

# SENATE BILL REPORT

## SB 5183

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As of January 14, 2023

**Title:** An act relating to raising the residential personal needs allowance.

**Brief Description:** Raising the residential personal needs allowance.

**Sponsors:** Senators Liias, Keiser, Conway, Dhingra, Hunt, Nguyen, Nobles, Shewmake, Stanford, Trudeau, Valdez and Wilson, C.; by request of Department of Social and Health Services.

**Brief History:**

**Committee Activity:** Human Services: 1/16/23.

**Brief Summary of Bill**

- Increases the personal needs allowance for clients being served in medical institutions and residential settings.

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### SENATE COMMITTEE ON HUMAN SERVICES

**Staff:** Delika Steele (786-7486)

**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 \$75.36 per month for persons in nursing facilities, medical institutions, and 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 current PNA for a single person is \$1,074.

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Old-age, survivors, and disability insurance benefits are increased for inflation as published by the Social Security Administration. The PNA for clients being served in medical institutions and in residential settings has not kept up with inflation despite legislative intent.

Unless subject to a separate determination of a monthly maintenance needs allowance for a community spouse as specified in rule, the PNA for clients receiving at home and community-based waiver services authorized by home and community services while living at home is increased to 300 percent of the federal benefit rate and shall not exceed the maximum personal needs allowance permissible under the federal Social Security Act.

**Summary of Bill:** The PNA for clients being served in medical institutions and residential settings is raised to \$100 beginning July 1, 2023. Beginning January 1, 2024, and every year after, the PNA for clients being served in medical institutions and residential settings will be increased 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 as is permissible under the federal Social Security Act.

**Appropriation:** None.

**Fiscal Note:** Requested on January 12, 2023.

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

**Effective Date:** The bill contains several effective dates. Please refer to the bill.