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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 1044

02/11/2019 Authored by Loeffler, Zerwas, Howard, Hornstein, Bierman and others
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to human services; providing a medical assistance asset exemption for
1.3 assets set aside for homestead maintenance and repair; amending Minnesota Statutes
1.4 2018, section 256B.056, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2018, 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 in assets, or if a member
1.9 of a household with two family members, husband and wife, or parent and child, the
1.10 household must not own more than \$6,000 in assets, plus \$200 for each additional legal
1.11 dependent. In addition to these maximum amounts, an eligible individual or family may
1.12 accrue interest on these amounts, but they must be reduced to the maximum at the time of
1.13 an eligibility redetermination. The accumulation of the clothing and personal needs allowance
1.14 according to section 256B.35 must also be reduced to the maximum at the time of the
1.15 eligibility redetermination. The value of assets that are not considered in determining
1.16 eligibility for medical assistance is the value of those assets excluded under the Supplemental
1.17 Security Income program for aged, blind, and disabled persons, with the following
1.18 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;

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

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

2.10 (6) when a person enrolled in medical assistance under section 256B.057, subdivision  
2.11 9, is age 65 or older and has been enrolled during each of the 24 consecutive months before  
2.12 the person's 65th birthday, the assets owned by the person and the person's spouse must be  
2.13 disregarded, up to the limits of section 256B.057, subdivision 9, paragraph (d), when  
2.14 determining eligibility for medical assistance under section 256B.055, subdivision 7. The  
2.15 income of a spouse of a person enrolled in medical assistance under section 256B.057,  
2.16 subdivision 9, during each of the 24 consecutive months before the person's 65th birthday  
2.17 must be disregarded when determining eligibility for medical assistance under section  
2.18 256B.055, subdivision 7. Persons eligible under this clause are not subject to the provisions  
2.19 in section 256B.059; ~~and~~

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

2.24 (8) for a person eligible under section 256B.055, subdivision 7 or 7a, or 256B.057,  
2.25 subdivision 9, assets of up to \$10,000 set aside for the maintenance and repair of the person's  
2.26 homestead are not considered so long as the person has an ownership interest in the  
2.27 homestead and the homestead is the person's principal place of residence. When a homestead  
2.28 is the principal place of residence of a married couple and both spouses are eligible under  
2.29 this clause, the total disregard must be divided between the spouses and must not exceed  
2.30 \$10,000.

2.31 (b) No asset limit shall apply to persons eligible under section 256B.055, subdivision  
2.32 15.

2.33 **EFFECTIVE DATE.** This section is effective July 1, 2019.