

SESSION OF 2008

SUPPLEMENTAL NOTE ON SENATE BILL NO. 412

As Recommended by Senate Committee on
Judiciary

Brief*

SB 412 would amend the statute that establishes eligibility criteria for medical assistance for trust beneficiaries. The bill would clarify that resources from a trust executed on or after July 1, 2004 would be considered an available resource in determining eligibility of a trust beneficiary for medical assistance, unless:

- The trust clearly states an intent, at the time it was created or amended, that the trust is supplemental to public assistance; and
- The trust:
 - is funded from resources of a person who owed no duty of support; or
 - is funded not more than nominally from resources of a person who owes a duty of support.

Additionally, the bill would define the term public assistance to include, but not be limited to, Medicaid, medical assistance, or Title XIX of the Social Security Act.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

2007 SB 32 was introduced to establish eligibility criteria for medical assistance for trust beneficiaries. The topic was sent to the 2007 Special Committee on Judiciary for interim study. 2008 SB 412 is the product of that study and is recommended by the Special Committee on Judiciary for bill introduction.

The proponents of the bill included Eric Anderson, Attorney, and Randy Hearrell, Executive Director, Kansas Judicial Counsel. Mr. Anderson previously testified that this bill is intended to avoid unintended consequences of the current law, as enacted in 2004 HB 2556.

There was no testimony in opposition to the bill.

Dr. Marcia Nielsen, Executive Director of the Kansas Health Policy Authority, provided written, neutral testimony on the bill. Dr. Nielsen advised the Senate Committee that this bill is the product of cooperative discussions between the interested parties.

The fiscal note from the Division of Budget states that, according to the Kansas Department of Social and Rehabilitation Services, passage of the bill would have no fiscal effect. The Kansas Health Policy Authority states that passage of the bill could increase the number of individuals who qualify for Medicaid assistance. This could increase Medical Assistance expenditures by \$751,800 from all funding sources, including \$310,800 from the State General Fund. This estimate equates to approximately 15 to 20 people becoming eligible for Medicaid who would not have otherwise received Medicaid benefits. Any fiscal effect associated with the bill is not included in *The FY 2009 Governor's Budget Report*.