

**Fifty-ninth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 4, 2005**

HOUSE BILL NO. 1217  
(Representatives Keiser, Price, Weisz)

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

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

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

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

1. Notwithstanding any other provision of law to the contrary, the assets of an individual must be disregarded when determining medical assistance eligibility if the individual owns a long-term care insurance policy as described in this section and purchased before application for medical assistance was made. For purposes of this section, assets mean any kind of property or property interest, whether real, personal, or mixed, whether liquid or illiquid, and whether presently vested with possessory rights and that would be considered in determining eligibility for medical assistance. The following asset disregards must be applied:
  - a. A one dollar increase in the medical assistance asset limit must be granted to an individual who is the beneficiary of a long-term care insurance policy that meets the requirements of this section for each one dollar of benefit paid out under the individual's long-term care insurance policy for long-term care services; or
  - b. The total assets an individual owns and may retain and still qualify for medical assistance benefits at the time the individual applies for benefits must be disregarded if the individual is the beneficiary of a long-term care insurance policy that meets the requirements of this section, provides maximum benefits at the time of purchase of at least the total asset protection amount in effect at the time of purchase, and includes a provision under which the daily benefit increases by at least five percent per year compounded at least annually, and that individual has exhausted the benefits of the long-term care insurance policy.
2. As used in this section, long-term care insurance has the meaning set forth in section 26.1-45-01.
3. As used in this section, "total asset protection amount" means a maximum benefit equal to one hundred sixty-four thousand two hundred fifty dollars for policies purchased during 2005 and that amount plus an additional five percent compounded annually for policies purchased in any year after 2005.

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

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

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Speaker of the House

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President of the Senate

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Chief Clerk of the House

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Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1217.

House Vote:      Yeas    94      Nays    0      Absent    0

Senate Vote:    Yeas    44      Nays    0      Absent    3

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Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2005.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2005.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2005,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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Secretary of State