

Adopted	Rejected
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COMMITTEE REPORT

YES:	22
NO:	0

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred Senate Bill 19, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

1 Page 4, between lines 25 and 26, begin a new paragraph and
2 insert:
3 "SECTION 3. IC 12-10-6-1, AS AMENDED BY P.L.24-1997,
4 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 1998]: Sec. 1. (a) An individual who:
6 (1) is at least sixty-five (65) years of age, blind, or disabled; and
7 (2) is a resident of a county home;
8 is eligible to receive assistance payments from the state if the
9 individual would be eligible for assistance under the federal
10 Supplemental Security Income program except for the fact that the
11 individual is residing in a county home.
12 (b) The amount of nonmedical assistance to be paid on behalf of
13 a resident in a county home must be based on the daily rate established
14 by the division. The rate for facilities under this section and licensed

1 under IC 16-28 may not exceed an upper rate limit established by a rule
2 adopted by the division.

3 (c) The rate for facilities under this section but not licensed under
4 IC 16-28 must be the lesser of:

5 (1) an upper rate limit established by a rule adopted by the
6 division; or

7 (2) a reasonable and adequate rate to meet the costs, determined
8 by generally accepted accounting principles, that are incurred by
9 efficiently and economically operated facilities in order to
10 provide care and services in conformity with quality and safety
11 standards and applicable laws and rules.

12 (d) The recipient shall be paid or allowed to retain from the
13 recipient's income a **monthly** personal allowance in an amount to be
14 established by the division. The amount:

15 (1) may be not less than ~~twenty-eight dollars and fifty cents~~
16 ~~(\$28.50)~~ **thirty-five dollars (\$35)** and not more than ~~thirty-five~~
17 ~~dollars (\$35) monthly;~~ **sixty-one dollars and thirty-two cents**
18 **(\$61.32);**

19 (2) is exempt from income eligibility consideration by the
20 division; and

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

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

31 (f) The division of disability, aging, and rehabilitative services, in
32 cooperation with the state department of health taking into account
33 licensure requirements under IC 16-28, shall adopt rules under
34 IC 4-22-2 governing the reimbursement to facilities under this section.
35 The rules must be designed to determine the costs that must be incurred
36 by efficiently and economically operated facilities to provide room,
37 board, laundry, and other services, along with minimal administrative
38 direction to individuals who receive residential care in the facilities

1 under this section. A rule adopted under this subsection by:

- 2 (1) the division; or
 3 (2) the state department of health;

4 must conform to the rules for residential care facilities that are licensed
 5 under IC 16-28.

6 (g) A rate established under this section may be appealed
 7 according to the procedures under IC 4-21.5.

8 (h) The division shall annually review each facility's rate using the
 9 following:

- 10 (1) Generally accepted accounting principles.
 11 (2) The costs incurred by efficiently and economically operated
 12 facilities in order to provide care and services in conformity with
 13 quality and safety standards and applicable laws and rules.

14 SECTION 5. IC 12-10-6-2, AS AMENDED BY P.L.24-1997,
 15 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 1998]: Sec. 2. (a) An individual who is incapable of residing
 17 in the individual's own home may apply for residential care assistance
 18 under this section. The determination of eligibility for residential care
 19 assistance is the responsibility of the division. Except as provided in
 20 subsections (f) and (h), an individual is eligible for residential care
 21 assistance if the division determines that the individual:

- 22 (1) is a recipient of Medicaid or the federal Supplemental
 23 Security Income program;
 24 (2) is incapable of residing in the individual's own home because
 25 of dementia, mental illness, or a physical disability;
 26 (3) requires a degree of care less than that provided by a health
 27 care facility licensed under IC 16-28; and
 28 (4) can be adequately cared for in a residential care setting.

29 (b) Individuals suffering from mental retardation may not be
 30 admitted to a home or facility that provides residential care under this
 31 section.

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

- 33 (1) evaluate a person seeking admission to a home or facility
 34 under subsection (a); or
 35 (2) evaluate a person who has been admitted to a home or facility
 36 under subsection (a), including a review of the existing
 37 evaluations in the person's record at the home or facility.

38 If the service coordinator determines the person evaluated under this

1 subsection is mentally retarded, the service coordinator may
2 recommend an alternative placement for the person.

