

## How to Calculate a Monthly

### Patient Liability (Cost Share for LTC, Institutional Type Facility)

#### **INCOME**

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

#### **PROTECTED INCOME**

For Patient Liabilities, the amount of the consumer's income that is "protected" (cannot be used toward medical costs) is:

Total Protected Income Limit or PIL: \$62

#### **Monthly Income – Protected Income = Monthly Patient Liability**

\$ 1051 (monthly income)  
- \$ 62 (protected income limit)  
\$989 is Mary's monthly Client Obligation (**BEFORE** allowable expenses)

#### **Allowable Expenses**

Consumers may be able to reduce the amount they owe on their Patient Liability 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 Patient Liability**

\$ 1051 (monthly income)  
- \$ 62 (total protected income)  
- \$134 (Medicare Premium = an allowable expense)  
\$855 is Mary's monthly Patient Liability (**AFTER** allowable expenses)

**Why is the Protected Income Limit so much lower for the person residing in a nursing home (patient liability PIL is \$62) than for the individual getting HCBS services (client obligation PIL is \$747)?**

**Client Obligation:** The person with HCBS services is still living in the home and must still pay rent, utilities and food. Their “cost share” is just for medical expenses. Thus, their PIL is higher to allow for these costs that must still be paid separately by the individual.

**Patient Liability:** The LTC facility provides the rent, utilities and food in addition to medical expenses for the individual living in the nursing home.

**If the average monthly cost to stay in a nursing home is \$5500, the individual with Medicaid, Mary in this example, is receiving this care for \$855/month.**