**Increase in CA Personal Needs Allowance (PNA) for aged, blind or disabled Medi-Cal residents in a skilled nursing facility.**

The Personal Needs Allowance (PNA) is what a Medi-Cal institutionalized resident is permitted to keep from his or her own monthly income. The remainder of the resident’s income goes to the nursing facility and reduces the amount the state agency pays the nursing home. The nursing home facility receives full payment no matter what the PNA is. **California’s payment to the nursing home facility is matched by the federal government at the Federal Medical Assistance Percentages (FMAP) rate of 50%.**

The Medi-Cal resident receives basic room and board plus medical care from the skilled nursing home. The PNA is crucial to enhancing the quality of life of residents in nursing homes by covering the cost of clothes, shoes, outerwear, personal care items, reading materials, postage and meals outside the facility. The current PNA does not adequately fund the cost of these needs. These vulnerable adults have been forgotten by California in both good economic times as well as poor years.

California’s PNA was last increased in 1985 to $35 a month. The low income residents have not received a cost of living increase in over 32 years while the inflation rate has increased 128%. The PNA will have to be raised to $80 to have the same buying power it had in 1985. The Dept. of Health Services must be directed to increase the PNA annually based on the percentage increase of the Consumer Price Index, so the PNA does not lose value in future years.

The California Senior Legislature in 2017 supported SB 202 (Dodd) for the PNA to be increased to $80 a month. SB 202 passed the Senate Health Committee unanimously, but did not make it out of the Appropriations Committee. The Chair of the Appropriations Committee has advised Sen. Dodd to use the budget process this year to increase the PNA. Sen. Dodd will follow that advice.

The CSL continues its concern for our vulnerable nursing home residents.

Thank you,

Sue Walker