

# SENATE BILL REPORT

## SB 5745

---

---

As of January 19, 2022

**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:** Senators Liias, Keiser, Conway and Wilson, C..

**Brief History:**

**Committee Activity:** Human Services, Reentry & Rehabilitation: 1/20/22.

**Brief Summary of Bill**

- Proscribes how the personal needs allowance (PNA) will be determined for clients receiving at home and community-based waiver services authorized by home and community services while living at home, effective January 1, 2023.
- Clarifies the PNA for persons living in medical institutions and in residential settings.

---

### SENATE COMMITTEE ON HUMAN SERVICES, REENTRY & REHABILITATION

**Staff:** Alison Mendiola (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.

---

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

As of January 1, 2020, subject to the availability of funds appropriated for this specific purpose, the PNA is:

- adjusted for economic trends and conditions by increasing the allowance by the percentage cost-of-living adjustment for Old Age, Survivors, and Disability Social Security benefits as published by the federal Social Security Administration; and
- not to exceed the maximum PNA permissible under the federal Social Security Act.

**Summary of Bill:** Subject to the availability of funds appropriated for this specific purpose, the PNA for clients being served in medical institutions and in residential settings, is:

- adjusted for economic trends and conditions by increasing the allowance by the percentage cost-of-living adjustment for Old Age, Survivors, and Disability Social Security benefits as published by the federal Social Security Administration; and
- not to exceed the maximum PNA permissible under the federal Social Security Act.

Beginning January 1, 2023, the PNA for clients receiving at home and community-based waiver services authorized by home and community services while living at home shall:

- be adjusted to an amount that is no less than 300 percent of the federal benefit rate; and
- not exceed the maximum personal needs allowance permissible under the federal Social Security Act.

**Appropriation:** None.

**Fiscal Note:** Requested on January 10, 2022.

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

**Effective Date:** Ninety days after adjournment of session in which bill is passed.