

JAN 11 1971

FINANCES, Pass per amendment 1/19

HOUSE FILE 15

By DRAKE, MAYBERRY, FISHER of  
Greene, and SHAW  
(Smith, Curran, Thordsen,  
and Neu)

Passed House, Date 2-18-71 Passed Senate, Date \_\_\_\_\_  
Vote: Ayes 87 Nays 3 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

### A BILL FOR

1 An Act relating to eligibility of welfare recipients.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

1 Section 1. Section two hundred forty-nine point nine  
2 (249.9), subsection five (5), Code 1971, is amended by strik-  
3 ing the subsection and inserting in lieu thereof the following:

4 5. Life insurance having a cash surrender value not in  
5 excess of five hundred dollars for a single person or one  
6 thousand dollars if married and not separated from the spouse;  
7 however, if the face value of such insurance does not exceed  
8 the amounts herein specified for a single and a married person,  
9 its cash surrender value need not be determined for eligibility  
10 purposes.

11 Sec. 2. Section two hundred forty-nine A point three  
12 (249A.3), subsection four (4), paragraph "b", Code 1971, is  
13 amended as follows:

14 b. Any individual whose resources, after deduction of  
15 health care expenses incurred by the applicant, exceeds two  
16 thousand dollars, or any family living together whose combined  
17 resources exceed two thousand dollars for the first member, one  
18 thousand dollars for the second member, plus two hundred dol-  
19 lars for each additional member. The value of resources shall  
20 be the current market value minus any encumbrances against such  
21 resource or resources. In determining the foregoing, the fol-  
22 lowing resources shall be excluded: Real property occupied as  
23 a residence; household goods and furnishings, an automobile,  
24 personal effects and tools necessary for the pursuit of a trade,  
25 occupation or profession of a market value not to exceed six  
26 thousand dollars and the cash surrender value of life insur-  
27 ance not to exceed one thousand dollars, however, if the face  
28 value of such individual's life insurance does not exceed one  
29 thousand dollars, it shall be excluded without necessity for  
30 determining its cash surrender value.

31 EXPLANATION

32 The Governor's Economy Committee has determined that 85%  
33 of inquiries concerning the cash surrender value of life in-  
34 surance for purposes of qualifying for welfare assistance can  
35 be eliminated by substituting face value for cash surrender

1 value when it does not exceed the allowable cash surrender  
2 value specified. The bill effects the recommended substitu-  
3 tion. The bill also eliminates the requirement that old age  
4 assistance applicants enter into written agreements that they  
5 will not cash in their policies, assign them, or change  
6 beneficiaries without first obtaining consent of the Depart-  
7 ment of Social Services. This requirement is very difficult  
8 to enforce and represents a form of harassment of the recipient.

1 Amend House File 15 by striking from page 2, lines 5 and 6,  
2 the words "five hundred dollars for a single person or one  
3 thousand" and inserting in lieu thereof the words "one thousand  
4 dollars for a single person or one thousand".

Filed - *Withdrawn 1/19*  
January 19, 1971

COMMITTEE ON SOCIAL SERVICES  
EDGAR H. HOLDEN, Chairman

1 Amend House File 15, page 2, line 5, by striking the  
2 words "five hundred dollars for a single person or one"  
3 and inserting in lieu thereof the words "one thousand dollars  
4 for a single person or two".

Filed - *Accepted 1/20*  
January 20, 1971

By COMMITTEE ON SOCIAL  
SERVICES  
EDGAR H. HOLDEN, Chairman

1 Amend House File 15 by adding the following:  
2 Sec. 3. Section two hundred forty-nine A point three  
3 (249A.3), subsection two (2), paragraph "a", Code 1971, is  
4 amended as follows:  
5 a. Individuals and families whose incomes and resources  
6 are such that they are eligible or ineligible for old-age  
7 assistance, aid to dependent children, aid to the disabled,  
8 or aid to the blind, but who are not actually receiving  
9 such public assistance.

Filed - *Withdrawn 1/29*  
January 21, 1971

By GOODE of Davis-  
Wapello  
District 98

1 Amend House File 15 by adding the following:  
2 Sec. 3. Section two hundred forty-nine A point three  
3 (249A.3), subsection two (2), paragraph "a", Code 1971,  
4 is amended as follows:  
5 a. Individuals and families whose incomes and re-  
6 sources are such that they are eligible for old-age  
7 assistance, aid to dependent children, aid to the  
8 disabled, or aid to the blind, but who are not actually  
9 receiving such public assistance. A person who is sixty-  
10 five years of age or older and who is not receiving  
11 old-age assistance shall be eligible to receive benefits  
12 under this Act if he meets eligibility and resource  
13 requirements as defined in subsection four (4), paragraph  
14 "a".

