

# PROPOSED AMENDMENT

## HB 1001 # 36

### DIGEST

Medicaid long term care. Increases the personal needs allowance for Medicaid long term care residents.

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1           Page 110, between lines 32 and 33, begin a new paragraph and  
2 insert:

3           "SECTION 59. IC 12-10-6-1, AS AMENDED BY P.L.229-2011,  
4 SECTION 118, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) An individual who:

6           (1) is at least sixty-five (65) years of age, is blind, or has a  
7 disability; and

8           (2) is a resident of a county home;  
9 is eligible to receive assistance payments from the state if the  
10 individual would be eligible for assistance under the federal  
11 Supplemental Security Income program except for the fact that the  
12 individual is residing in a county home.

13           (b) The recipient shall be paid or allowed to retain from the  
14 recipient's income a monthly personal allowance. The amount:

15           (1) is ~~fifty-two dollars (\$52)~~; **seventy dollars (\$70)**;

16           (2) is exempt from income eligibility consideration by the  
17 division; and

18           (3) may be exclusively used by the recipient for personal needs.

19           (c) In addition to the amount that may be retained as a personal  
20 allowance under this section, an individual is allowed to retain an  
21 amount equal to the individual's state and local income tax liability.  
22 The amount that may be retained during a month may not exceed  
23 one-third (1/3) of the individual's state and local income tax liability for  
24 the calendar quarter in which the month occurs. This amount is exempt  
25 from income eligibility consideration by the division. The amount  
26 retained shall be used by the individual to pay state or local income  
27 taxes owed.

28           (d) In addition to the amounts that may be retained under

1 subsections (b) and (c), an eligible individual may retain a Holocaust  
 2 victim's settlement payment. The payment is exempt from income  
 3 eligibility consideration by the division.

4 (e) The personal allowance for one (1) month for an individual  
 5 described in subsection (a) is the amount that an individual would be  
 6 entitled to retain under subsection (b) plus an amount equal to one-half  
 7 (1/2) of the remainder of:

8 (1) gross earned income for that month; minus

9 (2) the sum of:

10 (A) sixteen dollars (\$16); plus

11 (B) the amount withheld from the person's paycheck for that  
 12 month for payment of state income tax, federal income tax,  
 13 and the tax prescribed by the federal Insurance Contribution  
 14 Act (26 U.S.C. 3101 et seq.); plus

15 (C) transportation expenses for that month; plus

16 (D) any mandatory expenses required by the employer as a  
 17 condition of employment.

18 SECTION 60. IC 12-10-6-2.1, AS AMENDED BY P.L.117-2015,  
 19 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20 JULY 1, 2025]: Sec. 2.1. (a) An individual who is incapable of residing  
 21 in the individual's own home may apply for residential care assistance  
 22 under this section. The determination of eligibility for residential care  
 23 assistance is the responsibility of the division. Except as provided in  
 24 subsection (h), an individual is eligible for residential care assistance  
 25 if the division determines that the individual:

26 (1) is a recipient of Medicaid or the federal Supplemental Security  
 27 Income program;

28 (2) is incapable of residing in the individual's own home because  
 29 of dementia, mental illness, or a physical disability;

30 (3) requires a degree of care less than that provided by a health  
 31 care facility licensed under IC 16-28;

32 (4) can be adequately cared for in a residential care setting; and

33 (5) has not made any asset transfer prohibited under the state plan  
 34 or in 42 U.S.C. 1396p(c) in order to be eligible for Medicaid.

35 (b) Individuals with an intellectual disability may not be admitted  
 36 to a home or facility that provides residential care under this section.

37 (c) A service coordinator employed by the division may:

38 (1) evaluate a person seeking admission to a home or facility  
 39 under subsection (a); or

40 (2) evaluate a person who has been admitted to a home or facility

1 under subsection (a), including a review of the existing  
2 evaluations in the person's record at the home or facility.

3 If the service coordinator determines the person evaluated under this  
4 subsection has an intellectual disability, the service coordinator may  
5 recommend an alternative placement for the person.

