Substitute for HOUSE BILL No. 2731

AN ACT concerning public assistance; requiring the department of health and environment in coordination with the Kansas department for aging and disability services to seek federal approval to establish continuous medicaid eligibility for certain individuals with intellectual or developmental disabilities who are receiving services through a home and community based services waiver; requiring the secretary for children and families and the secretary of health and environment to enter into data-matching agreements with state agencies to verify eligibility for food and medical assistance; directing the department of health and environment to submit certain data to the centers for medicare and medicaid services; prohibiting certain public assistance program waivers or exemptions without legislative approval; prohibiting self-attestation for purposes of determining eligibility for public assistance programs; limiting retroactive enrollment in the medical assistance program; requiring immediate termination of eligibility for medical assistance upon confirmation of death of the enrollee; increasing the age limit for able-bodied adults without certain dependents; prohibiting certain exemptions from work requirements under the food assistance program; amending K.S.A. 2025 Supp. 39-709 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) The department of health and environment, in coordination with the Kansas department for aging and disability services, shall seek all necessary federal approvals, including, but not limited to, authority under section 1115 of the federal social security act, to establish continuous medicaid eligibility protections for individuals with documented permanent intellectual or developmental disabilities who are receiving services through a home and community based services waiver.

(b) For purposes of federal approval and program design, the state shall seek authority to:

(1) Establish continuous medicaid eligibility for individuals described in subsection (a) unless a verified change occurs in income, assets, residency or disability status;

(2) limit routine eligibility redeterminations for individuals described in subsection (a) to circumstances involving a documented or reported material change;

(3) maintain all existing financial eligibility standards and federal program integrity requirements; and

(4) reduce administrative functions that do not improve eligibility accuracy or program oversight.

(c) Nothing in this section shall be construed to:

(1) Expand medicaid eligibility categories;

(2) modify financial eligibility thresholds;

(3) alter services, protections or assurances required under any home and community based services waiver authorized under section 1915(c) of the federal social security act; or

(4) authorize implementation of continuous eligibility protections unless and until federal approval is received.

(d) Upon receipt of federal approval, the secretary of health and environment shall implement continuous eligibility protections in coordination with the secretary for aging and disability services.

(e) If federal approval is not granted, the secretaries shall report to the legislature regarding:

(1) Barriers to approval;

(2) alternative administrative options to improve eligibility continuity; and

(3) estimated fiscal and administrative impacts of alternative approaches.

New Sec. 2. (a) To verify eligibility for the food assistance program and the medical assistance program pursuant to K.S.A. 39-709, and amendments thereto, the secretary for children and families, in the administration of food assistance, and the secretary of health and environment, in the administration of medical assistance, shall enter into data-matching agreements with state agencies to compare data

related to individuals and households applying for or enrolled in food assistance or medical assistance and other state data sets that indicate a change in circumstance that may affect eligibility. Each respective secretary shall receive and review information concerning individuals or households applying for or enrolled in food assistance or medical assistance that indicates a change in circumstances that may affect eligibility for food assistance or medical assistance on at least a:

(1) Monthly basis, from the office of vital statistics, including, but limited to, death records;

(2) quarterly basis, from the department of labor, including, but not limited to, changes in employment or wages;

(3) monthly basis, including, but not limited to, potential changes in residency as identified by out-of-state electronic benefit transfer transactions;

(4) monthly basis, from the department of corrections, including, but not limited to, incarceration status; and

(5) monthly basis, from the Kansas lottery and the Kansas racing and gaming commission, to identify individuals and households with lottery or gambling winnings of $3,000 or greater and, to the extent permissible under federal law, deem this data verified upon receipt, and if the data is not verified upon receipt, the department shall make referrals for further investigation to identify individuals and households with winnings equal to or greater than the resource limit for elderly or disabled individuals and households as defined in 7 C.F.R. § 273.8(b).

(b) When an enrollee is determined to be noncompliant with requirements or ineligible for food assistance or medical assistance, such enrollee shall be provided no greater than a 30-day notice of such noncompliance or ineligibility prior to being disenrolled from food assistance or medical assistance.

New Sec. 3. (a) On and after January 1, 2027, the department of health and environment shall submit medical assistance enrollment data to the United States centers for medicare and medicaid services on a monthly basis to identify and remove individuals who are enrolled in medical assistance programs in multiple states.

(b) The department shall submit medical assistance enrollee address information collected from the following reliable data sources:

(1) Mail returned to the department by the United States postal service with a forwarding address;

(2) the national change of address database maintained by the United States postal service;

(3) a managed care organization, prepaid inpatient health plan or prepaid ambulatory health plan that has a contract under the state plan if such address information is provided to such organization or plan directly from, or verified by such organization or plan directly with such enrollee; or

(4) any other data source identified by the department and approved by the secretary of the United States department of health and human services.

New Sec. 4. (a) On and after July 1, 2026, no state agency shall provide an optional exemption, geographic waiver or work requirements waiver for any public assistance program unless the legislature expressly consents to and approves of such exemption or waiver by an act of the legislature.

(b) As used in this section:

(1) "Public assistance program" means any assistance under K.S.A. 39-709, and amendments thereto; and

(2) "state agency" means the same as defined in K.S.A. 75-3701, and amendments thereto.

Sec. 5. K.S.A. 2025 Supp. 39-709 is hereby amended to read as

follows: 39-709. (a) *General eligibility requirements for assistance for which federal moneys are expended.* (1) Subject to the additional requirements below, assistance in accordance with plans under which federal moneys are expended may be granted to any needy person who:

(A) Has insufficient income or resources to provide a reasonable subsistence compatible with decency and health and when determining such income or resources, the secretary shall:

(i) When a husband and wife or cohabiting partners are living together, consider the combined income or resources of both to determine the eligibility of either or both for such assistance unless otherwise prohibited by law;

(ii) not take into account the financial responsibility of any individual for any applicant or recipient of assistance unless such applicant or recipient is such individual's spouse, cohabiting partner or such individual's minor child or minor stepchild if the stepchild is living with such individual;

(iii) review and may provide such income and resource exemptions as may be permitted by federal law; and

(iv) consider one motor vehicle owned by the applicant for assistance, regardless of the value of such vehicle, as exempt personal property and shall consider any equity in any boat, personal water craft, recreational vehicle, recreational off-highway vehicle or all-terrain vehicle, as defined by K.S.A. 8-126, and amendments thereto, or any additional motor vehicle owned by the applicant for assistance to be a nonexempt resource of the applicant for assistance except that any additional motor vehicle used by the applicant, the applicant's spouse or the applicant's cohabiting partner for the primary purpose of earning income may be considered as exempt personal property in the secretary's discretion;

(B) is a citizen of the United States or is an alien lawfully admitted to the United States; and

(C) resides in the state of Kansas.

