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TESTIMONY

In Support of

LD 587: Resolve, to Automatically Increase a Residential Care or Nursing Facility Resident's Personal Needs Allowance Under the MaineCare Program When the Consumer Price Index Increases

March 22, 2023

Maine Long-Term Care Ombudsman Program

Before the Joint Standing Committee on Health and Human Services

Senator Baldacci, Representative Meyer and members of the Joint Standing Committee on Health and Human Services.

My name is Laura Harper. I am a Senior Associate at Moose Ridge Associates. I am here today on behalf of the Maine Long-Term Care Ombudsman Program. The Ombudsman Program is a state-wide non-profit organization that provides advocacy for older adults and adults with disabilities who receive long-term services and supports across the state. The program serves residents in nursing homes, residential care, assisted living facilities, adult day programs and recipients of home care services. Additionally, we serve patients in hospitals who experience barriers in accessing long-term care services when they are ready for discharge.

This legislation requires the Department of Health and Human Services, by July 1, 2024, to amend the rules for the MaineCare program to apply an annual cost-of-living increase to the personal needs allowance for MaineCare members residing in nursing homes and residential care facilities. The cost-of-living increase applies the metrics used by the Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W, for the Northeast Region.

The personal needs allowance (PNA) is the monthly amount of money that residents who receive MaineCare may retain from their personal income. Any income above the allowance is applied toward the cost of their care. The PNA is provided so that residents will have funds to pay for expenses such as magazines, cards, a meal out with friends/family, haircuts, hobbies, clothing,

telephone, cable television, etc. Items such as toothpaste, tissues, shampoo, and incontinence products are paid for by MaineCare. Federal regulations prohibit nursing homes from charging residents' PNA for items that are provided for by MaineCare payments while state regulations provide the same protection for residents of residential care facilities.

Maine's personal needs allowances have not been raised in many years. The American Council on Aging, February 2023 indicates that Maine's nursing home PNA of \$40 is the lowest in New England. Currently the other New England States provide the following amounts: CT \$75 MA \$72.80, NH \$74.00, RI \$50, VT \$72.66. (see attached chart)

The adequacy of the PNA is important to the quality of life of residents in both nursing homes and residential care facilities allowing them the ability to meet some very basic needs that are not provided for by MaineCare. Additionally, applying an annual cost-of-living increase proposed in this bill is a reasonable approach to increasing the PNA.

Thank you for your consideration.

American Council on Aging

2023 Medicaid Monthly Personal Needs Allowance by State (Updated Feb. 2023)

Alabama	\$30.00
Alaska	\$200.00
Arizona	\$137.10
Arkansas	\$40.00
California	\$35.00
Colorado	\$95.97
Connecticut	\$75.00
Delaware	\$50.00
District of Columbia	\$100.00
Florida	\$130.00
Georgia	\$70.00
Hawaii	\$50.00
Idaho	\$40.00
Illinois	\$30.00

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Indiana	\$52.00
Iowa	\$50.00
Kansas	\$62.00
Kentucky	\$40.00
Louisiana	\$38.00
Maine	\$40.00
Maryland	\$93.00
Massachusetts	\$72.80
Michigan	\$60.00
Minnesota	\$121.00
Mississippi	\$44.00
Missouri	\$50.00
Montana	\$50.00
Nebraska	\$60.00
Nevada	\$35.00

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New Hampshire	\$74.00
New Jersey	\$50.00
New Mexico	\$83.00
New York	\$50.00
North Carolina	\$30.00
North Dakota	\$65.00
Ohio	\$50.00
Oklahoma	\$75.00
Oregon	\$74.75
Pennsylvania	\$45.00
Rhode Island	\$50.00
South Carolina	\$30.00
South Dakota	\$60.00
Tennessee	\$50.00
Texas	\$60.00

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Utah	\$45.00
Vermont	\$72.66
Virginia	\$40.00
Washington	\$75.36
West Virginia	\$50.00
Wisconsin	\$45.00
Wyoming	\$50.00