



Senior Services News

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TO: Nursing Facilities (In-State and Out-of-State)

SUBJECT: Client Income Procedures

EFFECTIVE: May 1, 2013

PURPOSE: To clarify with long term care providers the procedures required in handling resident income for a dually eligible client (Medicare and Medicaid).

BACKGROUND: In accordance with N.J.A.C. 8:85-1.16, a facility is responsible for collecting a resident client's income in the amount determined by the County Welfare Agency and noted on the PR-1. Any remaining client income, after the client's personal needs allowance (PNA) and any other allowable allocation is satisfied, shall be applied to the cost of care for the Medicaid beneficiary.

In the instance where a resident's monthly income exceeds the amount needed to offset Medicaid payments, due to an absence from the facility and/or Medicare coverage, it is necessary to account for the resident income collected by the facility in that month.

ACTION: In the instance where a resident's monthly income exceeds the amount needed to offset Medicaid payments, due to an absence from the facility and/or Medicare coverage, the facility shall take the following action:

- Resident income collected in that month, normally designated for the client contribution to care under Medicaid, shall be put in the resident's PNA account and the account shall be handled in accordance with N.J.A.C. 8:85-1.16. Please note the responsibilities of the facility under N.J.A.C. 8:85-1.16(c)1 in handling PNA accounts with funds near the maximum allowable amount for Medicaid eligibility.

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