(2) No person who voluntarily quits employment or who is fired from employment due to gross misconduct as defined by rules and regulations of the secretary or who is a fugitive from justice by reason of a felony conviction or charge or violation of a condition of probation or parole imposed under federal or state law shall be eligible to receive public assistance benefits in this state. Any recipient of public assistance who fails to timely comply with monthly reporting requirements under criteria and guidelines prescribed by rules and regulations of the secretary shall be subject to a penalty established by the secretary by rules and regulations.

(3) The department of administration shall provide monthly to the Kansas department for children and families the social security numbers or alternate taxpayer identification numbers of all persons who claim a Kansas lottery prize in excess of ~~$5,000~~ *$3,000* during the reported month. The Kansas department for children and families shall verify if individuals with such winnings are receiving temporary assistance for needy families or TANF, food assistance or assistance under the child care subsidy program and take appropriate action. The Kansas department for children and families shall use data received under this subsection solely, and for no other purpose, to determine if any recipient's eligibility for benefits has been affected by lottery prize winnings. The Kansas department for children and families shall not publicly disclose the identity of any lottery prize winner, including recipients who are determined to have illegally received benefits.

(4) Unless required under federal law, the Kansas department for children and families and the department of health and environment shall not accept self-attestation of income, residency, age, household

composition, caretaker relative status or receipt of other coverage without verification prior to enrollment, or request authority to waive or decline to periodically check any available income-related data sources to verify eligibility for TANF, food assistance, medical assistance or assistance under the child care subsidy program.

(b) *Temporary assistance for needy families program.* (1) As used in this section, "family group" or "household" means the applicant or recipient for TANF, child care subsidy or employment services and all individuals living together in which there is a relationship of legal responsibility or a qualifying caretaker relationship. This will include a cohabiting partner living with the person legally responsible for the child.

(2) Assistance may be granted under this act to any dependent child, or relative, subject to the general eligibility requirements as set out in subsection (a), who resides in the state of Kansas or whose parent or other relative with whom the child is living resides in the state of Kansas. Where the husband and wife or cohabiting partners are living together, both shall register for work under the program requirements for TANF in accordance with criteria and guidelines prescribed by rules and regulations of the secretary.

(3) The family group shall not be eligible for TANF if the family group contains at least one adult member who has received TANF, including the federal TANF received in any other state, for 24 calendar months beginning on and after October 1, 1996, unless the secretary determines a hardship exists and grants an extension allowing receipt of TANF until the 36-month limit is reached. No extension beyond 36 months shall be granted. Hardship provisions for a recipient include:

(A) Is a caretaker of a disabled family member living in the household;

(B) has a disability that precludes employment on a long-term basis or requires substantial rehabilitation;

(C) needs a time limit extension to overcome the effects of domestic violence or sexual assault;

(D) is involved with prevention and protection services and has an open social service plan; or

(E) is determined by the 24th month to have an extreme hardship other than what is designated in criteria listed in subparagraphs (A) through (D). This determination will be made by the executive review team.

(4) Eligibility for TANF shall be subject to subsection (f)(1) through (3).

(5) All adults applying for TANF shall be required to complete a work program assessment as specified by the Kansas department for children and families, including those who have been disqualified for or denied TANF due to non-cooperation, drug testing requirements or fraud. Adults who are not otherwise eligible for TANF, such as ineligible aliens, relative/non-relative caretakers and adults receiving supplemental security income are not required to complete the assessment process.

(6) During the application processing period, applicants must complete at least one module or its equivalent of the work program assessment to be considered eligible for TANF benefits, unless good cause is found to be exempt from the requirements. Good cause exemptions shall only include that the applicant:

(A) Can document an existing certification verifying completion of the work program assessment;

(B) has a valid offer of employment or is employed a minimum of 20 hours a week;

(C) is a parenting teen without a GED or high school diploma;

(D) is enrolled in job corps;

(E) is working with a refugee social services agency; or

(F) has completed the work program assessment within the last 12 months.

(7) The Kansas department for children and families shall maintain a sufficient level of dedicated work program staff to enable the agency to conduct work program case management services to TANF recipients in a timely manner and in full accordance with state law and agency policy.

(8) (A) TANF mandatory work program applicants and recipients shall participate in work components that lead to competitive, integrated employment. Components are defined by the federal government as being either primary or secondary.

(B) (i) In order to meet federal work participation requirements, households shall meet at least 30 hours of participation per week, at least 20 hours of which shall be primary and at least 10 hours may be secondary components in one parent households where the youngest child is six years of age or older.

(ii) Participation hours shall be 55 hours per week in two parent households, 35 hours per week if child care is not used. The maximum assignment is 40 hours per week per individual.

(iii) For two parent families to meet the federal work participation rate, both parents shall participate in a combined total of 55 hours per week, 50 hours of which shall be in primary components, or one or both parents could be assigned a combined total of 35 hours per week, 30 hours of which must be primary components, if the Kansas department for children and families paid child care is not received by the family.

(iv) Single parent families with a child under six years of age meet the federal participation requirement if the parent is engaged in work or work activities for at least 20 hours per week in a primary work component.

(C) (i) The following components meet federal definitions of primary hours of participation:

(a) Full-time or part-time employment;

(b) apprenticeship;

(c) work study;

(d) self-employment;

(e) job corps;

(f) subsidized employment;

(g) work experience sites;

(h) on-the-job training;

(i) supervised community service;

(j) vocational education;

(k) job search; and

(l) job readiness.

(ii) Secondary components include:

(a) Job skills training;

(b) education directly related to employment such as adult basic education and English as a second language; and

(c) completion of a high school diploma or GED.

