

Senate File 151 - Introduced

SENATE FILE _____
BY COURTNEY

(COMPANION TO LSB 2277HH
BY COHOON)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the bases for exemptions to estate recovery
2 under the medical assistance program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2277SS 82
5 pf/je/5

PAG LIN

1 1 Section 1. Section 249A.5, subsection 2, paragraph a, Code
1 2 2007, is amended to read as follows:

1 3 a. The department shall waive the collection of the debt
1 4 created under this subsection from the estate of a recipient
1 5 of medical assistance to the extent that collection of the
1 6 debt would result in either of the ~~following circumstances~~
1 7 ~~described in subparagraph (1) or (2) and shall waive~~
1 8 ~~collection of the debt created under this subsection from the~~
1 9 ~~portion of the estate of a recipient of medical assistance~~
1 10 ~~which constituted the recipient's homestead, as defined in~~
1 11 ~~section 561.1, to the extent that collection of the debt would~~
1 12 ~~result in the circumstances described in subparagraph (3):~~

1 13 (1) Reduction in the amount received from the recipient's
1 14 estate by a surviving spouse, or by a surviving child who was
1 15 under age twenty-one, blind, or permanently and totally
1 16 disabled at the time of the individual's death.

1 17 (2) ~~Otherwise work an~~ An undue hardship as determined on
1 18 the basis of criteria established pursuant to 42 U.S.C. }
1 19 1396p(b)(3).

1 20 (3) An undue hardship as determined on the basis of the
1 21 following:

1 22 (a) An heir, who is a descendant of the deceased medical
1 23 assistance recipient, asserts that recovery against the
1 24 portion of the recipient's estate which constituted the
1 25 recipient's homestead, as defined in section 561.1, would be
1 26 an undue hardship.

1 27 (b) The department verifies either of the following:

1 28 (i) The county assessor's appraisal value of the homestead
1 29 is one hundred thousand dollars or less.

1 30 (ii) The heir has a gross family income below three
1 31 hundred percent of the federal poverty level.

1 32 Sec. 2. MEDICAL ASSISTANCE STATE PLAN AMENDMENT. The
1 33 department of human services shall submit a medical assistance
1 34 state plan amendment to amend the state's undue hardship
1 35 exemptions criteria to include the exemption described in
2 1 section 249A.5, subsection 2, paragraph "a", subparagraph (3).

2 2 Sec. 3. IMPLEMENTATION. The section of this Act amending
2 3 section 249A.5, subsection 2, paragraph "a", shall be
2 4 implemented only upon the date of approval of the medical
2 5 assistance state plan amendment submitted pursuant to section
2 6 2 of this Act.

2 7 EXPLANATION

2 8 This bill provides an exemption to medical assistance
2 9 program estate recovery. The bill provides that an exemption
2 10 may be granted if a descendant of a deceased medical
2 11 assistance recipient asserts recovery against a deceased
2 12 medical assistance recipient's homestead would be an undue
2 13 hardship and the department of human services verifies that
2 14 either the county assessor's appraisal value of the homestead
2 15 is \$100,000 or less or the heir has a gross family income
2 16 below 300 percent of the federal poverty level. The bill
2 17 directs the department of human services to submit a medical

2 18 assistance state plan amendment to amend the state's undue
2 19 hardship exemptions criteria to include the new exemption, and
2 20 provides that the new exemption is to be implemented only upon
2 21 the date of approval of the state plan amendment.
2 22 LSB 2277SS 82
2 23 pf:nh/je/5