

Policy Clarifications - Medicaid - Long Term Care PMN14762486

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Agency:CAOs

Citations:

Subject: Personal Needs Allowance (PNA) for Individuals with Earnings from a Sheltered Workshop or Other Therapeutic Activities Arranged by the Institution

Will the addition to the basic PNA received by individuals with earnings from a sheltered workshop or other therapeutic activities arranged by the institution be increasing? In what facilities must individuals with this earned income reside in order to receive the addition to the basic PNA?

Response By: Division of Health Services

Date:05/07/09

Effective April 1, 2009 individuals who have earnings from a sheltered workshop or other therapeutic activities arranged by the institution and who reside in an Intermediate Care Facility for the Mentally Retarded (ICF/MR), Intermediate Care Facility for persons with severe physical disabilities or other related conditions (ICF/ORC), State Mental Hospital equivalent to Institutions for Mental Diseases (IMDs), or State Mental Retardation Center equivalent to Institutions for the Mentally Retarded (IMRs) are entitled to receive an increased addition to the basic PNA (currently \$45). The amount of this addition to the basic PNA is based on the individual's gross wages as follows:

1. In addition to the basic PNA, an amount of \$20 a month for an individual who has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution which do not exceed \$50.00 gross per month.
2. In addition to the basic PNA, an amount of \$40 a month for an individual who has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution totaling \$50.01- \$90.00 gross per month.
3. In addition to the basic PNA, an amount of \$80 a month for an individual who has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution totaling \$90.01- \$150.00 gross per month.
4. In addition to the basic PNA, an amount of \$80 a month plus 50% of the difference between the actual gross earnings and \$150.01 for an individual who has sheltered workshop earnings or other earnings from

therapeutic activities arranged by the institution which exceed \$150 gross per month.

NOTE: The total PNA may not exceed the one person SSI limit (\$701.40 for 2009).

Example: Ms. S has a retirement pension of \$225.00 per month plus Social Security income of \$750.00 per month and sheltered workshop earnings of \$200.00 per month. Ms. S has a PNA of:

$$\begin{array}{r} \$200.00 \text{ (Total sheltered workshop earnings)} \\ - \$150.01 \\ \hline \$ 49.99 \end{array}$$
$$\begin{array}{r} \$ 25.00 \text{ (50\% of the remainder)} \\ +\$ 80.00 \\ \hline \$105.00 \text{ (Additional PNA)} \end{array}$$
$$\begin{array}{r} \$105.00 \text{ (Additional PNA)} \\ +\$ 45.00 \text{ (Basic PNA)} \\ \hline \$150.00 \text{ (Total PNA)} \end{array}$$

\$150.00 is the total PNA deducted from the gross income of \$1,175.

Reminder: Earnings from a sheltered workshop or other therapeutic activities arranged by the institution must be entered as income code 07 in the Client Information System (CIS). Only income coded as 07 on the CAWAGE screen will signal CIS to determine an addition to the basic PNA. Only individuals residing in an ICF/MR, ICF/ORC, State Mental Hospital equivalent to an IMD or State Mental Retardation Center equivalent to an IMR are entitled to the additional PNA. Individuals residing in a Long-Term Care (LTC) facility are not entitled to the additional PNA.

In the near future a Daily Status will be issued providing a link to a list of LTC cases with sheltered workshop income. Once the list is published EDBC must be run on all cases so that the increased additional PNA is computed.