(D) A parent or other adult caretaker personally providing care for a child under the age of three months in their TANF household shall be exempt from work participation activities until the month the child attains three months of age. Such three-month limitation shall not apply to a parent or other adult caretaker who is personally providing care for a child born significantly premature, with serious medical conditions or with a disability as defined by the secretary, in consultation with the secretary of health and environment and adopted in the rules and

regulations. The three-month period is defined as two consecutive months starting with the month after childbirth. The exemption for caring for a child under three months of age cannot be claimed by:

(i) Either parent when two parents are in the home and the household meets the two-parent definition for federal reporting purposes;

(ii) one parent or caretaker when the other parent or caretaker is in the home, and available, capable and suitable to provide care and the household does not meet the two-parent definition for federal reporting purposes;

(iii) a person 19 years of age or younger when such person is pregnant or a parent of a child in the home and the person does not possess a high school diploma or its equivalent. Such person shall become exempt the month such person attains 20 years of age; or

(iv) any person assigned to a work participation activity for substance use disorders.

(E) TANF work experience placements shall be reviewed after 90 days and are limited to six months per 24-month lifetime limit. A client's progress shall be reviewed prior to each new placement regardless of the length of time they are at the work experience site.

(F) TANF participants with disabilities shall engage in required employment activities to the maximum extent consistent with their abilities. A TANF participant shall provide current documentation by a qualified medical practitioner that details the ability to engage in employment and any limitation in work activities along with the expected duration of such limitations. As used in this subparagraph, "disability" means a physical or mental impairment constituting or resulting in a substantial impediment to employment for such individual.

(G) The period of ineligibility for TANF benefits based on non-cooperation, as defined in K.S.A. 39-702, and amendments thereto, with work programs shall be as follows, for a:

(i) First penalty, three months and full cooperation with work program activities;

(ii) second penalty, six months and full cooperation with work program activities;

(iii) third penalty, one year and full cooperation with work program activities; and

(iv) fourth or subsequent penalty, 10 years.

(9) The period of ineligibility for TANF benefits based on parents' non-cooperation, as defined in K.S.A. 39-702, and amendments thereto, with child support services shall be as follows, for a:

(A) First penalty, three months and cooperation with child support services prior to regaining eligibility;

(B) second penalty, six months and cooperation with child support services prior to regaining eligibility;

(C) third penalty, one year and cooperation with child support services prior to regaining eligibility; and

(D) fourth penalty, 10 years.

(10) No TANF shall be used to purchase alcohol, cigarettes, tobacco products, lottery tickets, concert tickets, professional or collegiate sporting event tickets or tickets for other entertainment events intended for the general public or sexually oriented adult materials. No TANF shall be used in any retail liquor store, casino, gaming establishment, jewelry store, tattoo parlor, massage parlor, body piercing parlor, spa, nail salon, lingerie shop, tobacco paraphernalia store, vapor cigarette store, psychic or fortune telling business, bail bond company, video arcade, movie theater, swimming pool, cruise ship, theme park, dog or horse racing facility, parimutuel

facility, or sexually oriented business or any retail establishment that provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment, or in any business or retail establishment where minors under 18 years of age are not permitted. No TANF shall be used for purchases at points of sale outside the state of Kansas.

(c) *Food assistance program.* (1) (A) The secretary shall not apply gross income standards for food assistance higher than the standards specified in 7 U.S.C. § 2015(c) unless expressly required by federal law. Categorical eligibility exempting households from such gross income standards requirements shall not be granted for any non-cash, in-kind or other benefit unless expressly required by federal law.

(B) The secretary shall not apply resource limits standards for food assistance that are higher than the standards specified in 7 U.S.C. § 2015(g)(1) unless expressly required by federal law. Categorical eligibility exempting households from such resource limits shall not be granted for any non-cash, in-kind or other benefit unless expressly required by federal law.

(C) The secretary shall not enact the state option from the United States department of agriculture for broad-based categorical eligibility for households applying for food assistance according to the provisions of 7 C.F.R. § 273.2(j)(2)(ii).

(D) Eligibility for the food assistance program shall be limited to those individuals who are citizens or who meet qualified non-citizen status as determined by the United States department of agriculture. Non-citizen individuals who are unable or unwilling to provide qualifying immigrant documentation, as defined by the United States department of agriculture, residing within a household shall not be included when determining the household's size for the purposes of assigning a benefit level to the household for food assistance or comparing the household's monthly income with the income eligibility standards. The gross non-exempt earned and unearned income and resources of disqualified individuals shall be counted in its entirety as available to the remaining household members.

(E) Individuals who have not cooperated with TANF work programs shall be ineligible to participate in the food assistance program. The comparable penalty shall be applied to only the individual in the food assistance program who failed to comply with the TANF work requirement. The agency shall impose the same penalty to the member of the household who failed to comply with TANF requirements. The penalty periods are three months, six months, one year or 10 years.

(F) Individuals who have not cooperated without good cause with child support services shall be ineligible to participate in the food assistance program. The period of disqualification ends once it has been determined that such individual is cooperating with child support services.

(G) Eligibility for food assistance shall be subject to subsection (f)(4).

(2) (A) Each food assistance household member who is not otherwise exempt from the following work requirements shall:

(i) Register for work;

(ii) participate in an employment and training program, if assigned to such a program by the department;

(iii) accept a suitable employment offer; and

(iv) not voluntarily quit a job of at least 30 hours per week.

(B) Any recipient who has not complied with the work requirements under subparagraph (A) shall be ineligible to participate in the food assistance program for the following time period and until

the recipient complies with such work requirements for a:

(i) First penalty, three months;

(ii) second penalty, six months; and

(iii) third penalty and any subsequent penalty, one year.

