



## **Kansas Medical Assistance**

### **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 have income over the protected income limit. People with income will have a Share of Cost in order to participate. There are various types of member cost share:

- Patient liability is usually where a member is in a nursing home or other long term institution. These individuals must pay part of their income to the facility.
- Client obligation is the cost share where a member is using home and community based services (HCBS) or also known as an HCBS waiver. These individuals must pay part of their client cost share to a provider.
- Spendedown is similar to an insurance deductible; the member is responsible for the spenddown amount and the Medicaid pays for medical bills over that amount; (a spenddown can be set up for you if you are in one or more of the following groups: pregnant women, children under the age of 19, seniors age 65 and over, persons determined disabled by Social Security.). People in long term care don't usually have a spenddown.

#### ***Where is information for patient liability/client obligation sent?***

A Share of Cost – with a Patient Liability or Client Obligation - is set by an eligibility worker at the KanCare Clearinghouse. Once a person has been determined to have a client obligation, the client obligation is paid to an organization determined by the member's managed care organization (the nursing facility or one of the other providers.)

#### ***Allowed expenses to reduce patient liability/client obligation***

- Expenses that Medicaid, Medicare and other health insurance does not cover.
- Health Insurance Premiums
- Contact your managed care organization or the KanCare Clearinghouse (1-800-792-4884) for guidance on what expenses are allowed to reduce the monthly cost of the patient/client liability.

**Notification**

When an obligation is created or changed the consumer is notified by KDHE of the change for the amount of the obligation. Then the MCO will contact the consumer and tell them who to pay.

**What is the patient liability/client obligation and how is it calculated?**

**HCBS/MFP Client Obligation or PACE Participant Obligation**

| <b>Consumer's share of cost for HCBS/MFP/PACE Services</b>   | <b>Example of Client Obligation</b> |                   |
|--|-------------------------------------|-------------------|
| Based on the monthly income of the consumer  | <b>INCOME</b>                       |                   |
|  | Social Security Administration      | \$851.00          |
|  | Pension                             | \$200.00          |
|  | <b>Total Income</b>                 | <b>\$1,051.00</b> |
| May be reduced by allocation to community spouse/dependent family members or non-covered medical expenses  | <b>DEDUCTIONS</b>                   |                   |
|  | MEDICARE Premium                    | \$134.00          |
|  | <b>Total</b>                        | <b>\$917.00</b>   |
| Medicaid payment is reduced by the obligation  | Protected Income Limit (PIL)        | \$727.00          |
|  | Disregard                           | \$20.00           |
|  | <b>Client Obligation</b>            | <b>\$170.00</b>   |
| 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 obligation or the consumer may be reviewed for a different program or may be denied eligibility. |                                     |                   |