

How to Calculate a Monthly

Client Obligation/PACE Participation Obligation:

INCOME

From Social Security: \$ 851
From Pension: \$ 200
Mary's total monthly income: \$1,051

PROTECTED INCOME

For Client Obligations/ PACE Participation Obligation, the amount of the consumer's income that is "protected" (cannot be used toward medical costs) is:

Total Protected Income Level or PIL: \$747

Monthly Income – Protected Income = Monthly Client Obligation

\$ 1051 (monthly income)
- \$ 747 (protected income limit)
\$304 is Mary's monthly Client Obligation (**BEFORE** allowable expenses)

Allowable Expenses

Consumers may be able to reduce the amount they owe on their Client Obligation by submitting receipts for medical costs to spouse's/dependent family members' or non-covered medical expenses.

Allowable Expenses:

- Health Insurance Premiums (including Medicare Premiums)
- Expenses that Medicaid, Medicare and other health insurance does not cover.
- Contact your MCO or the KanCare Clearing house for guidance on what expenses are allowed to reduce the monthly costs of the client obligation.

Monthly Income – Protected Income = Monthly Client Obligation

\$ 1051 (monthly income)
- \$ 747 (total protected income)
- \$134 (Medicare Premium = an allowable expense)
\$170 is Mary's monthly Client Obligation (**AFTER** allowable expenses)