

Reasons to Support HB 2205/Client Obligation/Protected Income Level

This bill gives statutory authority to Kansas Dept. for Health & Environment (KDHE) to set the monthly client obligation income standard for persons receiving Home- and Community-Based Services (HCBS) waiver services or the Program for All-inclusive Care for the Elderly (PACE) at an amount that eliminates the person's obligation.

We are asking the legislature to appropriate funding to allow Kansas to set the client obligation at 300% of Social Security income, or \$2,250/month. This amount is equal to the maximum allowed under federal law. A person with an income higher than 300% is not eligible for HCBS waiver services.

Kansas policy currently sets the personal income level at \$747/month. Any income over that amount must be collected by providers.

Retirees, single parents and Kansans receiving Social Security Disability payments are hit hard by the personal income level of \$747. This amount is simply inadequate to pay for the basic costs of living -- housing, utilities, transportation, hygiene and medical supplies and food.

A static amount will not keep pace with cost of living increases.

Kansans should be able to keep the money they have earned.

HB 2205:

- Eliminates burdensome red tape for everyone from the State, to the Managed Care Organizations (MCOs), to providers and consumers. It streamlines a system that is expensive to maintain and lacks case management services to help consumers manage the paperwork.
- Consistent with federal law
- Follows the lead of 25 other states:
 - 25 states set their protected income level at the maximum 300% of SSI (\$2,250)
 - 1 at 250% (\$1,875)
 - 9 at 100% of Federal Poverty Level (\$1,005)
 - 7 at 100% of SSI (\$750)
 - 5 states have no client obligation
- Does not add additional services to the waivers or change eligibility requirements
- Is financially prudent. All persons struggling to maintain independence are financially and functionally eligible for nursing home placement. Nursing homes are at least three times more expensive than home-based care. Delaying and/or diverting nursing home placement saves the State money, and allows people to stay where they want to live, at home.