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**Appropriations Committee**

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**HB 2257**

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

**Sponsors:** Representatives Sommers and Fromhold.

**Brief Summary of Bill**

- Requires the Department of Social and Health Services to allow spouses of institutionalized persons receiving medical assistance to retain up to \$30,000 in resources.

**Hearing Date:**

**Staff:** Bernard Dean (786-7130).

**Background:**

The federal Social Security Act requires states to protect 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 a 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.

**Summary of Bill:**

The Department of Social and Health Services (DSHS) will disregard up to a maximum of \$30,000 in resources for the community spouse of persons institutionalized on or after July

1, 2003.

For the fiscal biennium beginning July 1, 2005, and each fiscal biennium thereafter, the maximum resource allowance amount for the community spouse shall 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 Social Security Act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect July 1, 2003.