

More Information

The Department for Community Based Services (DCBS) within the Cabinet for Health and Family Services (CHFS) determines if a participant meets the financial limits for Medicaid and how much *patient liability* they can afford to pay.

If you have questions about *patient liability* or disagree with the amount you must pay, you can call DCBS at 1-855-306-8959.



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Keeping Your Medicaid Coverage



**A guide to patient liability for
participants in
Kentucky's 1915(c) Home and
Community Based Services (HCBS)
Waivers
January 2020**

**What is
patient liability?**

Patient liability is a monthly amount of money **some** waiver participants pay to help cover the cost of waiver services. *Patient liability* is based on a participant's income.

**Who pays
patient liability?**

Medicaid sets limits on the amount of income a participant can keep and still qualify to be part of the program. If a person who needs waiver services has more income than Medicaid allows, *patient liability* helps them meet those limits.

How Medicaid calculates *patient liability*

Medicaid looks at your income and subtracts several different amounts of money from it. Those amounts include:

Money for your personal needs. The amount you are allowed to keep for personal needs **increased** on January 1, 2020

Money for the needs of your spouse and/or family.

Money for your medical expenses and/or health insurance premiums.

The amount left after Medicaid subtracts the above amounts from a participant's income is considered *patient liability*.

What Medicaid counts as "income"

- ⇒ Any pay you earn
- ⇒ Any investments you have
- ⇒ Any rental property you own
- ⇒ Any pension plans you have
- ⇒ Any benefits you receive such as Social Security, Black Lung or Railroad Retirement benefits, or a Veteran's Administration pension

How participants pay *patient liability*

1. After you receive a waiver service, your provider sends a bill to Medicaid.
2. Medicaid subtracts part of your *patient liability* from what it pays the provider.
3. The provider collects the amount Medicaid did not pay from you. Your providers will do this until you have paid your full *patient liability* for the month.

Here is an example:

- ⇒ Jane has a monthly *patient liability* of **\$100**.
- ⇒ After Jane receives a waiver service, the provider bills Medicaid **\$200**.
- ⇒ Medicaid pays the provider **\$175**.
- ⇒ The provider collects the remaining **\$25** from Jane.
- ⇒ Jane will continue to pay her providers until she reaches **\$100** total. The process starts over the next month.

Important Note: If you do not pay your full *patient liability* each month, you will lose waiver services.