$57.28 per month for persons in nursing facilities or institutions, and \$62.79 per month for persons in residential care, such as in an adult family home or assisted living facility. The PNA does not increase to reflect cost of living, but requires an act of the Legislature to be increased.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Old-Age, Survivors, and Disability Insurance benefits are indexed for inflation to protect beneficiaries from the loss of purchasing power implied by inflation. Inflation increases for this program are published by the Social Security Administration.

Summary of Bill: Subject to appropriations, the PNA for Medicaid must be increased annually by the percentage cost-of-living adjustment for Old-Age, Survivors, and Disability Social Security benefits as published by the Social Security Administration. The PNA must in no case exceed the maximum permissible amount under the Social Security Act.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2017.