

AARP Massachusetts
Alzheimer's Association, Massachusetts/New Hampshire Chapter
Greater Boston Legal Services, on Behalf of Our Clients
Greater Lowell Elder Mental Health Collaborative
LeadingAge Massachusetts
Mass Senior Action
Massachusetts Advocates for Nursing Home Reform
Massachusetts Association of Councils on Aging
Massachusetts Senior Care Association
MassNAELA, National Academy of Elder Law Attorneys Massachusetts Chapter
National Association of Social Workers - Massachusetts Chapter

Joint Committee on Elder Affairs Hearing: April 8, 2019

**S357 and H607: An Act increasing the personal needs allowance for residents of long term care facilities
Sponsors: Senator Patricia D. Jehlen and Representative Sean Garballey**

We are in strong support of **S357 and H607, both entitled *An Act increasing the personal needs allowance for residents of long term care facilities***, to permanently protect, in law, the MassHealth personal needs allowance (PNA). Both bills are exactly the same. Both raise the PNA monthly base rate from a flat \$72.80 to \$100 plus an annual cost of living adjustment (COLA), based on the US Consumer Price Index.

The PNA is a modest amount reserved from a nursing home or rest home resident's income to cover all personal needs not covered by MassHealth. This provision is currently in the State Budget (Line Item 4000-0601), and therefore is subject to reductions every year, putting a MassHealth long-term care residents' personal financial security at risk.

The PNA represents the most basic right for MassHealth long-term care residents --- the right to live with dignity --- and should not be subject to budgetary fluctuations. Residents have already lost their homes and most of their personal belongings when they move into a nursing home or rest home. Now they depend on the PNA to cover the necessities of daily life – such as clothing, shoes, haircuts, phone calls, etc. Rate hikes for The Ride cause further financial hardship, particularly for rest home residents. The PNA is the only disposable income for a MassHealth long-term care resident, and therefore is extremely important in maintaining a sense of self-worth and enjoying simple pleasures.

The following data shows the impact of inflation on the PNA, explains why the proposed monthly base rate of \$100 is a conservative amount, and supports the inclusion of a COLA:

- The current budget monthly rate of \$72.80 has not only been flat for the past 12 fiscal years --- it's at the same rate it was 28 years ago! Over that time, the dollar value of the PNA has declined to \$40.00 per month --- a meager amount which does not adequately cover current-day living costs.
- If the \$72.80 28-year-old rate had been increased annually for inflation, the monthly PNA would be \$134+ in 2019 dollars. This clearly shows that the \$100.00 monthly base is a conservative proposal and increases the financial security of MassHealth nursing home and rest home residents to a more equitable level.
- The COLA is imperative to insure a reasonable --- and fair --- level of purchasing power for the PNA on an ongoing basis.

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We urge you to support this legislation to protect and strengthen the PNA in order to maintain the dignity of those who rely upon our Commonwealth for their well-being and safety.

Thank you for consideration of our views.

Respectfully,

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