

HOUSE BILL 422

Unofficial Copy  
J1

2002 Regular Session  
(21r2404)

**ENROLLED BILL**  
-- Appropriations/Finance --

Introduced by **Delegate Taylor**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Nursing Home Residents - Increase in Personal Needs Allowance**

3 FOR the purpose of specifying the amount of the personal needs allowance for a  
4 nursing home resident who is a recipient of medical assistance, subject to a  
5 certain contingency; requiring a certain calculation when computing income  
6 eligibility for a nursing home resident who is a recipient of medical assistance;  
7 providing for a certain annual increase in the personal needs allowance;  
8 requiring the Secretary of Health and Mental Hygiene to adopt certain  
9 regulations; and generally relating to the personal needs allowance for a nursing  
10 home resident who is a recipient of medical assistance.

11 BY repealing and reenacting, with amendments,  
12 Article - Health - General  
13 Section 15-109  
14 Annotated Code of Maryland  
15 (2000 Replacement Volume and 2001 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Health - General**

4 15-109.

5 (a) An individual is not ineligible under the Program solely because Social  
6 Security benefits received by the individual are increased, unless:

7 (1) The individual is considered ineligible because of the increase under  
8 applicable rules or regulations of the United States Department of Health and  
9 Human Services; and

10 (2) As to that individual, federal matching funds for the State Program  
11 are not available.

12 (b) Except as provided in § 15-103(a)(2)(ii) of this subtitle, to determine  
13 eligibility under the Program, the Department annually shall set the allowable yearly  
14 income levels in amounts at least equal to the following:

15 (1) Family of 1 - \$2,500.

16 (2) Family of 2 - \$3,000.

17 (3) Family of 3 - \$3,500.

18 (4) Family of 4 - \$4,000.

19 (5) Family of 5 or more - \$4,500 plus an increase of \$500 for each family  
20 member in excess of 5.

21 (c) This section is effective only to the extent that its provisions do not conflict  
22 with federal requirements for the administration of the Program in this State.

23 (d) As a condition of eligibility for medical assistance, a recipient is deemed to  
24 have assigned to the Secretary of Health and Mental Hygiene or the Secretary's  
25 designee any rights to payment for medical care services from any third party who  
26 has the legal liability to make payments for those services, to the extent of any  
27 payments made by the Department on behalf of the recipient.

28 (E) (1) EACH RESIDENT OF A NURSING HOME WHO IS A RECIPIENT OF  
29 MEDICAL ASSISTANCE SHALL RECEIVE A PERSONAL NEEDS ALLOWANCE.

30 (2) ~~BEFORE~~ AFTER A DETERMINATION OF INCOME ELIGIBILITY IS MADE  
31 FOR A NURSING HOME RESIDENT UNDER THE PROGRAM, THE PERSONAL NEEDS  
32 ALLOWANCE SHALL BE DEDUCTED FROM THE TOTAL INCOME OF THE RESIDENT.

33 (3) THE PERSONAL NEEDS ALLOWANCE FOR EACH RESIDENT OF A  
34 NURSING HOME WHO IS A RECIPIENT OF MEDICAL ASSISTANCE SHALL BE:

1                   (4)        ~~BEGINNING JULY 1, 2003, \$60 \$50 PER MONTH; AND~~

2                    (I)        IF ON OR BEFORE JUNE 30, 2002, THE FEDERAL CENTERS FOR  
 3 MEDICARE AND MEDICAID SERVICES APPROVE THE DEPARTMENT'S APPLICATION  
 4 FOR AN AMENDMENT TO THE STATE'S EXISTING § 1115 DEMONSTRATION WAIVER  
 5 NECESSARY TO IMPLEMENT THE MARYLAND PHARMACY DISCOUNT PROGRAM  
 6 ESTABLISHED UNDER § 15-124.1 OF THE HEALTH - GENERAL ARTICLE:

7                            1.        BEGINNING APRIL 1, 2003, \$50 PER MONTH;

8                   (44)        2.        BEGINNING JULY 1, 2004, \$60 PER MONTH; AND

9                   (44)        (44)        3.        BEGINNING JULY 1, ~~2004~~ 2005, ADJUSTED ANNUALLY  
 10 BY AN AMOUNT NOT EXCEEDING 5% TO REFLECT THE PERCENTAGE BY WHICH  
 11 BENEFITS UNDER TITLE II OF THE SOCIAL SECURITY ACT (42 U.S.C. 401 THROUGH 433)  
 12 ARE INCREASED BY THE FEDERAL GOVERNMENT TO REFLECT CHANGES IN THE  
 13 COST OF LIVING, AS THAT PERCENTAGE CHANGE IS REPORTED IN THE FEDERAL  
 14 REGISTER IN ACCORDANCE WITH ~~42 U.S.C. 415(1)(2)(D)~~ 42 U.S.C. (A)(1)(D); OR

15                   (II)        IF ON OR BEFORE JUNE 30, 2002, THE FEDERAL CENTERS FOR  
 16 MEDICARE AND MEDICAID SERVICES DO NOT APPROVE THE DEPARTMENT'S  
 17 APPLICATION FOR AN AMENDMENT TO THE STATE'S EXISTING § 1115  
 18 DEMONSTRATION WAIVER NECESSARY TO IMPLEMENT THE MARYLAND PHARMACY  
 19 DISCOUNT PROGRAM ESTABLISHED UNDER § 15-124.1 OF THE HEALTH - GENERAL  
 20 ARTICLE:

21                            1.        BEGINNING JULY 1, 2003, \$50 PER MONTH;

22                            2.        BEGINNING JULY 1, 2004, \$60 PER MONTH; AND

23                            3.        BEGINNING JULY 1, 2005, ADJUSTED ANNUALLY BY AN  
 24 AMOUNT NOT EXCEEDING 5% TO REFLECT THE PERCENTAGE BY WHICH BENEFITS  
 25 UNDER TITLE II OF THE SOCIAL SECURITY ACT (42 U.S.C. 401 THROUGH 433) ARE  
 26 INCREASED BY THE FEDERAL GOVERNMENT TO REFLECT CHANGES IN THE COST OF  
 27 LIVING, AS THAT PERCENTAGE CHANGE IS REPORTED IN THE FEDERAL REGISTER IN  
 28 ACCORDANCE WITH 42 U.S.C. 415(A)(1)(D).

29                   (4)        THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THIS  
 30 SUBSECTION.

31        [(e)]        (F)        Subject to the confidentiality requirements of State and federal law,  
 32 the courts of this State shall admit a certified copy of a 206N form, also known as a  
 33 long-term care transaction form, into evidence.

34        SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 35 ~~October~~ July 1, 2002.

