

FINAL BILL REPORT

HB 1128

C 201 L 23

Synopsis as Enacted

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.

House Committee on Appropriations

Senate Committee on Human Services

Senate Committee on Ways & Means

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. 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 or residential setting; or (2) is living at home. The PNA in Washington is \$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. This mirrors the inflation adjustments applied to benefits under Old-Age, Survivors, and Disability Insurance provided by the

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.

Social Security Administration

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

Summary:

Beginning July 1, 2023, the baseline PNA for clients served in medical institutions or in residential settings is increased from \$75.36 per month to \$100 per month. Beginning January 1, 2024, the cost of living increases for the PNA are no longer subject to appropriation.

Votes on Final Passage:

House 97 0

Senate 49 0

Effective: July 23, 2023