

DSS-4357EL

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DIVISION: Health & Long Term Care

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GIS 96 MA/032

TO: Local District Commissioners, MA Directors

FROM: Martin J. Conroy, Acting Deputy Commissioner, Division of Health
& Long Term Care

SUBJECT: Personal Needs Allowance for Institutionalized Spouses
Receiving Home and Community-Based Waivered Services

EFFECTIVE DATE: Immediately

CONTACT PERSON: Wendy Butz, 1-800-343-8859, extension 49141

Last year the Department changed the personal needs allowance (PNA) for home and community-based waived recipients who have a community spouse. Instead of the Medicaid income level for one, the PNA was reduced to \$50. Department release 95 ADM-19, issued October 13, 1995, contains language which indicates that the PNA change was required by the Health Care Financing Administration (HCFA). GIS message 94 MA/026, dated November 10, 1994, contains similar language stating that HCFA notified the Department it must budget waiver recipients with a \$50 PNA.

This is to clarify that the Department's policy of budgeting waiver recipients with a \$50 PNA is based on our interpretation of federal regulations and the spousal impoverishment post-eligibility rules, not on a mandate from HCFA. Please note that an Errata Notice will be issued for 95 ADM-19 to clarify the basis for our policy.

This clarification will have no effect on the basic policy set forth in the ADM.