

FINAL BILL REPORT

ESHB 2257

C 28 L 03

Synopsis as Enacted

Brief Description: Concerning the treatment of income and resources for institutionalized persons receiving medical assistance.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Sommers, Fromhold and Moeller).

House Committee on Appropriations

Background:

The federal Social Security Act requires states to disregard a portion of the income and assets of the spouses of nursing home residents receiving Medicaid services and of nursing home-eligible persons receiving Medicaid services through a Community Options Program Entry System (COPES) waiver.

When one member of a couple receives medical assistance, the total value of all resources belonging to either spouse is computed to determine whether the spouse receiving long-term care services in a nursing facility or in the community meets the state resource standard for Medicaid. Half of the total is attributed to each spouse. The couple's home, household goods, automobile, and burial funds are disregarded when estimating the couple's combined resources. In accordance with federal requirements, the spouse not receiving long-term care services must be allowed to retain at least \$18,132 and not more than \$90,660 in liquid assets. States are authorized to set the level of protection higher than the federal minimum, but not more than the federal maximum. Washington sets the level of protection at the federal maximum of \$90,660 in liquid assets.

Summary:

The Department of Social and Health Services will disregard up to a maximum of \$40,000 in resources for the community spouse of persons institutionalized on or after August 1, 2003. Couples will need to "spend down" savings in excess of \$40,000 prior to receiving Medicaid services. Persons who were receiving Medicaid-funded services under the higher resource standard in effect before August 1, 2003, will continue to qualify under that higher standard.

For the fiscal biennium beginning July 1, 2005, and each fiscal biennium thereafter, the maximum resource allowance amount for the community spouse will be adjusted for

economic trends and conditions by increasing the amount allowable by the consumer price index as published by the federal Bureau of Labor Statistics. However, in no case will the amount allowable exceed the maximum resource allowance permissible under the federal Social Security Act.

Votes on Final Passage:

House 87 5

First Special Session

House 85 7

Senate 30 16

Effective: July 1, 2003