(C) The secretary is prohibited from requesting or implementing a waiver or program from the United States department of agriculture for the time limited assistance provisions for able-bodied adults aged 18 through ~~49~~ *64* without dependents *under 14 years of age* in a household under the food assistance program. The time on food assistance for able-bodied adults aged 18 through ~~49~~ *64* without dependents *under 14 years of age* in the household shall be limited to three months in a 36-month period if such adults are not meeting the requirements imposed by the United States department of agriculture that they must work for at least 20 hours per week or participate in a federally approved work program or its equivalent. *No exemption from such time-limited assistance shall be granted for homeless individuals, veterans or individuals who are 24 years of age or younger and who were in foster care on the date of attaining 18 years of age or such higher age as the state has elected under 42 U.S.C. § 675(8)(B)(iii).*

(3) The Kansas department for children and families shall assign all individuals subject to the requirements established under 7 U.S.C. § 2015(d)(1) to an employment and training program as defined in 7 U.S.C. § 2015(d)(4). The provisions of this paragraph shall only apply to:

(A) Able-bodied adults aged 18 through ~~49~~ *64* without dependents *under 14 years of age*;

(B) work registrants aged 50 through 59 without dependents not exempt from 7 U.S.C. § 2015(d)(2); and

(C) individuals who are not employed at least 30 hours per week.

(4) No federal or state funds shall be used for television, radio or billboard advertisements that are designed to promote food assistance benefits and enrollment. No federal or state funding shall be used for any agreements with foreign governments designed to promote food assistance.

(d) *Child care subsidy program.* (1) The secretary shall adopt rules and regulations for:

(A) Determining eligibility for the child care subsidy program, including an income of a cohabiting partner in a child care household; and

(B) determining and maintaining eligibility for non-TANF child care, requiring that all included adults shall be employed a minimum of 20 hours per week or more as defined by the secretary or meet the following specific qualifying exemptions:

(i) Adults who are not capable of meeting the requirement due to a documented physical or mental condition;

(ii) adults who are former TANF recipients who need child care for employment after their TANF case has closed and earned income is a factor in the closure in the two months immediately following TANF closure;

(iii) adult parents included in a case in which the only child receiving benefits is the child of a minor parent who is working on completion of high school or obtaining a GED;

(iv) adults who are participants in a food assistance employment and training program;

(v) adults who are participants in an early head start child care partnership program and are working or in school or training; or

(vi) adults who are caretakers of a child in custody of the secretary in out-of-home placement needing child care.

(2) (A) The Kansas department for children and families shall

provide child care for the pursuit of any degree or certification if the occupation has at least an average job outlook listed in the occupational outlook of the United States department of labor, bureau of labor statistics.

(B) For occupations with less than an average job outlook, educational plans shall require approval of the secretary or secretary's designee.

(C) Child care may also be approved if the student provides verification of a specific job offer that will be available to such student upon completion of the program.

(D) Child care for post-secondary education shall be allowed for a lifetime maximum of 24 months per adult. The 24 months does not have to be consecutive.

(E) Students shall be engaged in paid employment for a minimum of 15 hours per week.

(F) In a two-parent adult household, child care would not be allowed if both parents are adults and attending a formal education or training program at the same time. The household may choose which one of the parents is participating as a post-secondary student. The other parent shall meet another approvable criteria for child care subsidy.

(3) (A) The period of ineligibility for child care subsidy based on parents' non-cooperation, as defined in K.S.A. 39-702, and amendments thereto, with child support services shall be as follows, for a:

(i) First penalty, three months and cooperation with child support services prior to regaining eligibility;

(ii) second penalty, six months and cooperation with child support services prior to regaining eligibility;

(iii) third penalty, one year and cooperation with child support services prior to regaining eligibility; and

(iv) fourth penalty, 10 years.

(B) The secretary, or the secretary's designee, shall review child support compliance of a parent:

(i) Upon application for child care subsidy;

(ii) after 12 months of continuous eligibility for child care subsidy; and

(iii) following such 12 months of continuous eligibility when the secretary renews or redetermines a parent's eligibility for child care subsidy.

(e) *Fraud investigations.* (1) The Kansas department for children and families shall conduct an electronic check for any false information provided on an application for TANF and other benefits programs administered by the department. For TANF, food assistance and the child care subsidy program, the department shall verify the identity of all adults in the assistance household.

(2) (A) Any individual who is found to have committed fraud or is found guilty of the crime of theft pursuant to K.S.A. 21-5801 and 39-720, and amendments thereto, in either the TANF or child care program shall render all adults in the family unit ineligible for TANF.

(B) Adults in the household who have been determined to have committed fraud or were convicted of the crime of theft pursuant to K.S.A. 21-5801 and 39-720, and amendments thereto, shall render themselves and all adult household members ineligible for their lifetime for TANF, even if fraud was committed in only one program.

(C) Households who have been determined to have committed fraud or were convicted of the crime of theft pursuant to K.S.A. 21-5801 and 39-720, and amendments thereto, shall be required to name a protective payee as approved by the secretary or the secretary's

designee to administer TANF benefits or food assistance on behalf of the children. No adult in a household may have access to the TANF benefit.

(3) Any individual who has failed to cooperate with a fraud investigation shall be ineligible to participate in the TANF program and the child care subsidy program until the Kansas department for children and families determines that such individual is cooperating with the fraud investigation.

(4) The Kansas department for children and families shall maintain a sufficient level of fraud investigative staff to enable the department to conduct fraud investigations in a timely manner and in full accordance with state law and department rules and regulations or policies.

(f) *Drug screenings and convictions.* (1) (A) A program of drug screening for applicants for cash assistance as a condition of eligibility for cash assistance and persons receiving cash assistance as a condition of continued receipt of cash assistance shall be established, subject to applicable federal law, by the secretary on and before January 1, 2014. Under such program of drug screening, the secretary shall order a drug screening of an applicant for or a recipient of cash assistance at any time when reasonable suspicion exists that such applicant for or recipient of cash assistance is unlawfully using a controlled substance or controlled substance analog. The secretary may use any information obtained by the secretary to determine whether such reasonable suspicion exists, including, but not limited to, an applicant's or recipient's demeanor, missed appointments and arrest or other police records, previous employment or application for employment in an occupation or industry that regularly conducts drug screening, termination from previous employment due to unlawful use of a controlled substance or controlled substance analog or prior drug screening records of the applicant or recipient indicating unlawful use of a controlled substance or controlled substance analog.

(B) Any applicant for or recipient of cash assistance whose drug screening results in a positive test may request that the drug screening specimen be sent to a different drug testing facility for an additional drug screening. Any applicant for or recipient of cash assistance who requests an additional drug screening at a different drug testing facility shall be required to pay the cost of drug screening. Such applicant or recipient who took the additional drug screening and who tested negative for unlawful use of a controlled substance and controlled substance analog shall be reimbursed for the cost of such additional drug screening.

