

(2) IN ADDITION TO THE REQUIREMENTS FOR THE COURT-APPROVED TRUST DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION, EXCEPT FOR THE AMOUNT REASONABLY NECESSARY TO MAINTAIN THE EXISTENCE OF THE TRUST AND REQUIRED TO BE RETAINED IN THE TRUST TO COMPLY WITH FEDERAL REQUIREMENTS, THE ENTIRE CORPUS OF THE TRUST, OR AS MUCH OF THE CORPUS AS CAN BE DISTRIBUTED EACH MONTH WITHOUT VIOLATING FEDERAL REQUIREMENTS FOR FEDERAL FINANCIAL PARTICIPATION, SHALL BE DISTRIBUTED EACH MONTH FOR EXPENSES RELATED TO THE BENEFICIARY'S NURSING FACILITY CARE THAT ARE APPROVED UNDER THE PROGRAM.

(3) DEDUCTIONS MAY BE DISTRIBUTED FROM THE TRUST TO THE SAME EXTENT DEDUCTIONS FROM THE INCOME OF A NURSING FACILITY RESIDENT WHO IS NOT A TRUST BENEFICIARY ARE ALLOWED UNDER THE PROGRAM. THE DEDUCTIONS SHALL INCLUDE THE FOLLOWING:

(I) A MONTHLY PERSONAL NEEDS ALLOWANCE AS DETERMINED BY THE DEPARTMENT BY REGULATION;

(II) PAYMENTS TO THE BENEFICIARY'S COMMUNITY SPOUSE OR DEPENDENT FAMILY MEMBERS AS PROVIDED AND IN ACCORDANCE WITH TITLE XIX OF THE FEDERAL SOCIAL SECURITY ACT, 42 U.S.C. § 1396R-5, AS AMENDED, AND APPLICABLE FEDERAL AND STATE REGULATIONS;

(III) SPECIFIED HEALTH INSURANCE COSTS AND SPECIAL MEDICAL SERVICES PROVIDED UNDER TITLE XIX OF THE FEDERAL SOCIAL SECURITY ACT, 42 U.S.C. § 1396A(R), AS AMENDED; AND

(IV) ANY OTHER DEDUCTION ALLOWED BY APPLICABLE FEDERAL OR STATE REGULATIONS.

(4) FOR PURPOSES OF THIS SUBSECTION, "MEDICAID QUALIFYING TRUST" HAS THE SAME MEANING AS STATED IN TITLE XIX OF THE FEDERAL SOCIAL SECURITY ACT, 42 U.S.C. § 1396A(K).

(E) THE DEPARTMENT SHALL:

(1) ADOPT REGULATIONS THAT ARE NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SECTION AND TO COMPLY WITH FEDERAL LAW; AND

(2) AMEND THE STATE MEDICAL ASSISTANCE PLAN IN A MANNER THAT IS CONSISTENT WITH THE PROVISIONS OF THIS SECTION.

(F) THE PROVISIONS OF THIS SECTION MAY NOT APPLY IF FEDERAL FUNDS ARE NOT AVAILABLE FOR INDIVIDUALS WHO WOULD QUALIFY FOR MEDICAL ASSISTANCE AS A RESULT OF A COURT-APPROVED TRUST THAT MEETS THE CRITERIA DESCRIBED IN THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of this Act shall apply to any court-approved trust established for or a court-approved transfer of property income on or after October 1, 1993 made by or for a protected individual who is applying for or who is receiving medical assistance for nursing facility care in accordance with the provisions of Title 15, Subtitle 1 of the Health - General Article. A