

A bill for an act
relating to human services; modifying estates subject to medical assistance
claims; amending Minnesota Statutes 2008, section 256B.15, subdivisions 1a, 5.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 256B.15, subdivision 1a, is amended to
read:

Subd. 1a. **Estates subject to claims.** If a person receives any medical assistance
hereunder, on the person's death, if single, or on the death of the survivor of a married
couple, either or both of whom received medical assistance, or as otherwise provided
for in this section, the total amount paid for medical assistance rendered for the person
and spouse shall be filed as a claim against the estate of the person or the estate of the
surviving spouse in the court having jurisdiction to probate the estate or to issue a decree
of descent according to sections 525.31 to 525.313.

A claim shall be filed if medical assistance was rendered for either or both persons
under one of the following circumstances:

- (a) the person was over 55 years of age, and received services under this chapter;
- (b) the person resided in a medical institution for six months or longer, received
services under this chapter, and, at the time of institutionalization or application for
medical assistance, whichever is later, the person could not have reasonably been expected
to be discharged and returned home, as certified in writing by the person's treating
physician. For purposes of this section only, a "medical institution" means a skilled
nursing facility, intermediate care facility, intermediate care facility for persons with
developmental disabilities, nursing facility, or inpatient hospital; or
- (c) the person received general assistance medical care services under chapter 256D.

The claim shall be considered an expense of the last illness of the decedent for the purpose of section 524.3-805. Any statute of limitations that purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder. Notice of the claim shall be given to all heirs and devisees of the decedent, and to other persons with an ownership interest in the real property owned by the decedent at the time of the decedent's death, whose identity can be ascertained with reasonable diligence. The notice must include procedures and instructions for making an application for a hardship waiver under subdivision 5; time frames for submitting an application and determination; and information regarding appeal rights and procedures. Counties are entitled to one-half of the nonfederal share of medical assistance collections from estates that are directly attributable to county effort. Counties are entitled to ten percent of the collections for alternative care directly attributable to county effort.

Sec. 2. Minnesota Statutes 2008, section 256B.15, subdivision 5, is amended to read:

Subd. 5. **Undue hardship.** (a) Any person entitled to notice in subdivision 1a has a right to apply for waiver of the claim based upon undue hardship. Any claim pursuant to this section may be fully or partially waived because of undue hardship. Undue hardship does not include action taken by the decedent which divested or diverted assets in order to avoid estate recovery. Any waiver of a claim must benefit the person claiming undue hardship. The commissioner shall have authority to hear claimant appeals, pursuant to section 256.045, when an application for a hardship waiver is denied in whole or part.

(b) Upon approval of the waiver, this paragraph applies to a claim against the decedent's real property if an individual other than the recipient's spouse had an ownership interest in the property at the time of the decedent's death and actually and continuously occupied the real property as the individual's residence for at least 180 days before the date the decedent died. If the real property is classified as the individual's homestead property for property tax purposes under section 273.124, no adjustment or recovery may be made until the individual no longer resides in the property or until the property is sold or transferred.