(C) Any applicant for or recipient of cash assistance who tests positive for unlawful use of a controlled substance or controlled substance analog shall be required to complete a substance abuse treatment program approved by the secretary, secretary of labor or secretary of commerce, and a job skills program approved by the secretary, secretary of labor or secretary of commerce.

(D) Subject to applicable federal laws, any applicant for or recipient of cash assistance who fails to complete or refuses to participate in the substance abuse treatment program or job skills program as required under this subsection shall be ineligible to receive cash assistance until completion of such substance abuse treatment and job skills programs.

(E) Upon completion of both substance abuse treatment and job skills programs, such applicant for or recipient of cash assistance may be subject to periodic drug screening, as determined by the secretary.

(F) Upon a second positive test for unlawful use of a controlled substance or controlled substance analog, a recipient of cash assistance

shall be ordered to complete again a substance abuse treatment program and job skills program, and shall be terminated from cash assistance for a period of 12 months, or until such recipient of cash assistance completes both substance abuse treatment and job skills programs, whichever is later.

(G) Upon a third positive test for unlawful use of a controlled substance or controlled substance analog, a recipient of cash assistance shall be terminated from cash assistance, subject to applicable federal law.

(H) Except for hearings before the Kansas department for children and families, the results of any drug screening administered as part of the drug screening program authorized by this subsection shall be confidential and shall not be disclosed publicly.

(2) (A) If an applicant for or recipient of cash assistance is ineligible for or terminated from cash assistance as a result of a positive test for unlawful use of a controlled substance or controlled substance analog, and such applicant for or recipient of cash assistance is the parent or legal guardian of a minor child, an appropriate protective payee shall be designated to receive cash assistance on behalf of such child. Such parent or legal guardian of the minor child may choose to designate an individual to receive cash assistance for such parent's or legal guardian's minor child, as approved by the secretary. Prior to the designated individual receiving any cash assistance, the secretary shall review whether reasonable suspicion exists that such designated individual is unlawfully using a controlled substance or controlled substance analog.

(B) In addition, any individual designated to receive cash assistance on behalf of an eligible minor child shall be subject to drug screening at any time when reasonable suspicion exists that such designated individual is unlawfully using a controlled substance or controlled substance analog. The secretary may use any information obtained by the secretary to determine whether such reasonable suspicion exists, including, but not limited to, the designated individual's demeanor, missed appointments and arrest or other police records, previous employment or application for employment in an occupation or industry that regularly conducts drug screening, termination from previous employment due to unlawful use of a controlled substance or controlled substance analog or prior drug screening records of the designated individual indicating unlawful use of a controlled substance or controlled substance analog.

(C) Any designated individual whose drug screening results in a positive test may request that the drug screening specimen be sent to a different drug testing facility for an additional drug screening. Any designated individual who requests an additional drug screening at a different drug testing facility shall be required to pay the cost of drug screening. Such designated individual who took the additional drug screening and who tested negative for unlawful use of a controlled substance and controlled substance analog shall be reimbursed for the cost of such additional drug screening.

(D) Upon any positive test for unlawful use of a controlled substance or controlled substance analog, the designated individual shall not receive cash assistance on behalf of the parent's or legal guardian's minor child, and another designated individual shall be selected by the secretary to receive cash assistance on behalf of such parent's or legal guardian's minor child.

(3) If a person has been convicted under federal or state law of any offense that is classified as a felony by the law of the jurisdiction and has as an element of such offense the manufacture, cultivation, distribution, possession or use of a controlled substance or controlled

substance analog, and the date of conviction is on or after July 1, 2013, such person shall thereby become forever ineligible to receive any cash assistance under this subsection unless such conviction is the person's first conviction. First-time offenders convicted under federal or state law of any offense that is classified as a felony by the law of the jurisdiction and has as an element of such offense the manufacture, cultivation, distribution, possession or use of a controlled substance or controlled substance analog, and the date of conviction is on or after July 1, 2013, such person shall become ineligible to receive cash assistance for five years from the date of conviction.

(4) (A) Food assistance shall not be provided to any person convicted of a felony offense occurring on or after July 1, 2015, that includes as an element of such offense the manufacture, cultivation, distribution, possession or use of a controlled substance or controlled substance analog. For food assistance, the individual shall be permanently disqualified if such individual has been convicted of a state or federal felony offense occurring on or after July 1, 2015, involving possession or use of a controlled substance or controlled substance analog.

(B) (i) Notwithstanding the provisions of subparagraph (A), an individual shall be eligible for food assistance if the individual enrolls in and participates in a drug treatment program approved by the secretary, submits to and passes a drug test and agrees to submit to drug testing if requested by the department pursuant to a drug testing plan.

(ii) An individual's failure to submit to testing or failure to successfully pass a drug test shall result in ineligibility for food assistance until a drug test is successfully passed.

(iii) Failure to successfully complete a drug treatment program shall result in ineligibility for food assistance until a drug treatment plan approved by the secretary is successfully completed, the individual passes a drug test and agrees to submit to drug testing if requested by the department pursuant to a drug testing plan.

(C) The provisions of subparagraph (B) shall not apply to any individual who has been convicted for a second or subsequent felony offense as provided in subparagraph (A).

(5) The secretary may adopt such rules and regulations as are necessary to carry out the provisions of this subsection.

(6) Any authority granted to the secretary under this subsection shall be in addition to any other penalties prescribed by law.

(7) As used in this subsection:

(A) "Cash assistance" means cash assistance provided to individuals under the provisions of article 7 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, and any rules and regulations adopted pursuant to such provisions.

(B) "Controlled substance" means the same as defined in K.S.A. 21-5701, and amendments thereto, and 21 U.S.C. § 802.

(C) "Controlled substance analog" means the same as defined in K.S.A. 21-5701, and amendments thereto.

