

How to Calculate a Monthly Client Obligation/PACE Participation Obligation:

INCOME		
From Social Security:	\$1300	
From Pension:	+ \$ 200	
Other Income:	+ \$ 0	
Mary's total gross monthly income:	\$1500	(Gross – before any deductions)

PROTECTED INCOME

For Client Obligations (and PACE Participation Obligations), the amount of the member's income that is **protected** (cannot be used toward medical costs) is:

Total Protected Income Level or PIL: **\$1177**

Monthly Income – Protected Income = Monthly Client Obligation

\$1500 (Mary's total gross monthly income)
 - \$1177 (Protected income level)
 \$ 323 is Mary's monthly Client Obligation (**BEFORE** any allowable expenses)

Allowable Expenses

Consumers may be able to reduce the amount they owe on their *Client Obligation (monthly premium)* by submitting "Allowable Expense" receipts to the KanCare Clearinghouse. These **allowable expenses** are **out-of-pocket medical costs (medically necessary)** to the KanCare member.

Allowable Expense:

- Medical expenses that Medicaid, Medicare and other health insurance does not cover. For ex: Health Insurance Premiums (including Medicare Premiums) or expenses prescribed by a physician that are not covered by insurance.
- ***Contact your MCO or the KanCare Clearinghouse for guidance on what expenses are allowed to reduce the monthly costs of the client obligation. However, receipts must be submitted to the Clearinghouse (not to your MCO).***
- ***Fax allowable expense receipts to the Clearinghouse:
1-844-264-6285 or 1-800-498-1255***

Monthly Income – Protected Income = Monthly Client Obligation

\$ 1500 (member's total gross monthly income)
 - \$ 1177 (protected income level)
 - \$ 200 (monthly BCBS Ins. Premium = an allowable expense)
 \$ 123 = Mary's monthly Client Obligation (**AFTER** allowable expenses)

How to Calculate a Monthly Client Obligation/PACE Participation Obligation:

		INCOME
From Social Security:	\$	
From Pension:	+ \$	
Other Income:	+ \$	
KanCare member's total gross monthly income:		\$ (Gross – before any deductions)

PROTECTED INCOME

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

Total Protected Income Level or PIL: **\$1177**

Monthly Income – Protected Income = MONTHLY CLIENT OBLIGATION

\$	(KanCare member's total gross monthly income)
- \$ 1177	(Protected income level)
\$	is the member's monthly Client Obligation (BEFORE any allowable expenses)

ALLOWABLE EXPENSES

Consumers may be able to reduce the amount they owe on their *Client Obligation (monthly premium)* by submitting "Allowable Expense" receipts to the KanCare Clearinghouse. These **allowable expenses** are **out-of-pocket medical costs (medically necessary)** to the KanCare member.

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Monthly Income – Protected Income = MONTHLY CLIENT OBLIGATION

\$	(member's total gross monthly income)
- \$ 1177	(protected income level)
- \$	(member's total allowable expenses)
\$	= the member's monthly Client Obligation (AFTER allowable expenses)