Filed - *Withdrawn 2/8*  
January 26, 1971

By GOODE of Davis  
District 98

1 Amend House File 15 by adding the following:  
2 Sec. 3. Section two hundred forty-nine A point  
3 three (249A.3), subsection two (2), paragraph "a",  
4 Code 1971, is amended as follows:  
5 a. Individuals and families whose incomes and  
6 resources are such that they are eligible for old-  
7 age assistance, aid to dependent children, aid to  
8 the disabled, or aid to the blind, but who are not  
9 actually receiving such public assistance, and others  
10 who are categorically related.

Filed - *Adopted as amended 2/18*  
February 3, 1971

By GOODE of Davis  
District 98

1 Amend the Goode amendment to House File 15, filed  
2 February 3, 1971, by inserting in line 10 after the  
3 word "related" the words "medically indigent".

Filed - *Adopted 2/18*  
February 9, 1971

By HOLDEN of Scott  
District 75

February 23, 1971

HOUSE FILE 15  
By DRAKE, MAYBERRY, FISHER of  
Greene and SHAW  
(Smith, Curran, Thordsen  
and Neu)  
(AS AMENDED AND PASSED BY THE HOUSE)

Passed House, Date 3-22-71 Passed Senate, Date 3-9-71

Vote: Ayes 29 Nays 0 Vote: Ayes 43 Nays 0

Approved April 1, 1971

*Passed House as amended by Senate  
and further amended  
by House 5-17-71  
aye 59 nay 29*

## A BILL FOR

- 1 An Act relating to eligibility of welfare recipients.
- 2 *Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. Section two hundred forty-nine point nine  
2 (249.9), subsection five (5), Code 1971, is amended by strik-  
3 ing the subsection and inserting in lieu thereof the following:

4 5. Life insurance having a cash surrender value not in  
5 excess of one thousand dollars for a single person or two  
6 thousand dollars if married and not separated from the spouse;  
7 however, if the face value of such insurance does not exceed  
8 the amounts herein specified for a single and a married person,  
9 its cash surrender value need not be determined for eligibility  
10 purposes.

11 Sec. 2. Section two hundred forty-nine A point three  
12 (249A.3), subsection four (4), paragraph "b", Code 1971, is  
13 amended as follows:

14 b. Any individual whose resources, after deduction of  
15 health care expenses incurred by the applicant, exceeds two  
16 thousand dollars, or any family living together whose combined  
17 resources exceed two thousand dollars for the first member, one  
18 thousand dollars for the second member, plus two hundred dol-  
19 lars for each additional member. The value of resources shall  
20 be the current market value minus any encumbrances against such  
21 resource or resources. In determining the foregoing, the fol-  
22 lowing resources shall be excluded: Real property occupied as  
23 a residence; household goods and furnishings, an automobile,  
24 personal effects and tools necessary for the pursuit of a trade,  
25 occupation or profession of a market value not to exceed six  
26 thousand dollars and the cash surrender value of life insur-  
27 ance not to exceed one thousand dollars, *however, if the face*  
28 *value of such individual's life insurance does not exceed one*  
29 *thousand dollars, it shall be excluded without necessity for*  
30 *determining its cash surrender value.*

31 Sec. 3. Section two hundred forty-nine A point three  
32 (249A.3), subsection two (2), paragraph "a", Code 1971, is  
33 amended as follows:

34 a. Individuals and families whose incomes and resources  
35 are such that they are eligible for old-age assistance,

36 aid to dependent children, aid to the disabled, or aid to  
37 the blind, but who are not actually receiving such public  
38 assistance, and others who are categorically related  
39 medically indigent.

40

EXPLANATION

41 The Governor's Economy Committee has determined that 85%  
42 of inquiries concerning the cash surrender value of life in-  
43 surance for purposes of qualifying for welfare assistance can  
44 be eliminated by substituting face value for cash surrender

1 value when it does not exceed the allowable cash surrender  
2 value specified. The bill effects the recommended substitu-  
3 tion. The bill also eliminates the requirement that old age  
4 assistance applicants enter into written agreements that they  
5 will not cash in their policies, assign them, or change  
6 beneficiaries without first obtaining consent of the Depart-  
7 ment of Social Services. This requirement is very difficult  
8 to enforce and represents a form of harassment of the recipient.