(g) *Assignment of support rights and limited power of attorney.* (1) By applying for or receiving TANF such applicant or recipient shall be deemed to have assigned to the secretary on behalf of the state any accrued, present or future rights to support from any other person such applicant may have in such person's own behalf or in behalf of any other family member for whom the applicant is applying for or receiving aid. In any case in which an order for child support has been established and the legal custodian and obligee under the order surrenders physical custody of the child to a caretaker relative without obtaining a modification of legal custody and support rights on behalf of the child are assigned pursuant to this section, the surrender of

physical custody and the assignment shall transfer, by operation of law, the child's support rights under the order to the secretary on behalf of the state. Such assignment shall be of all accrued, present or future rights to support of the child surrendered to the caretaker relative. The assignment of support rights shall automatically become effective upon the date of approval for or receipt of such aid without the requirement that any document be signed by the applicant, recipient or obligee. By applying for or receiving temporary assistance for needy families, or by surrendering physical custody of a child to a caretaker relative who is an applicant or recipient of such assistance on the child's behalf, the applicant, recipient or obligee is also deemed to have appointed the secretary, or the secretary's designee, as an attorney-in-fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments representing support payments received by the secretary in behalf of any person applying for, receiving or having received such assistance. This limited power of attorney shall be effective from the date the secretary approves the application for aid and shall remain in effect until the assignment of support rights has been terminated in full.

(2) If the applicant or recipient of TANF is a mother of the dependent child, as a condition of the mother's eligibility for TANF, the mother shall identify by name and, if known, by current address the father of the dependent child except that the secretary may adopt by rules and regulations exceptions to this requirement in cases of undue hardship. Any recipient of TANF who fails to cooperate with requirements relating to child support services under criteria and guidelines prescribed by rules and regulations of the secretary shall be subject to a penalty established by the secretary.

(3) In any case in which the secretary pays for the expenses of care and custody of a child pursuant to K.S.A. 38-2201 et seq. or 38-2301 et seq., and amendments thereto, including the expenses of any foster care placement, an assignment of all past, present and future support rights of the child in custody possessed by either parent or other person entitled to receive support payments for the child is, by operation of law, conveyed to the secretary. Such assignment shall become effective upon placement of a child in the custody of the secretary or upon payment of the expenses of care and custody of a child by the secretary without the requirement that any document be signed by the parent or other person entitled to receive support payments for the child. When the secretary pays for the expenses of care and custody of a child or a child is placed in the custody of the secretary, the parent or other person entitled to receive support payments for the child is also deemed to have appointed the secretary, or the secretary's designee, as attorney in fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments representing support payments received by the secretary on behalf of the child. This limited power of attorney shall be effective from the date the assignment to support rights becomes effective and shall remain in effect until the assignment of support rights has been terminated in full.

(4) By applying for or receiving child care subsidy or food assistance, the applicant or recipient shall be deemed to have assigned, pursuant to K.S.A. 39-756, and amendments thereto, to the secretary on behalf of the state only accrued, present or future rights to support from any other person such applicant may have in such person's own behalf or in behalf of any other family member for whom the applicant is applying for or receiving aid. The assignment of support rights shall automatically become effective upon the date of approval for or receipt of such aid without the requirement that any document be signed by the

applicant or recipient. By applying for or receiving child care subsidy or food assistance, the applicant or recipient is also deemed to have appointed the secretary, or the secretary's designee, as an attorney in fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments representing support payments received by the secretary in behalf of any person applying for, receiving or having received such assistance. This limited power of attorney shall be effective from the date the secretary approves the application for aid and shall remain in effect until the assignment of support rights has been terminated in full. An applicant or recipient who has assigned support rights to the secretary pursuant to this subsection shall cooperate in establishing and enforcing support obligations to the same extent required of applicants for or recipients of TANF.

(h) *Electronic benefits card.* (1) The secretary shall place a photograph of the recipient, if agreed to by such recipient of public assistance, on any Kansas benefits card issued by the Kansas department for children and families that the recipient uses in obtaining food, cash or any other services. When a recipient of public assistance is a minor or otherwise incapacitated individual, a parent or legal guardian of such recipient may have a photograph of such parent or legal guardian placed on the card.

(2) Any Kansas benefits card with a photograph of a recipient shall be valid for voting purposes as a public assistance identification card in accordance with the provisions of K.S.A. 25-2908, and amendments thereto.

(3) The Kansas department for children and families shall monitor all recipient requests for a Kansas benefits card replacement and, upon the fourth such request in a 12-month period, send a notice alerting the recipient that the recipient's account is being monitored for potential suspicious activity. If a recipient makes an additional request for replacement subsequent to such notice, the department shall refer the investigation to the department's fraud investigation unit.

(4) As used in this subsection, "Kansas benefits card" means any card issued to provide food assistance, TANF or child care assistance, including, but not limited to, the vision card, EBT card and Kansas benefits card.

(i) *Requirements for medical assistance for which federal moneys or state moneys or both are expended.* (1) When the secretary has adopted a medical care plan under which federal moneys or state moneys or both are expended, medical assistance in accordance with such plan shall be granted to any person who is a citizen of the United States or who is an alien lawfully admitted to the United States and who is residing in the state of Kansas, whose resources and income do not exceed the levels prescribed by the secretary. In determining the need of an individual, the secretary may provide for income and resource exemptions and protected income and resource levels. Resources from inheritance shall be counted. A disclaimer of an inheritance pursuant to K.S.A. 59-2291, and amendments thereto, shall constitute a transfer of resources. The secretary shall exempt principal and interest held in irrevocable trust pursuant to K.S.A. 16-303(c), and amendments thereto, from the eligibility requirements of applicants for and recipients of medical assistance. Such assistance shall be known as medical assistance.

(2) For the purposes of medical assistance eligibility determinations on or after July 1, 2004, if an applicant or recipient owns property in joint tenancy with some other party and the applicant or recipient of medical assistance has restricted or conditioned their interest in such property to a specific and discrete property interest less

than 100%, then such designation will cause the full value of the property to be considered an available resource to the applicant or recipient. Medical assistance eligibility for receipt of benefits under the title XIX of the social security act, commonly known as medicaid, shall not be expanded, as provided for in the patient protection and affordable care act, public law 111-148, 124 stat. 119, and the health care and education reconciliation act of 2010, public law 111-152, 124 stat. 1029, unless the legislature expressly consents to, and approves of, the expansion of medicaid services by an act of the legislature.

(3) (A) Resources from trusts shall be considered when determining eligibility of a trust beneficiary for medical assistance. Medical assistance is to be secondary to all resources, including trusts, that may be available to an applicant or recipient of medical assistance.

