



## Issue in Brief: Personal Needs Allowance

### Problem:

The personal needs allowance (PNA) for nursing home residents on Medicaid is only \$50 per month, which is simply not enough for residents to live on in New Jersey. The situation erodes the dignity and freedom that the residents deserve.

### Solution:

Pass New Jersey Bill [S1576/A2691](#) to raise the PNA to \$140/month.

### Background:

Nearly two-thirds of New Jersey nursing home residents are on Medicaid. Their benefits — along with any income they receive, such as Social Security — are paid to the nursing home. The residents get to keep \$50 as their PNA. This is hardly enough for bare necessities, such as shoes and clothes, let alone to cover hair care; a phone; supplies for their hobbies; toiletries to replace the subpar items provided by the nursing home; and occasional takeout food to serve up a respite from the nursing home's drab institutional cuisine.

[Forbes Advisor ranks New Jersey as the fifth-most expensive state](#) to live in, behind Hawaii, Massachusetts, California, and New York. Yet 35 states and the District of Columbia provide their residents with a higher PNA, according to the [American Council on Aging](#).

Bill S1576/A2691 is identical to legislation from the previous session that was reported favorably out of committees in both the Senate and Assembly but was not posted for a floor vote in either chamber. Drafted and championed by nursing home residents, the bill would raise the PNA to \$140 a month and establish yearly cost-of-living adjustments. Residents from across the state circulated petitions and reached out to legislators seeking support for the bill. Residents are leading this initiative with technical assistance from the Long-Term Care Ombudsman's Community Engagement Program.

Nursing home residents are eager to meet virtually with legislators or policymakers on this issue. To connect with residents and family members working on the PNA increase, contact Community Engagement at 609-690-4740 or [community@ltco.nj.gov](mailto:community@ltco.nj.gov).