

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1217

Introduced by

Representatives Keiser, Price, Weisz

1 A BILL for an Act to create and enact a new section to chapter 50-24.1 of the North Dakota
2 Century Code, relating to eligibility for medical assistance benefits and long-term care
3 insurance; to provide for a report; and to provide an effective date.

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

5 **SECTION 1.** A new section to chapter 50-24.1 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Effect of purchase of long-term care insurance on eligibility for medical**
8 **assistance benefits.**

- 9 1. Notwithstanding any other provision of law to the contrary, the assets of an
10 individual must be disregarded when determining medical assistance eligibility if
11 the individual owns a long-term care insurance policy as described in this section
12 and purchased before application for medical assistance was made. For purposes
13 of this section, assets mean any kind of property or property interest, whether real,
14 personal, or mixed, whether liquid or illiquid, and whether presently vested with
15 possessory rights and that would be considered in determining eligibility for
16 medical assistance. The following asset disregards must be applied:
- 17 a. A one dollar increase in the medical assistance asset limit must be granted to
18 an individual who is the beneficiary of a long-term care insurance policy that
19 meets the requirements of this section for each one dollar of benefit paid out
20 under the individual's long-term care insurance policy for long-term care
21 services; or
- 22 b. The total assets an individual owns and may retain and still qualify for medical
23 assistance benefits at the time the individual applies for benefits must be
24 disregarded if the individual is the beneficiary of a long-term care insurance

1 policy that meets the requirements of this section, provides maximum benefits
2 at the time of purchase of at least the total asset protection amount in effect at
3 the time of purchase, and includes a provision under which the daily benefit
4 increases by at least five percent per year compounded at least annually, and
5 that individual has exhausted the benefits of the long-term care insurance
6 policy.

7 2. As used in this section, long-term care insurance has the meaning set forth in
8 section 26.1-45-01.

9 3. As used in this section, "total asset protection amount" means a maximum benefit
10 equal to one hundred sixty-four thousand two hundred fifty dollars for policies
11 purchased during 2005 and that amount plus an additional five percent
12 compounded annually for policies purchased in any year after 2005.

13 **SECTION 2. REPORT TO LEGISLATIVE COUNCIL.** Before November 1, 2005, the
14 department of human services shall report to the legislative council regarding the status of the
15 amendment to the medicaid state plan regarding the disregard of any assets to the extent that
16 payments are made under a long-term care insurance policy or because an individual has
17 received or is entitled to receive benefits under a long-term care insurance policy.

18 **SECTION 3. EFFECTIVE DATE.** Section 1 of this Act becomes effective on the date
19 the department of human services certifies to the legislative council that an amendment to the
20 medicaid state plan has been approved that provides for the disregard of any assets to the
21 extent that payments are made under a long-term care insurance policy or because an
22 individual has received or is entitled to receive benefits under a long-term care insurance
23 policy.