

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH60143-LN-102 (3/1)

Short Title: Medicaid Personal Needs Allowance Incr. (Public)

Sponsors: Representative Nye.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO INCREASE THE MEDICAID PERSONAL
NEEDS ALLOWANCE.

Whereas, federal law requires a Medicaid personal needs allowance of at least \$30.00 per month for residents in skilled nursing facilities; and

Whereas, the personal needs allowance in North Carolina has not been increased since 1988; and

Whereas, \$30.00 per month is not sufficient to cover the cost of hair care, undergarments, activity supplies, or telephone charges; and

Whereas, in December 2004, over 25% of states paid \$40.00-\$49.00 in Medicaid personal needs allowance for skilled nursing facility residents; and

Whereas, protocols for automatic annual increases in the personal needs allowance are in place in five states; and

Whereas, the Medicaid personal needs allowance paid by the State draws down the federal match for these funds; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Medical Assistance, the sum of three million dollars (\$3,000,000) for the 2005-2006 fiscal year and the sum of three million dollars (\$3,000,000) for the 2006-2007 fiscal year. These funds shall be used to increase the Medicaid personal needs allowance for nursing home residents from thirty dollars (\$30.00) per month to fifty dollars (\$50.00) per month. The Division of Medical Assistance shall review the personal needs allowance every two years to determine its sufficiency, and shall report its findings to the House of Representatives Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division on or before April 1 of each reviewing year.

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SECTION 2. This act becomes effective July 1, 2005.