

## HOUSE BILL No. 2019

By Committee on Taxation

1-14

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9 AN ACT concerning eligibility requirements for medicaid; allowing a col-  
10 lateral assignment of the proceeds of life insurance policies.

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

13 Section 1. (a) The Kansas health policy authority, in conjunction with  
14 the department of social and rehabilitation services, shall review and up-  
15 date its rules and regulations establishing eligibility requirements for the  
16 Kansas program of medical assistance established in accordance with title  
17 XIX of the federal social security act, 42 U.S.C. § 1396 et seq. and amend-  
18 ments thereto. Such review shall include the establishment of a procedure  
19 which permits the holder of a life insurance policy which has a cash sur-  
20 render value to give the Kansas program of medical assistance established  
21 in accordance with title XIX of the federal social security act a collateral  
22 assignment of the proceeds of such life insurance policy. The collateral  
23 assignment may be used by the insured in lieu of any requirement that  
24 such life insurance policy be sold in order for the insured to meet any  
25 property ownership limitation contained in any eligibility requirement for  
26 participation in the Kansas program of medical assistance established in  
27 accordance with title XIX of the federal social security act. The collateral  
28 assignment shall be for an amount not to exceed the proceeds of such  
29 policy necessary to reimburse the Kansas program of medical assistance  
30 established in accordance with title XIX of the federal social security act  
31 for any amount paid by such program for medical benefits provided to  
32 the insured.

33 (b) The Kansas health policy authority is hereby directed to seek any  
34 necessary waivers from program requirements of the federal government  
35 as may be needed to carry out the provisions of this section and to max-  
36 imize federal matching and other funds with respect to the provisions of  
37 this section. If the Kansas health policy authority determines that one or  
38 more waivers from program requirements of the federal government are  
39 needed to carry out the provisions of this section, the Kansas health policy  
40 authority shall implement the provisions of this section only if such waiv-  
41 ers to federal program requirements have been obtained from the federal  
42 government.

43 (c) (1) Except as provided in paragraph (2), the review and update of

1 the rules and regulations establishing eligibility requirements for the Kan-  
2 sas program of medical assistance established in accordance with title XIX  
3 of the federal social security act, 42 U.S.C. § 1396 et seq., and amend-  
4 ments thereto, shall be completed and the revisions of such rules and  
5 regulations shall be adopted in accordance with the rules and regulations  
6 filing act no later than 12 calendar months following the date of receipt  
7 of the waivers required under subsection (b).

8 (2) If the Kansas health policy authority determines that no waivers  
9 are required to implement the provisions of subsection (a), the review  
10 and update of the rules and regulations establishing eligibility require-  
11 ments for the Kansas program of medical assistance established in ac-  
12 cordance with title XIX of the federal social security act, 42 U.S.C. § 1396  
13 et seq., and amendments thereto, shall be completed and the revisions  
14 of such rules and regulations shall be adopted in accordance with the  
15 rules and regulations filing act no later than 12 calendar months following  
16 the effective date of this act.

17 Sec. 2. This act shall take effect and be in force from and after its  
18 publication in the statute book.