

DIVISION OF MENTAL HEALTH AND HOSPITALS

Administrative Bulletin 7:08

Date: December 22, 1982

SUBJECT: Personal Needs Allowance; Patient Income and Resources  
Applicability: H

I. Purpose

To provide a clarification of policy regarding the provision of the Personal Needs Allowance and the accumulation of patient income and resources.

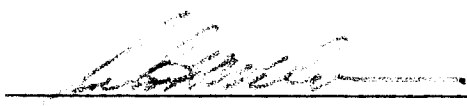
II. Authority

O.M.B.C. 4:02-13  
Medicaid State Plan

III. Policy

- A. All patients shall be entitled to a Personal Needs Allowance of \$25 per month. The source of these funds may be the patient's Supplemental Security Income check or the protected portion of his/her total monthly income. The patient shall have free use of his/her Personal Needs Allowance funds.
- B. A patient without a source of income or with insufficient income shall be provided by the State with a Personal Needs Allowance of \$25 per month, or an amount sufficient to maintain a balance of \$50, whichever is less.
- C. Following admission, each patient shall be permitted to accumulate as much of the first \$500 of his/her recurring income as he/she chooses without contributing toward his/her maintenance, unless \$500 in resources already exists either within or outside of the institution. Such accumulation shall be allowed only one time. Thereafter, accumulations will be permitted only from unused Personal Needs Allowance monies, interest, wages, including those derived from sheltered workshops, and donations from outside of the institution.
- D. All patient income is subject to collection as maintenance, except: the amount referred to in paragraph C above, Personal Needs Allowance, interest, wages, including those derived from sheltered workshops, donations from outside of the institution and deductions for the maintenance of a spouse, home and dependents in the community.

- E. Care must be taken to deter patients from "saving" themselves into Medicaid ineligibility. Patients' accounts must be carefully monitored to ensure that the \$1,500 Medicaid resource limitation is not exceeded. A patient may reduce accumulated funds through the purchase of needed personal and other items for him/herself and/or his/her family, through home visitations, or other travel, or through the application of funds toward the cost of his/her care. In those cases where the last option is selected, the Business Manager will remit such funds to the Bureau of Collections and Adjustments, with checks made payable to the Treasurer, State of New Jersey (or half to the State and half to the county, as appropriate).



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Richard H. Wilson, Director  
Division of Mental Health and Hospitals

RW:PK:s1

EXAMPLE

DEPARTMENT OF HUMAN SERVICES

7650  
(Org#)

New Lisbon State School  
(Name)

Former Employees with Overdrawn Salary Account

Name Address SS#	Daily Salary Rate	Overdrawn			Effective Date Termination	Amount of Debt	Letter		Administrative Usage
		SL	V	AL			#1	#2	
Bertha Adams Apt. Whitman Drive W. Gate Village Burlington, N.J. 08016 SS#062-60-9125	36.35	3	3/4		6/25/82	138.13	8/2	8/17/82	
John Jones Henderson Lane Willingboro, N.J. 08046 SS #434-02-5957	35.74	7	3		6/27/82	357.40	8/2	8/17/82	
Walter Boston Lake Ave Chatsworth, N.J. 08019 SS#150-66-3657	33.40	4	3/4		6/17/82	160.32	8/2	8/17/82	
Martin Wells Princeton Ave. Pemberton, N.J. 08068 SS#249-46-5769	34.70	11	1/21/4		6/30/82	409.46	8/2	8/17/82	
Jane Ralston Millscream Apt. Wrightstown, N.J. 08062 SS 65-46-7618	47.38	10	8		4/20/82	352.84	8/2	8/17/82	

SOIL FO-1



State of New Jersey

**TRANSMITTAL OF SALARY REFUNDS**

Payroll No. \_\_\_\_\_ Transmittal No. \_\_\_\_\_ Fiscal Year \_\_\_\_\_ Date \_\_\_\_\_

Department \_\_\_\_\_ Division \_\_\_\_\_

To the Director of Budget and Accounting:

Attached herewith are Payroll Checks and Stubs amounting to \$ \_\_\_\_\_

(net cash) to be credited as refunds to the indicated Salary Appropriation Accounts printed on the check stubs.

PAYROLL PERIOD	PAYEE	CHECK NUMBER	CHECK AMOUNT	REMARKS

Signature – Approval Officer

\_\_\_\_\_

**Return to Centralized Payroll: Original and three copies of Form 112A – with Payroll Checks and Stubs and four copies of the Payroll Check Stubs.**