

**SECOND ENGROSSMENT
with Senate Amendments**Fifty-ninth
Legislative Assembly
of North Dakota**REENGROSSED HOUSE BILL NO. 1181**

Introduced by

Representatives Keiser, Devlin, Price

Senators Brown, J. Lee

1 A BILL for an Act to amend and reenact section 50-24.1-02.3 of the North Dakota Century
2 Code, relating to funds designated for funeral expenses and eligibility for medical assistance;
3 and to direct the department of human services to seek a waiver.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 50-24.1-02.3 of the North Dakota Century Code
6 is amended and reenacted as follows:

7 **50-24.1-02.3. When designated pre-need funeral service contracts, prepayments,**
8 **or deposits not to be considered in eligibility determination.** In determining eligibility for
9 medical assistance, the department of human services may not consider as an available
10 resource any pre-need funeral service contracts, prepayments, or deposits to a fund which total
11 ~~three~~ five thousand dollars or less designated by the applicant or recipient as set aside to pay
12 for the applicant's or recipient's funeral. An applicant or recipient designates a prepayment or
13 deposit for that applicant's or recipient's burial by providing funds that are to be used for the
14 funeral or burial expenses of the applicant or recipient. In addition, the applicant or recipient
15 may designate all or a portion of the three thousand dollar asset limitation for funeral pre-need
16 contracts, prepayments, or deposits. ~~Interest~~ Any interest or earnings retained in a funeral fund
17 also may not be considered as an available resource. A pre-need funeral service contract,
18 prepayment, or deposit designated under this section is not a multiple-party account for
19 purposes of chapter 30.1-31. No claim for payment of funeral expenses may be made against
20 the estate of a deceased medical assistance recipient except to the extent that funds
21 maintained in accordance with this section total less than ~~three~~ five thousand dollars.

22 **SECTION 2. WAIVER.** During the 2005-07 biennium, the department of human
23 services shall seek approval from the federal government to disregard for medicaid eligibility
24 purposes any pre-need funeral service contract, prepayment, or deposit to a fund, regardless of

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- 1 its value, made by a medicaid applicant or recipient if the pre-need funeral service contract,
- 2 prepayment, or deposit to a fund was purchased before April 1, 2004.