6 (d) Except as provided in section 5 of this chapter, residential care  
7 consists of only room, board, and laundry, along with minimal  
8 administrative direction. The recipient may retain from the recipient's  
9 income a monthly personal allowance of ~~fifty-two dollars (\$52).~~  
10 **seventy dollars (\$70)**. This amount is exempt from income eligibility  
11 consideration by the division and may be exclusively used by the  
12 recipient for the recipient's personal needs. However, if the recipient's  
13 income is less than the amount of the personal allowance, the division  
14 shall pay to the recipient the difference between the amount of the  
15 personal allowance and the recipient's income. A reserve or an  
16 accumulated balance from such a source, together with other sources,  
17 may not be allowed to exceed the state's resource allowance allowed for  
18 adults eligible for state supplemental assistance or Medicaid as  
19 established by the rules of the office of Medicaid policy and planning.

20 (e) In addition to the amount that may be retained as a personal  
21 allowance under this section, an individual shall be allowed to retain  
22 an amount equal to the individual's state and local income tax liability.  
23 The amount that may be retained during a month may not exceed  
24 one-third (1/3) of the individual's state and local income tax liability for  
25 the calendar quarter in which that month occurs. This amount is  
26 exempt from income eligibility consideration by the division. The  
27 amount retained shall be used by the individual to pay any state or local  
28 income taxes owed.

29 (f) In addition to the amounts that may be retained under  
30 subsections (d) and (e), an eligible individual may retain a Holocaust  
31 victim's settlement payment. The payment is exempt from income  
32 eligibility consideration by the division.

33 (g) The personal allowance for one (1) month for an individual  
34 described in subsection (a) is the amount that an individual would be  
35 entitled to retain under subsection (d) plus an amount equal to one-half  
36 (1/2) of the remainder of:

- 37 (1) gross earned income for that month; minus  
38 (2) the sum of:  
39 (A) sixteen dollars (\$16); plus  
40 (B) the amount withheld from the person's paycheck for that

1 month for payment of state income tax, federal income tax,  
 2 and the tax prescribed by the federal Insurance Contribution  
 3 Act (26 U.S.C. 3101 et seq.); plus  
 4 (C) transportation expenses for that month; plus  
 5 (D) any mandatory expenses required by the employer as a  
 6 condition of employment.

7 (h) An individual who, before September 1, 1983, has been admitted  
 8 to a home or facility that provides residential care under this section is  
 9 eligible for residential care in the home or facility.

10 (i) The director of the division may contract with the division of  
 11 mental health and addiction or the division of disability and  
 12 rehabilitative services to purchase services for individuals with a  
 13 mental illness or a developmental disability by providing money to  
 14 supplement the appropriation for community based residential care  
 15 programs established under IC 12-22-2 or community based residential  
 16 programs established under IC 12-11-1.1-1.

17 (j) A person with a mental illness may not be placed in a Christian  
 18 Science facility listed and certified by the Commission for  
 19 Accreditation of Christian Science Nursing Organizations/Facilities,  
 20 Inc., unless the facility is licensed under IC 16-28.

21 SECTION 61. IC 12-15-7-1 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. Subject to section 2  
 23 of this chapter, an individual eligible to receive Medicaid who is not  
 24 living in the individual's own home but is receiving care in a:

- 25 (1) hospital; or  
 26 (2) nursing facility;

27 may retain from the individual's income a personal allowance in an  
 28 amount to be established by the office, **but that is at least seventy**  
 29 **dollars (\$70).**

30 SECTION 62. IC 12-15-7-2 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. ~~Fifty-two dollars~~  
 32 ~~(\$52)~~ **Seventy dollars (\$70)** monthly may be exempt from income  
 33 eligibility consideration.

34 SECTION 63. IC 12-15-32-6 IS AMENDED TO READ AS  
 35 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. The office shall  
 36 allow a resident of a facility who is receiving Medicaid to retain a  
 37 personal allowance of ~~fifty-two dollars (\$52)~~ **seventy dollars (\$70)**  
 38 each month."

39 Renumber all SECTIONS consecutively.  
 (Reference is to HB 1001 as introduced.)