3 (d) Except as provided in section 5 of this chapter, residential care
4 consists of only room, board, and laundry, along with minimal
5 administrative direction. State financial assistance may be provided for
6 such care in a boarding or residential home of the applicant's choosing
7 that is licensed under IC 16-28 or a Christian Science facility listed and
8 certified by the Commission for Accreditation of Christian Science
9 Nursing Organizations/Facilities, Inc., that meets certain life safety
10 standards considered necessary by the state fire marshal. Payment for
11 such care shall be made to the provider of the care according to
12 division directives and supervision. The amount of nonmedical
13 assistance to be paid on behalf of a recipient living in a boarding home,
14 residential home, or Christian Science facility shall be based on the
15 daily rate established by the division. The rate for facilities that are
16 referred to in this section and licensed under IC 16-28 may not exceed
17 an upper rate limit established by a rule adopted by the division. The
18 recipient may retain from the recipient's income a **monthly** personal
19 allowance in an amount to be established by the division, but not less
20 than ~~twenty-eight dollars and fifty cents (\$28.50)~~ **thirty-five dollars**
21 **(\$35)** or more than ~~thirty-five dollars (\$35) monthly.~~ **sixty-one dollars**
22 **and thirty-two cents (\$61.32)**. This amount is exempt from income
23 eligibility consideration by the division and may be exclusively used by
24 the recipient for the recipient's personal needs. However, if the
25 recipient's income is less than the amount of the personal allowance,
26 the division shall pay to the recipient the difference between the
27 amount of the personal allowance and the recipient's income. A reserve
28 or an accumulated balance from such a source, together with other
29 sources, may not be allowed to exceed the state's resource allowance
30 allowed for adults eligible for state supplemental assistance or
31 Medicaid as established by the rules of the office of Medicaid policy
32 and planning.

33 (e) In addition to the amount that may be retained as a personal
34 allowance under this section, an individual shall be allowed to retain
35 an amount equal to the individual's state and local income tax liability.
36 The amount that may be retained during a month may not exceed
37 one-third (1/3) of the individual's state and local income tax liability for
38 the calendar quarter in which that month occurs. This amount is

1 exempt from income eligibility consideration by the division. The
 2 amount retained shall be used by the individual to pay any state or local
 3 income taxes owed.

4 (f) The rate of payment to the provider shall be determined in
 5 accordance with a prospective prenegotiated payment rate predicated
 6 on a reasonable cost related basis, with a growth of profit factor, as
 7 determined in accordance with generally accepted accounting
 8 principles and methods, and written standards and criteria, as
 9 established by the division. The division shall establish an
 10 administrative appeal procedure to be followed if rate disagreement
 11 occurs if the provider can demonstrate to the division the necessity of
 12 costs in excess of the allowed or authorized fee for the specific
 13 boarding or residential home. The amount may not exceed the
 14 maximum established under subsection (d).

15 (g) The personal allowance for one (1) month for an individual
 16 described in subsection (a) whose employment is part of the
 17 individual's personal habilitation plan or who is working in a sheltered
 18 workshop or day activity center is the amount that an individual would
 19 be entitled to retain under subsection (d) plus an amount equal to
 20 one-half (1/2) of the remainder of:

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

22 (2) the sum of:

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

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

28 (C) transportation expenses for that month.

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

32 (i) The director of the division may contract with the division of
 33 mental health or the division of disability, aging, and rehabilitative
 34 services to purchase services for individuals suffering from mental
 35 illness or a developmental disability by providing money to supplement
 36 the appropriation for community residential care programs established
 37 under IC 12-22-2 or community residential programs established under
 38 IC 12-11-1-1.

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

5 Page 9, between lines 24 and 25, begin a new paragraph and
 6 insert:

7 "SECTION 8. IC 12-15-7-2 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 2. Not less than
 9 ~~twenty-eight dollars and fifty cents (\$28.50)~~ **thirty-five dollars (\$35)**
 10 or more than ~~thirty-five dollars (\$35)~~ **sixty-one dollars and thirty-two**
 11 **cents (\$61.32)** monthly may be exempt from income eligibility
 12 consideration.

13 SECTION 9. IC 12-15-32-6 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 6. The office shall
 15 allow a resident of a facility who is receiving Medicaid to retain a
 16 **monthly** personal allowance of at least ~~twenty-eight dollars and fifty~~
 17 ~~cents (\$28.50)~~ **thirty-five dollars (\$35)** but not more than ~~fifty dollars~~
 18 ~~(\$50) each month.~~ **sixty-one dollars and thirty-two cents (\$61.32)."**

19 Renumber all SECTIONS consecutively.

(Reference is to SB 19 as reprinted February 3, 1998.)

and when so amended that said bill do pass.

Representative Bauer