(B) If a trust has discretionary language, the trust shall be considered to be an available resource to the extent, using the full extent of discretion, the trustee may make any of the income or principal available to the applicant or recipient of medical assistance. Any such discretionary trust shall be considered an available resource unless:

(i) At the time of creation or amendment of the trust, the trust states a clear intent that the trust is supplemental to public assistance; and

(ii) the trust is funded:

(a) From resources of a person who, at the time of such funding, owed no duty of support to the applicant or recipient of medical assistance; or

(b) not more than nominally from resources of a person while that person owed a duty of support to the applicant or recipient of medical assistance.

(C) For the purposes of this paragraph, "public assistance" includes, but is not limited to, medicaid, medical assistance or title XIX of the social security act.

(4) (A) When an applicant or recipient of medical assistance is a party to a contract, agreement or accord for personal services being provided by a nonlicensed individual or provider and such contract, agreement or accord involves health and welfare monitoring, pharmacy assistance, case management, communication with medical, health or other professionals, or other activities related to home health care, long term care, medical assistance benefits, or other related issues, any moneys paid under such contract, agreement or accord shall be considered to be an available resource unless the following restrictions are met:

(i) The contract, agreement or accord must be in writing and executed prior to any services being provided;

(ii) the moneys paid are in direct relationship with the fair market value of such services being provided by similarly situated and trained nonlicensed individuals;

(iii) if no similarly situated nonlicensed individuals or situations can be found, the value of services will be based on federal hourly minimum wage standards;

(iv) such individual providing the services shall report all receipts of moneys as income to the appropriate state and federal governmental revenue agencies;

(v) any amounts due under such contract, agreement or accord shall be paid after the services are rendered;

(vi) the applicant or recipient shall have the power to revoke the contract, agreement or accord; and

(vii) upon the death of the applicant or recipient, the contract, agreement or accord ceases.

(B) When an applicant or recipient of medical assistance is a party to a written contract for personal services being provided by a licensed health professional or facility and such contract involves health and welfare monitoring, pharmacy assistance, case management, communication with medical, health or other professionals, or other activities related to home health care, long term care, medical assistance benefits or other related issues, any moneys paid in advance of receipt of services for such contracts shall be considered to be an available resource.

(5) Any trust may be amended if such amendment is permitted by the Kansas uniform trust code.

(6) On and after January 1, 2027:

(A) Retroactive enrollment in the medical assistance program shall be limited to the two months prior to the month in which the recipient makes an application for assistance; and

(B) eligibility of an individual enrolled in the medical assistance program shall be verified against a death master file on a quarterly basis to ensure that deceased individuals are not enrolled. Upon confirmation of the death of an individual, enrollment in the medical assistance program shall be terminated immediately.

(j) *Eligibility for medical assistance of resident receiving medical care outside state.* A person who is receiving medical care including long-term care outside of Kansas whose health would be endangered by the postponement of medical care until return to the state or by travel to return to Kansas, may be determined eligible for medical assistance if such individual is a resident of Kansas and all other eligibility factors are met. Persons who are receiving medical care on an ongoing basis in a long-term medical care facility in a state other than Kansas and who do not return to a care facility in Kansas when they are able to do so, shall no longer be eligible to receive assistance in Kansas unless such medical care is not available in a comparable facility or program providing such medical care in Kansas. For persons who are minors or who are under guardianship, the actions of the parent or guardian shall be deemed to be the actions of the child or ward in determining whether or not the person is remaining outside the state voluntarily.

(k) *Medical assistance; assignment of rights to medical support and limited power of attorney; recovery from estates of deceased recipients.* (1) (A) Except as otherwise provided in K.S.A. 39-786 and 39-787, and amendments thereto, or as otherwise authorized on and after September 30, 1989, under section 303 of the federal medicare catastrophic coverage act of 1988, whichever is applicable, by applying for or receiving medical assistance under a medical care plan in which federal funds are expended, any accrued, present or future rights to support and any rights to payment for medical care from a third party of an applicant or recipient and any other family member for whom the applicant is applying shall be deemed to have been assigned to the secretary on behalf of the state. The assignment shall automatically become effective upon the date of approval for such assistance without the requirement that any document be signed by the applicant or recipient. By applying for or receiving medical assistance the applicant or recipient is also deemed to have appointed the secretary, or the secretary's designee, as an attorney-in-fact to perform the specific act of negotiating and endorsing all drafts, checks, money orders or other negotiable instruments, representing payments received by the secretary in on behalf of any person applying for, receiving or having received such assistance. This limited power of attorney shall be effective from the date the secretary approves the application for assistance and shall remain in effect until the assignment has been terminated in full. The assignment of any rights to payment for medical

care from a third party under this subsection shall not prohibit a health care provider from directly billing an insurance carrier for services rendered if the provider has not submitted a claim covering such services to the secretary for payment. Support amounts collected on behalf of persons whose rights to support are assigned to the secretary only under this subsection and no other shall be distributed pursuant to K.S.A. 39-756(d), and amendments thereto, except that any amounts designated as medical support shall be retained by the secretary for repayment of the unreimbursed portion of assistance. Amounts collected pursuant to the assignment of rights to payment for medical care from a third party shall also be retained by the secretary for repayment of the unreimbursed portion of assistance.

(B) Notwithstanding the provisions of subparagraph (A), the secretary of health and environment, or the secretary's designee, is hereby authorized to and shall exercise any of the powers specified in subparagraph (A) in relation to performance of such secretary's duties pertaining to medical subrogation, estate recovery or any other duties assigned to such secretary in article 74 of chapter 75 of the Kansas Statutes Annotated, and amendments thereto.

