



## State of New Jersey

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES  
P.O. Box 712  
Trenton, NJ 08625-0712

CHRIS CHRISTIE  
*Governor*

ELIZABETH CONNOLLY  
*Acting Commissioner*

KIM GUADAGNO  
*Lt. Governor*

MEGHAN DAVEY  
*Director*

**MEDICAID COMMUNICATION NO. 17-12**

**DATE: August, 21 2017**

**TO:** NJ FamilyCare Eligibility Determining Agencies

**SUBJECT:** Increase in Personal Needs Allowance (PNA) for Nursing Facility Residents Effective July 1, 2017

Effective July 1, 2017, the New Jersey Legislature has made a provision in the State Fiscal Year 2018 Appropriations Act for raising the nursing facility Personal Needs Allowance (PNA) standard from \$35 to \$50 per month for fiscal year 2018. This means that all eligible NJ FamilyCare - Aged, Blind, Disabled (Medicaid) individuals residing in a nursing facility, will have an additional \$15 per month that they can spend on their personal needs and that the amount they pay each month in cost share will be temporarily reduced by \$15. This Medicaid Communication does not address the PNA increase for individuals receiving Supplemental Security Insurance (SSI), a separate communication will be issued regarding their increase.

Cost share is the amount that is paid each month by the Medicaid recipient to the provider and is calculated on the Personal Responsibility – 1 form (PR-1) based on the Post-Eligibility Treatment of Income rules stated in 42 CFR 435.725. In order to facilitate this change systemically, all cost share amounts calculated in the Personal Responsibility system will be temporarily reduced by \$15.00 effective July 1, 2017. Unfortunately, each individual will not receive a copy of their updated PR-1 form until it is time for their case to be redetermined. Redeterminations occur either annually or upon a change in personal circumstances. At redetermination, the PNA amounts will be updated retroactively on the PR-1 forms to reflect this change.

The attached letter has been mailed to all affected individuals informing them of this change and to advise them of the \$15.00 reduction in the amount that is owed to the nursing facility (provider) each month. A provider newsletter has been sent to inform the nursing facilities what to expect in their cost share payments from their residents and also how it will affect their payments from the state or from their Managed Care Organizations (MCOs).

This change does not affect Medicaid individuals receiving long term services and supports who reside in other living situations (for example an assisted living facility or in the community). Only those who are residing in a nursing facility are affected.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility field staff for your agency at 609-588-2556.

MD:km

c: Elizabeth Connolly, Acting Commissioner  
Department of Human Services

Valerie L. Mielke, Assistant Commissioner  
Division of Mental Health and Addiction Services

Liz Shea, Assistant Commissioner  
Division of Developmental Disabilities

Joseph Amoroso, Director  
Division of Disability Services

Natasha Johnson, Director  
Division of Family Development

Laura Otterbourg, Acting Director  
Division of Aging Services

Cathleen D. Bennett, Commissioner  
Department of Health

Allison Blake, Commissioner  
Department of Children and Families



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Date

Name  
Address 1  
Address 2  
City, State Zip Code

RE: Case # <0000000000-00>

Dear <Name>:

Effective July 1, 2017, the New Jersey Legislature, in the State Fiscal Year 2018 Appropriations Act, has made a provision for raising the nursing facility Personal Needs Allowance (PNA) standard from \$35 to \$50 per month through June 30, 2018. This means most eligible NJ FamilyCare - Aged, Blind, Disabled (Medicaid) individuals residing in a nursing facility will have an additional \$15 per month that they can spend on their personal needs and that the amount they pay each month in cost share will be reduced by \$15. This change may be temporary.

Cost share is the amount that is paid each month by the Medicaid recipient to the provider and is calculated on the Personal Responsibility-1 (PR-1) form based on the Post-Eligibility Treatment of Income rules stated under 42 CFR 435.725. In order to facilitate this change systemically, all cost share amounts calculated in the Personal Responsibility system will be temporarily reduced by \$15.00 effective July 1, 2017. Unfortunately, this will not be reflected on each individual's PR-1 form until the individual's redetermination. Redeterminations occur either annually or upon a change in personal circumstances. At redetermination, the PNA amounts will be updated retroactively on the PR-1 forms to reflect this change.

Therefore, effective immediately, please reduce your monthly cost share payments by \$15.00. Accordingly, you may keep this \$15.00 as part of your PNA so as to increase the allowance from \$35.00 to \$50.00. If you have already paid the cost share amounts due in July and August to the facility, please reduce your payment in September by \$45 (for July, August and September) and then reduce it by \$15 in the months thereafter. All facilities have been notified of this change and are aware of this process. Facilities that manage their resident's PNA accounts will update their accounts with \$50 per month starting July 1.

If you have any questions, please contact your local County Welfare Agency or call the Division of Medical Assistance and Health Services at 1-800-356-1561.

Sincerely,  
NJ FamilyCare, Aged, Blind, Disabled Programs