

(1) The individual is considered ineligible because of the increase under applicable rules or regulations of the United States Department of Health and Human Services; and

(2) As to that individual, federal matching funds for the State Program are not available.

(b) Except as provided in § 15-103(a)(2)(ii) of this subtitle, to determine eligibility under the Program, the Department annually shall set the allowable yearly income levels in amounts at least equal to the following:

(1) Family of 1 - \$2,500.

(2) Family of 2 - \$3,000.

(3) Family of 3 - \$3,500.

(4) Family of 4 - \$4,000.

(5) Family of 5 or more - \$4,500 plus an increase of \$500 for each family member in excess of 5.

(c) This section is effective only to the extent that its provisions do not conflict with federal requirements for the administration of the Program in this State.

(d) As a condition of eligibility for medical assistance, a recipient is deemed to have assigned to the Secretary of Health and Mental Hygiene or the Secretary's designee any rights to payment for medical care services from any third party who has the legal liability to make payments for those services, to the extent of any payments made by the Department on behalf of the recipient.

(E) (1) EACH RESIDENT OF A NURSING HOME WHO IS A RECIPIENT OF MEDICAL ASSISTANCE SHALL RECEIVE A PERSONAL NEEDS ALLOWANCE.

(2) ~~BEFORE~~ AFTER A DETERMINATION OF INCOME ELIGIBILITY IS MADE FOR A NURSING HOME RESIDENT UNDER THE PROGRAM, THE PERSONAL NEEDS ALLOWANCE SHALL BE DEDUCTED FROM THE TOTAL INCOME OF THE RESIDENT.

(3) THE PERSONAL NEEDS ALLOWANCE FOR EACH RESIDENT OF A NURSING HOME WHO IS A RECIPIENT OF MEDICAL ASSISTANCE SHALL BE:

(H) ~~BEGINNING JULY 1, 2003, \$60~~ BEGINNING JULY 1, 2002, \$50 PER MONTH; AND

(I) IF ON OR BEFORE JUNE 30, 2002, THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES APPROVE THE DEPARTMENT'S APPLICATION FOR AN AMENDMENT TO THE STATE'S EXISTING § 1115 DEMONSTRATION WAIVER NECESSARY TO IMPLEMENT THE MARYLAND PHARMACY DISCOUNT PROGRAM ESTABLISHED UNDER § 15-124.1 OF THE HEALTH - GENERAL ARTICLE:

1. BEGINNING APRIL 1, 2003, \$50 PER MONTH;

~~(H)~~ 2. BEGINNING JULY 1, 2003 2004, \$60 PER MONTH; AND