(2) The amount of any medical assistance paid after June 30, 1992, under the provisions of subsection (i) is a claim against the property or any interest therein belonging to and a part of the estate of any deceased recipient or, if there is no estate, the estate of the surviving spouse, if any, shall be charged for such medical assistance paid to either or both and a claim against any funds of such recipient or spouse in any account under K.S.A. 9-1215, 17-2263 or 17-2264, and amendments thereto. There shall be no recovery of medical assistance correctly paid to or on behalf of an individual under subsection (i) except after the death of the surviving spouse of the individual, if any, and only at a time when the individual has no surviving child who is under 21 years of age or is blind or permanently and totally disabled. Transfers of real or personal property by recipients of medical assistance without adequate consideration are voidable and may be set aside. Except where there is a surviving spouse, or a surviving child who is under 21 years of age or is blind or permanently and totally disabled, the amount of any medical assistance paid under subsection (i) is a claim against the estate in any guardianship or conservatorship proceeding. The monetary value of any benefits received by the recipient of such medical assistance under long-term care insurance, as defined by K.S.A. 40-2227, and amendments thereto, shall be a credit against the amount of the claim provided for such medical assistance under this subsection. The secretary of health and environment is authorized to enforce each claim provided for under this subsection. The secretary of health and environment shall not be required to pursue every claim, but is granted discretion to determine which claims to pursue. All moneys received by the secretary of health and environment from claims under this subsection shall be deposited in the social welfare fund. The secretary of health and environment may adopt rules and regulations for the implementation and administration of the medical assistance recovery program under this subsection.

(3) By applying for or receiving medical assistance under the provisions of article 7 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, such individual or such individual's agent, fiduciary, guardian, conservator, representative payee or other person acting on behalf of the individual consents to the following definitions of estate and the results therefrom:

(A) If an individual receives any medical assistance before July 1, 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, which forms the basis for a claim

under paragraph (2), such claim is limited to the individual's probatable estate as defined by applicable law; and

(B) if an individual receives any medical assistance on or after July 1, 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated, and amendments thereto, which forms the basis for a claim under paragraph (2), such claim shall apply to the individual's medical assistance estate. The medical assistance estate is defined as including all real and personal property and other assets in which the deceased individual had any legal title or interest immediately before or at the time of death to the extent of that interest or title. The medical assistance estate includes without limitation, assets conveyed to a survivor, heir or assign of the deceased recipient through joint tenancy, tenancy in common, survivorship, transfer-on-death deed, payable-on-death contract, life estate, trust, annuities or similar arrangement.

(4) The secretary of health and environment or the secretary's designee is authorized to file and enforce a lien against the real property of a recipient of medical assistance in certain situations, subject to all prior liens of record and transfers for value to a bona fide purchaser of record. The lien must be filed in the office of the register of deeds of the county where the real property is located within one year from the date of death of the recipient and must contain the legal description of all real property in the county subject to the lien.

(A) After the death of a recipient of medical assistance, the secretary of health and environment or the secretary's designee may place a lien on any interest in real property owned by such recipient.

(B) The secretary of health and environment or the secretary's designee may place a lien on any interest in real property owned by a recipient of medical assistance during the lifetime of such recipient. Such lien may be filed only after notice and an opportunity for a hearing has been given. Such lien may be enforced only upon competent medical testimony that the recipient cannot reasonably be expected to be discharged and returned home. A six-month period of compensated inpatient care at a nursing home or other medical institution shall constitute a determination by the department of health and environment that the recipient cannot reasonably be expected to be discharged and returned home. To return home means the recipient leaves the nursing or medical facility and resides in the home on which the lien has been placed for a continuous period of at least 90 days without being readmitted as an inpatient to a nursing or medical facility. The amount of the lien shall be for the amount of assistance paid by the department of health and environment until the time of the filing of the lien and for any amount paid thereafter for such medical assistance to the recipient. After the lien is filed against any real property owned by the recipient, such lien will be dissolved if the recipient is discharged, returns home and resides upon the real property to which the lien is attached for a continuous period of at least 90 days without being readmitted as an inpatient to a nursing or medical facility. If the recipient is readmitted as an inpatient to a nursing or medical facility for a continuous period of less than 90 days, another continuous period of at least 90 days shall be completed prior to dissolution of the lien.

(5) The lien filed by the secretary of health and environment or the secretary's designee for medical assistance correctly received may be enforced before or after the death of the recipient by the filing of an action to foreclose such lien in the Kansas district court or through an estate probate court action in the county where the real property of the recipient is located. However, it may be enforced only:

(A) After the death of the surviving spouse of the recipient;

(B) when there is no child of the recipient, natural or adopted, who

is 20 years of age or less residing in the home;

(C) when there is no adult child of the recipient, natural or adopted, who is blind or disabled residing in the home; or

(D) when no brother or sister of the recipient is lawfully residing in the home, who has resided there for at least one year immediately before the date of the recipient's admission to the nursing or medical facility, and has resided there on a continuous basis since that time.

(6) The lien remains on the property even after a transfer of the title by conveyance, sale, succession, inheritance or will unless one of the following events occur:

(A) The lien is satisfied. The recipient, the heirs, personal representative or assigns of the recipient may discharge such lien at any time by paying the amount of the lien to the secretary of health and environment or the secretary's designee;

(B) the lien is terminated by foreclosure of prior lien of record or settlement action taken in lieu of foreclosure; or

(C) the value of the real property is consumed by the lien, at which time the secretary of health and environment or the secretary's designee may force the sale for the real property to satisfy the lien.

(7) If the secretary for aging and disability services or the secretary of health and environment, or both, or such secretary's designee has not filed an action to foreclose the lien in the Kansas district court in the county where the real property is located within 10 years from the date of the filing of the lien, then the lien shall become dormant, and shall cease to operate as a lien on the real estate of the recipient. Such dormant lien may be revived in the same manner as a dormant judgment lien is revived under K.S.A. 60-2403 et seq., and amendments thereto.

(8) Within seven days of receipt of notice by the secretary or the secretary's designee of the death of a recipient of medical assistance under this subsection, the secretary or the secretary's designee shall give notice of such recipient's death to the secretary of health and environment or the secretary's designee.

(9) All rules and regulations adopted on and after July 1, 2013, and prior to July 1, 2014, to implement this subsection shall continue to be effective and shall be deemed to be duly adopted rules and regulations of the secretary of health and environment until revised, amended, revoked or nullified pursuant to law.

Sec. 6. K.S.A. 2025 Supp. 39-709 is hereby repealed.

Sec. 7. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

_____

HOUSE adopted
Conference Committee Report_____

_____
Speaker of the House.

_____
Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report_____

_____
President of the Senate.

_____
Secretary of the Senate.

APPROVED _____

_____
Governor.