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State of Minnesota  
HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 225

01/12/2017 Authored by Zerwas, Loeffler, Hamilton, Albright, Liebling and others  
The bill was read for the first time and referred to the Committee on Health and Human Services Reform  
02/06/2017 Adoption of Report: Amended and re-referred to the Committee on Health and Human Services Finance

- 1.1 A bill for an act
- 1.2 relating to human services; increasing the medical assistance asset and spenddown
- 1.3 limits for persons who are blind, who have disabilities, or who are age 65 or older;
- 1.4 amending Minnesota Statutes 2016, section 256B.056, subdivisions 3, 5c.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2016, section 256B.056, subdivision 3, is amended to read:
- 1.7 Subd. 3. **Asset limitations for certain individuals.** (a) To be eligible for medical
- 1.8 assistance, a person must not individually own more than ~~\$3,000~~ \$10,000 in assets, or if a
- 1.9 member of a household with two or more family members, ~~husband and wife, or parent and~~
- 1.10 ~~child,~~ the household must not own more than ~~\$6,000~~ \$18,000 in assets, ~~plus \$200 for each~~
- 1.11 ~~additional legal dependent.~~ In addition to these maximum amounts, an eligible individual
- 1.12 or family may accrue interest on these amounts, but they must be reduced to the maximum
- 1.13 at the time of an eligibility redetermination. The accumulation of the clothing and personal
- 1.14 needs allowance according to section 256B.35 must also be reduced to the maximum at the
- 1.15 time of the eligibility redetermination. The value of assets that are not considered in
- 1.16 determining eligibility for medical assistance is the value of those assets excluded under
- 1.17 the Supplemental Security Income program for aged, blind, and disabled persons, with the
- 1.18 following exceptions:
- 1.19 (1) household goods and personal effects are not considered;
- 1.20 (2) capital and operating assets of a trade or business that the local agency determines
- 1.21 are necessary to the person's ability to earn an income are not considered;
- 1.22 (3) motor vehicles are excluded to the same extent excluded by the Supplemental Security
- 1.23 Income program;

(4) assets designated as burial expenses are excluded to the same extent excluded by the Supplemental Security Income program. Burial expenses funded by annuity contracts or life insurance policies must irrevocably designate the individual's estate as contingent beneficiary to the extent proceeds are not used for payment of selected burial expenses;

(5) for a person who no longer qualifies as an employed person with a disability due to loss of earnings, assets allowed while eligible for medical assistance under section 256B.057, subdivision 9, are not considered for 12 months, beginning with the first month of ineligibility as an employed person with a disability, to the extent that the person's total assets remain within the allowed limits of section 256B.057, subdivision 9, paragraph (d);

(6) when a person enrolled in medical assistance under section 256B.057, subdivision 9, is age 65 or older and has been enrolled during each of the 24 consecutive months before the person's 65th birthday, the assets owned by the person and the person's spouse must be disregarded, up to the limits of section 256B.057, subdivision 9, paragraph (d), when determining eligibility for medical assistance under section 256B.055, subdivision 7. The income of a spouse of a person enrolled in medical assistance under section 256B.057, subdivision 9, during each of the 24 consecutive months before the person's 65th birthday must be disregarded when determining eligibility for medical assistance under section 256B.055, subdivision 7. Persons eligible under this clause are not subject to the provisions in section 256B.059; and

(7) effective July 1, 2009, certain assets owned by American Indians are excluded as required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5. For purposes of this clause, an American Indian is any person who meets the definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

(b) No asset limit shall apply to persons eligible under section 256B.055, subdivision 15.

**EFFECTIVE DATE.** This section is effective July 1, 2017.

Sec. 2. Minnesota Statutes 2016, section 256B.056, subdivision 5c, is amended to read:

Subd. 5c. **Excess income standard.** (a) The excess income standard for parents and caretaker relatives, pregnant women, infants, and children ages two through 20 is the standard specified in subdivision 4, paragraph (b).

(b) The excess income standard for a person whose eligibility is based on blindness, disability, or age of 65 or more years shall equal ~~80~~ 100 percent of the federal poverty guidelines.

3.1 **EFFECTIVE DATE.** This section is effective July 1, 2017.