



Date: March 13, 2017

To: Intermediate Care Facilities for Individuals with an Intellectual Disability  
or Related Conditions (ICFs/IID)  
Nursing Facilities (NFs)

Subject: Information Letter No.17-06 — Guidelines for Personal Needs Allowances  
(PNA) (Replaces IL 07-15, IL 09-124, and IL 16-18)

This IL provides updated information on the PNA benefit, including instructions for specific circumstances regarding the disposition of resident PNA benefits and agency contacts.

Federal law mandates Medicaid recipients residing in NFs or non-state operated ICFs/IID and receiving assistance from Medicaid retain a portion of their monthly income to cover "personal needs." This benefit is referred to as a PNA.

Since January 1, 2006, Texas set the minimum PNA monthly amount at \$60. For clients receiving Supplemental Security Income (SSI) PNA is paid by two sources: \$30 from the individual's SSI and \$30 from the Health and Human Services Commission (HHSC) PNA. These funds belong to the resident for personal use only. A facility provider may not apply these funds towards the cost of medical assistance furnished by the facility.

If individuals receive a Retirement, Survivors, and Disability Insurance (RSDI) benefit, they are not eligible to receive a PNA warrant from either SSI or HHSC. The \$60 amount is allowed in the determination of co-payment to the facility. If a \$30 warrant is issued under these circumstances, it was issued in error and a provider must return the funds within 30 days to:

Texas Health and Human Services Commission  
Voucher Warrant Processing  
Mail Code E-411  
P.O. Box 149030  
Austin, Texas 78714-9030

### **Facility Responsibilities**

NF and ICF/IID providers who manage personal funds (i.e., a resident trust fund) are reminded of their roles and responsibilities in the disposition of the PNA benefit warrants under the following circumstances.

### **A. PNA-Eligible Resident Discharged from Facility for Reason Other than Death**

Each facility is contractually obligated to complete and submit all necessary resident movement and discharge information and forms within 72 hours after the effective date of a discharge:

- NFs: complete [Form 3618, Resident Transaction Notice](#), or [Form 3619, Medicare/SNF Patient Transaction Notice](#).
- Community-based ICFs/IID: record resident movements on the Individual Movement Form (Form 8578) through the Texas Medicaid and Healthcare Partnership's Long Term Care (LTC) Online Portal. Instructions may be found in the Individual Movement Form section of the [LTC ICF/IID Program User Guide for Providers](#).

If a facility previously managed the discharged resident's trust fund or served as the resident's representative payee, and receives the PNA benefit, the facility must:

- Forward the PNA benefit warrant to the former resident if the forwarding address is known; or
- Return the PNA benefit warrant to HHSC if there is no known forwarding address for the former resident.

### **B. PNA-Eligible Resident Discharged from Facility as a Result of Death**

a) If a facility is the payee for the PNA-eligible resident, the facility notifies HHSC of the resident's date of death through the discharge process described above. If a facility receives a PNA warrant for a resident who died in the prior month, the facility must:

- Deposit the warrant in the resident's trust fund as it is considered part of the deceased resident's estate; and
- Notify the resident's heir, guardian, attorney, etc., of the existence of the deceased resident's trust fund.

In the event a trust fund is not claimed by the deceased resident's heir, guardian, or attorney, the facility completes the escheatment process for the deceased resident's trust fund, [Form 2032, Escheatment of Consumer Funds](#).

b) If a facility receives a PNA warrant for a resident the month after the PNA-eligible resident was deceased, the facility must:

- Review the month the PNA warrant covers by reviewing the invoice number on the warrant stub (the last four digits of this number represent the benefit month);
- Verify the PNA warrant represents payment for a month following the resident's death; and

- If the warrant represents a month after the month in which the resident died, the facility:
  - Writes the word "DECEASED" and the date the resident died on the outside of the envelope;
  - Includes a copy of the resident's death certificate or obituary, if available; and
  - Returns the PNA warrant to HHSC using the address provided above.
- c) If there is a change in payee name or address or resident's address, the facility must:
  - Immediately notify the Social Security Administration at 1-800-772-1213 (TTY 1-800-325-0778) and HHSC when there is a change in the name of the payee, the payee's address, or the resident's address.
  - Immediately notify HHSC by contacting HHSC Provider Claims Services at 512-438-2200 and providing the resident's name and Social Security number, the payee name or change in payee information, address of the resident or payee, and a facility contact phone number. PNA benefits will be suspended if the benefit warrant is returned to HHSC due to invalid address or payee information and HHSC has not received notification of a change.

Payees who are not receiving HHSC monthly PNA warrants for an eligible resident must notify HHSC through HHSC Provider Claims at 512-438-2200. The payee must provide the resident's name and Social Security number, a brief description of the issue, identification of the warrant in question, and a telephone number where Provider Claims may contact the caller.

For questions about this letter, contact [ICFID.Questions@dads.state.tx.us](mailto:ICFID.Questions@dads.state.tx.us).

Sincerely,

*[signature on file]*

Emily Zalkovsky  
Deputy Associate Commissioner  
Medicaid and CHIP Services