House 3  
March 10, 1971

SENATE AMENDMENT TO HOUSE FILE 15

1 Amend House File 15 as amended, passed and reprinted by the  
2 House as follows:  
3 1. Page 2A, by striking lines 12 and 13 and inserting in  
4 lieu thereof the following:  
5 "(249A.3), subsection two (2) and subsection four (4),  
6 Code 1971, are amended as follows:  
7 2. Medical assistance may also, within the limits of  
8 available funds and in accordance with section 249A.4, sub-  
9 sections 1 and 2 be provided to, or on behalf of, other  
10 individuals and families who are not excluded under sub-  
11 section 4 of this section and whose incomes and resources are  
12 insufficient to meet the cost of necessary medical care and  
13 services, and who have no spouse or parent responsible under  
14 the law of this state and found by the county board to be  
15 able to provide him or them with such necessary medical care  
16 and services, in accordance with the following order of  
17 priorities:  
18 a. Individuals and families whose incomes and resources  
19 are such that they are eligible for old-age assistance, aid to  
20 dependent children, aid to the disabled, or aid to the blind,  
21 but who are not actually receiving such public assistance.  
22 b. Individuals and families who are ineligible under  
23 paragraph 'a' solely because of their incomes and resources,  
24 but who would otherwise be eligible under paragraph 'a'.  
25 c. Children under twenty-one years of age whose incomes  
26 and resources are comparable to those receiving aid to  
27 dependent children.  
28 d. Individuals sixty-five years of age or older who  
29 are patients in institutions for mental diseases.  
30 e. Individuals and families whose incomes and resources  
31 make them ineligible for old-age assistance, aid to dependent  
32 children, aid to the disabled, or aid to the blind.  
33 4. No assistance shall be granted under this chapter to:  
34 a. Any individual whose income, after deduction of health  
35 care expenses incurred by the applicant, exceeds one thousand  
36 six hundred dollars annually, or any family living together  
37 whose combined income, after deduction of health care expenses  
38 incurred by the family, exceeds one thousand six hundred  
39 dollars for the first adult member plus eight hundred dollars  
40 for the second member and six hundred dollars for each  
41 additional member of the family. Income shall not include the  
42 value of gifts or services contributed in kind to the individual  
43 or family."  
44 2. Page 2A, by striking lines 31 through 35, inclusive, and  
45 page 2B, by striking lines 36 through 39, inclusive.

Received from the Senate  
March 9, 1971

*House Concurred 3/2/71*



HOUSE FILE 15

1 Amend House File 15 as amended, passed and reprinted by the  
2 House by striking from page 2A lines 12 and 13 and inserting in  
3 lieu thereof the following:

4 "(249A.3), subsection two (2) and subsection four (4), Code  
5 1971, are amended as follows:

6 2. Medical assistance may also, within the limits of  
7 available funds and in accordance with section 249A.4, subsections  
8 1 and 2 be provided to, or on behalf of, other individuals and  
9 families who are not excluded under subsection 4 of this section  
10 and whose incomes and resources are insufficient to meet the  
11 cost of necessary medical care and services, and who have no  
12 spouse or parent responsible under the law of this state and  
13 found by the county board to be able to provide him or them with  
14 such necessary medical care and services, in accordance with the  
15 following order of priorities:

16 a. Individuals and families whose incomes and resources are  
17 such that they are eligible for old-age assistance, aid to  
18 dependent children, aid to the disabled, or aid to the blind,  
19 but who are not actually receiving such public assistance.

20 b. Individuals and families who are ineligible under  
21 paragraph "a" solely because of their incomes and resources,  
22 but who would otherwise be eligible under paragraph "a".

23 c. Children under twenty-one years of age whose incomes  
24 and resources are comparable to those receiving aid to  
25 dependent children.

Page 2

1 d. Individuals sixty-five years of age or older who are  
2 patients in institutions for mental diseases.

3 e. Individuals and families whose incomes and resources  
4 make them ineligible for old-age assistance, aid to dependent  
5 children, aid to the disabled, or aid to the blind.

6 4. No assistance shall be granted under this chapter to:

7 a. Any individual whose income, after deduction of health  
8 care expenses incurred by the applicant, exceeds one thousand  
9 six hundred dollars annually, or any family living together  
10 whose combined income, after deduction of health care  
11 expenses incurred by the family, exceeds one thousand six  
12 hundred dollars for the first adult member plus eight hundred  
13 dollars for the second member and six hundred dollars for  
14 each additional member of the family. Income shall not  
15 include the value of gifts or services contributed in kind  
16 to the individual or family."

*Adopted 3/9*  
February 25, 1971

By STEPHENS

---

AMENDMENT TO HOUSE FILE 15

1 Amend House File 15 as amended, passed and reprinted by the  
2 House by striking from page 2A lines 31 through 35 and from  
3 page 28 lines 36 through 39.

Filed - *admitted 3/6*  
February 26, 1971

By STEPHENS .

File