JIST DISTRICT

HAROLD F. MOWERY, JR.

SENATE BOX 203031

MAIN CAPITOL BUILDING

HARRISBURG, PA 17120-3031

(717) 787-85249

EMAIL: httpowery@pssen.gov

DISTRICT OFFICE:
1023 MUMMA ROAD
LEMOYNE, PA 17043
717-763-7623
1-800-734-5287

DISTRICT OFFICE:
POST OFFICE BOX 329

NEW BLOOMFIELD, PA 17068
717-582-4600

Semate of Jennsylvania

WEB PAGE: http://www.halmowery.com

November 25, 2002

Honorable Feather O. Houstoun Secretary of Public Welfare 333 Health & Welfare Building Harrisburg, PA 17105

COMMITTEES

PUBLIC HEALTH & WELFARE, CHAIRMAN BANKING & INSURANCE, VICE CHAIRMAN EDUCATION LAW & JUSTICE RULES & EXECUTIVE NOMINATIONS

CAPITOL PRESERVATION COMMITTEE
INTERGOVERNMENTAL COUNCIL ON
LONG TERM CARE
LEGISLATIVE DATA PROCESSING COMMITTEE
LEGISLATIVE SPORTSMEN'S CAUCUS
PENNSYLVANIA INFRASTRUCTURE
INVESTMENT AUTHORITY
SENATE FIREFIGHTERS & EMERGENCY
SERVICES CAUCUS

COPY

Re: Department of Public Welfare (DPW)

Proposed Regulation 14-478:

Resource Provisions for Categorically Needy NMP-

MA and MNO-MA; Income Provisions for Categorically Needy NMP-MA and MNO-MA

Dear Secretary Houstoun:

We are writing in our capacity as members of the Senate Public Health & Welfare Committee. We are writing to specifically object to the proposal to eliminate the home maintenance deduction for 1,136 nursing home residents each month.

As we understand, the application of the home maintenance deduction for nursing home residents, an unmarried MA recipient in a nursing home may deduct \$572.40 (in 2002) per month from income as a means to maintain the individual's community home. Before the monthly deduction can be taken, a physician must certify that the person is likely to return to the home within six months. The deduction, once approved, is limited to one period of six consecutive months.

We are concerned that people needing only short-term nursing home stays will be forced to lose their homes in order to qualify for Medical Assistance (MA) to pay for the nursing home. In the preamble, the department states that in looking at cost containment strategies, there was an effort to identify persons who had resources that they could use to defray the cost to MA. We are not convinced that this group of 1,136 nursing home residents fits the description of people who "have some existing income or resources to pay for at least part of their care". (Preamble, p. 4). There is a real danger that many of these 1,136 people will be forced to sell their homes during their brief stay in the nursing home. Worse yet, some, who may have no family to help, may lose their homes to foreclosure or sheriff sale as a result of the proposal to eliminate the home maintenance deduction. For all 1,136, there is a near certainty that they will be forced out of their homes forever.

Secretary Houstoun November 25, 2002 Regulation #14-478 Page 2

We believe that this proposal places an unreasonable burden on these 1,136 elderly and disabled nursing home residents. Further, we are not convinced that there will be any real savings from the proposal. By forcing people from their homes, there will be an inevitable increase in costs to the Commonwealth. Whether these new costs will be in the Department or in the Department of Aging does not seem to be relevant. The Commonwealth will experience increased costs from this proposal. And, they are likely to be far more than the cost of one six month period of \$572.40 in deductions per person.

We recommend that you withdraw the proposal to eliminate the home maintenance deduction for nursing home residents.

Thank you for your time and consideration.

Sincerely, Senator Harold F/Mowery, Jr. Chairman	Sincerely, Senator Vincent J. Flughes, Minority Chairman
Senator Timothy F Murphy, Vice Chairman	Senator ay Costa Jr. Member
Senator Edwin B. Erickson, Member	Shuly M Kitchen, Member
Senator Allyson Y. Schwartz, Member	Sénator Mike Waugh, Memler

cc: John R. McGinley, Jr., Esq., Chair, Independent Regulatory Review Commission