



Kansas Medical Assistance Fact Sheet: Patient Liability or Client Obligation

The Share of Cost for Long Term Care programs

The KanCare program offers long term care coverage to people who are determined to meet the need of in-home health or nursing facility services. People with income over the protected limit may have a Share of Cost in order to participate. The share of cost is set by an eligibility worker at the KanCare Clearinghouse. There are various types of member's share of cost:

- Patient liability is usually where a member is in a nursing home or other long term institution. These individuals may pay part of their income to the facility.
- Client obligation is the share of cost where a member is using home and community-based services (HCBS) or also known as an HCBS waiver. These individuals may pay a client obligation to a provider. The member's managed care organization will tell you who this is paid to.
- Spenddown is similar to an insurance deductible; the member is responsible for the spenddown amount and the Medicaid pays for medical bills over that amount. People in long term care don't usually have a spenddown, however, may receive one if their share of cost is more than the cost of their care.

Allowed expenses to reduce patient liability/client obligation

Some medical expenses may be allowed to reduce your share of cost such health insurance premiums and other medical expenses not covered by Medicaid, Medicare, or other health insurance that are medically necessary.

Contact the KanCare Clearinghouse (1-800-792-4884) for guidance on what expenses can reduce the monthly cost of the patient/client liability.

Spousal Impoverishment

There are special rules for married persons in a long term care arrangement. We call it Division of Assets or Spousal Impoverishment. We also have income allocation where income received by the spouse receiving long term care can be allocated to the community spouse. Click here to see the [Division of Assets fact sheet](#) for more information.

Share of Cost Calculation

The consumer's share of cost is based on the consumer's gross monthly income and the protected income limit for the program. Deductions, income allocation, and expenses may be applied to reduce the share of cost.

If the consumer's income is over 300% of the SSI one person standard, the cost of care or cost of services for the consumer must be higher than the share of cost or the consumer may be reviewed for a different program.

Example of Client Obligation

Income

Social Security Administration		\$2,281.00
Pension	+	<u>\$ 895.00</u>
Total Income	=	\$3,176.00

Deductions to income

Medicare Premium	-	\$ 174.70
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Protected Income Limit (PIL)	-	\$2,829.00
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Disregard	-	<u>\$ 20.00</u>
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Client Obligation	=	\$ 152.30
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Example of a Patient Liability

Income

Social Security Administration		\$1,130.00
Pension	+	<u>\$ 580.00</u>
Total Income	=	\$1,710.00

Deductions to income

Medicare Premium	-	\$ 174.70
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Other Health Insurance Premium	-	\$ 341.00
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Protected Income Limit (PIL)	-	<u>\$ 62.00</u>
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Patient Liability	=	\$ 1,132.30
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Notification

KDHE will notify the consumer when a share of cost is created or changed. KDHE will also notify the nursing facility or managed care organization (MCO). Then the MCO will contact the consumer and tell them who to pay.