

# Nursing Home Personal Needs Allowance

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## Issue

This report discusses the personal needs allowance (PNA) for Medicaid recipients in nursing homes, including Connecticut's PNA and PNA levels in other states.

## Definition and Federal Requirement

Medicaid recipients who reside in nursing homes must pay much of their income towards the cost of their care. Federal law requires state Medicaid agencies to make certain deductions from an individual's income when calculating how much the individual must pay the home, including a deduction for a personal needs allowance (PNA) of at least \$30 to pay for clothes and other incidental personal needs ([42 C.F.R. § 435.832\(c\)\(1\)](#)). States may establish higher PNA amounts. The Medicaid recipient then applies the remainder of his or her income toward the cost of care and the Medicaid program pays the rest up to the Medicaid payment rate established for the nursing home.

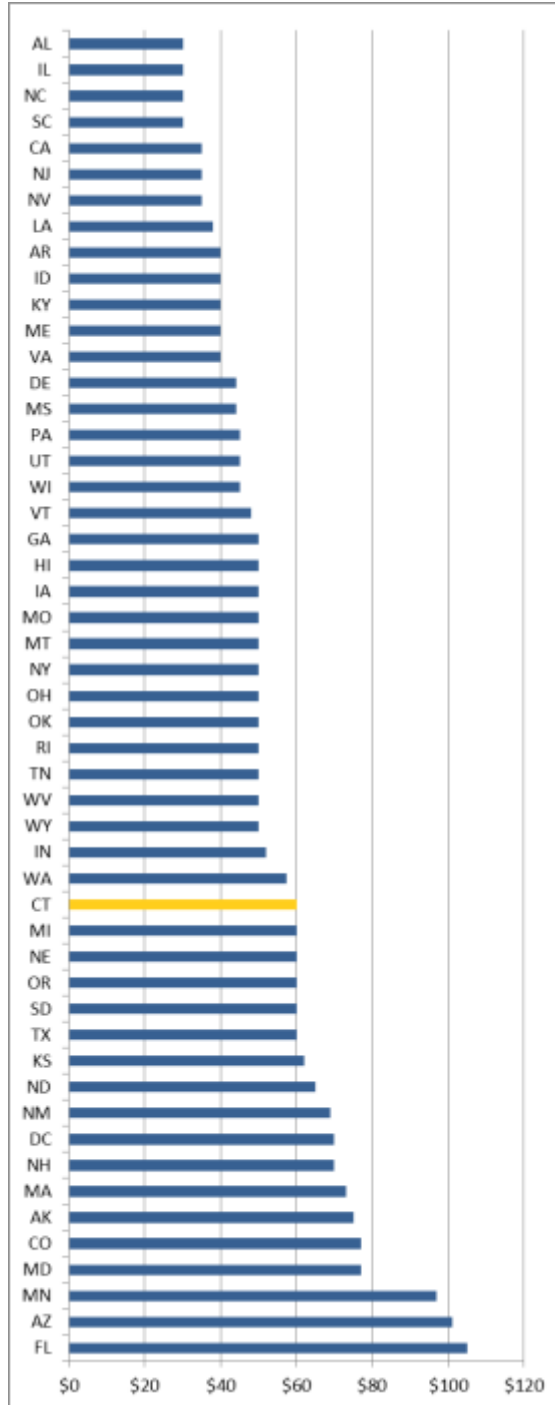
## Connecticut's PNA

Connecticut's PNA for Medicaid recipients in nursing homes is currently \$60 ([CGS § 17b-272](#)). It last changed in 2011, when a law passed that reduced the PNA from \$69 and eliminated cost of living adjustment (COLA) indexing ([PA 11-44, § 79](#)). Before that change, the PNA was increased each year based on increases in Social Security benefits.

# PNA Levels in Other States

Figure 1 shows 2015 PNA levels in each state and the District of Columbia. Values range from the federal minimum of \$30 (Alabama, Illinois, North Carolina, and South Carolina) to \$105 (Florida).

Figure 1: 2015 Monthly PNA by State



Source: [Kaiser Family Foundation \(Appendix Table 7\)](#)