Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Appropriations Committee

HB 1773

Brief Description: Increasing the personal needs allowance for nursing facility residents.

Sponsors: Representatives Morrell, Curtis, Appleton, Skinner, Simpson, Williams, Clements, Chase, Hankins, Green, Schual-Berke, Condotta and Santos.

Brief Summary of Bill

Specifies that the personal needs allowance for residents of nursing facilities will be an amount not less than \$58.84 per month.

Hearing Date: 2/22/05

Staff: Bernard Dean (786-7130).

Background:

Elderly and disabled persons receiving publicly-financed care at facilities operated or contracted by the Department of Social and Health Services (DSHS) are required to contribute their income towards the cost of their care. DSHS generally pays the balance of care costs, less such client contributions.

However, to avoid leaving DSHS clients with no funds for personal use, a state- and federally-authorized clothing and personal incidentals allowance, or personal needs allowance, sets aside for the person's own use a small portion of their income. The remainder of the client's income is credited toward residential costs.

The standard personal needs allowance for eligible persons in medical institutions, including nursing facilities is \$41.62 per month. The payment covers the person's need for clothing, personal maintenance, and necessary incidentals. This amount consists of a federally-required \$30 plus an \$11.62 state supplement.

The personal needs allowance for nursing residents has not been changed since 1988, when the federal portion of the allowance was raised from \$25 to \$30.

Summary of Bill:

The personal needs allowance for residents of nursing facilities will be an amount not less than \$58.84 per month, but not more than the maximum amount allowed under the federal Social Security Act.

The DSHS, by rule, may increase the personal needs allowance within funds made available by the Legislature for this purpose.

Appropriation: None.

Fiscal Note: Requested on February 11, 2005.

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

House Bill Analysis - 2 - HB 1773