MAINE STATE LEGISLATURE

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NINETY-SIXTH LEGISLATURE

Legislative Document

No. 975

S. P. 365 In Senate, February 19, 1953
Referred to the Committee on Welfare. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary Presented by Senator Parker of Piscataquis.

IN THE YEAR OF OUR LORD NINETEEN HUNDRED FIFTY-THREE

STATE OF MAINE

RESOLVE, Providing for Liberalization of Eligibility Requirements for Old Age Assistance.

Income-Assets Schedule; appropriation to liberalize. Resolved: That there be, and hereby is, appropriated from the general fund of the state the sum of \$87,000 for the fiscal year ending June 30, 1954 and the sum of \$148,500 for the fiscal year ending June 30, 1955 for the purpose of liberalizing the Income-Assets Schedule now being used by the department of health and welfare in the determination of eligibility for old age assistance.

STATEMENT OF FACTS

The present Income-Assets Schedule used by the department of health and welfare to determine ability of adult children living in Maine to provide for the support of their aged parents is as follows:

A. Income

1. An applicant is not eligible if an adult child is a person with no dependents, and has a gross income of \$2,200 per year or more.

- 2. An additional allowance of \$600 gross income per year is allowed for each dependent of the adult child up to a maximum of \$4,600 per year regardless of the number of dependents.
- 3. All allowances are increased by the amount of medical bills actually incurred during the preceding 12 months up to a maximum average of \$200 per person.

B. Assets

An adult child is deemed able to support one parent if he has net assets in excess of \$5,000 or both parents if he has net assets in excess of \$7,500.

This resolve will enable the department to modify the above Income-Assets Schedule as follows:

- 1. Increase gross income from \$2,200 to \$2,400 per year.
- 2. Increase allowance for each dependent of relative from \$600 gross income to \$700 per year up to a maximum of \$5,200 per year regardless of the number of dependents.
- 3. Increase net assets to support one aged relative from \$5,000 to \$7,500.
- 4. Increase net assets to support both aged relatives from \$7,500 to \$10,000.

Under such modifications, it is estimated that 750 cases would be added to the rolls. The total cost the first year would be \$252,000 and the second year \$432,000. Federal funds of \$165,000 the first year, and \$283,500 the second year would be available if the State funds are made available. State funds as provided in this resolve will amount to \$87,000 for the fiscal year ending June 30, 1954 and \$148,500 for the fiscal year ending June 30, 1955.