
Appropriations Committee

HB 1128

Brief Description: Raising the residential personal needs allowance.

Sponsors: Representatives Bateman, Reed, Taylor, Doglio, Macri, Caldier, Simmons, Thai, Bergquist, Wylie, Kloba, Ormsby and Tharinger; by request of Department of Social and Health Services.

Brief Summary of Bill
<ul style="list-style-type: none">• Establishes that the baseline personal needs allowance is \$100 per month effective July 1, 2023.• Removes "subject to appropriation" language.

Hearing Date: 1/18/23

Staff: Bryan Way (786-7311).

Background:

Federal law requires Medicaid recipients to contribute to the cost of the long-term care services they receive. The contribution amount is determined by deducting certain amounts from a recipient's monthly income. One of these deductions is the personal needs allowance (PNA), an amount of money that an individual receiving both Medicaid benefits and long-term care services can retain for their personal expenses. The allowance is intended to allow individuals to maintain some level of independence and control over their own finances while still receiving Medicaid benefits to cover the cost of their care. After deducting the PNA and other allowable deductions, all remaining income goes toward the cost of care.

The amount a person is allowed to keep as a PNA depends on whether the person: (1) resides in a medical institution and residential settings; or (2) is living at home. The PNA in Washington is

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\$75.36 per month for persons in nursing facilities or institutions, and for persons in residential care, such as in an adult family home or assisted living facility. The PNA for individuals living at home varies and is dependent on marital status. As an example, the PNA for a single person living at home is \$2,742 per month.

Old-Age, Survivors, and Disability Insurance benefits are increased for inflation as published by the Social Security Administration. As of January 1, 2020, and subject to legislative appropriations, the PNA for clients being served in medical institutions and in residential settings is also adjusted for inflation.

The personal needs allowance for a client receiving home and community waiver services while living at home is 300 percent of the federal benefit rate, not to exceed the maximum federally permissible amount.

Summary of Bill:

Beginning July 1, 2023, the baseline personal needs allowance for clients served in medical institutions or in residential settings is increased from \$75.36 per month to \$100 per month. The existing "subject to appropriation" language is removed beginning January 1, 2024.

Appropriation: None.

Fiscal Note: Requested on January 5, 2023.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.