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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3879

04/11/2016 Authored by Gruenhagen

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to human services; establishing an asset test under medical assistance
1.3 for adults without children; requiring the commissioner of human services to
1.4 seek federal approval; amending Minnesota Statutes 2014, section 256B.056,
1.5 subdivision 3c.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2014, section 256B.056, subdivision 3c, is amended to
1.8 read:

1.9 Subd. 3c. **Asset limitations for families and children.** (a) A household of two or
1.10 more persons must not own more than \$20,000 in total net assets, and a household of one
1.11 person must not own more than \$10,000 in total net assets. In addition to these maximum
1.12 amounts, an eligible individual or family may accrue interest on these amounts, but they
1.13 must be reduced to the maximum at the time of an eligibility redetermination. The value of
1.14 assets that are not considered in determining eligibility for medical assistance for families
1.15 and children is the value of those assets excluded under the AFDC state plan as of July 16,
1.16 1996, as required by the Personal Responsibility and Work Opportunity Reconciliation
1.17 Act of 1996 (PRWORA), Public Law 104-193, with the following exceptions:

1.18 (1) household goods and personal effects are not considered;

1.19 (2) capital and operating assets of a trade or business up to \$200,000 are not
1.20 considered, except that a bank account that contains personal income or assets, or is used to
1.21 pay personal expenses, is not considered a capital or operating asset of a trade or business;

1.22 (3) one motor vehicle is excluded for each person of legal driving age who is
1.23 employed or seeking employment;

1.24 (4) assets designated as burial expenses are excluded to the same extent they are
1.25 excluded by the Supplemental Security Income program;

2.1 (5) court-ordered settlements up to \$10,000 are not considered;

2.2 (6) individual retirement accounts and funds are not considered;

2.3 (7) assets owned by children are not considered; and

2.4 (8) effective July 1, 2009, certain assets owned by American Indians are excluded as
2.5 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public
2.6 Law 111-5. For purposes of this clause, an American Indian is any person who meets the
2.7 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

2.8 The assets specified in clause (2) must be disclosed to the local agency at the time of
2.9 application and at the time of an eligibility redetermination, and must be verified upon
2.10 request of the local agency.

2.11 (b) ~~Beginning January 1, 2014,~~ This subdivision applies ~~only~~ to parents and caretaker
2.12 relatives who qualify for medical assistance under subdivision 5, and to adults without
2.13 children who qualify for medical assistance under section 256B.055, subdivision 15.

2.14 **EFFECTIVE DATE.** This section is effective January 1, 2017, or upon federal
2.15 approval, whichever is later.

2.16 Sec. 2. **FEDERAL APPROVAL.**

2.17 The commissioner of human services shall request all federal waivers, law changes,
2.18 and approvals necessary to apply an asset test under medical assistance to adults without
2.19 children, as required by the amendment to Minnesota Statutes, section 256B.056,
2.20 subdivision 3c. The commissioner shall notify the chairs and ranking minority members
2.21 of the legislative committees with jurisdiction over health and human services policy and
2.22 finance of any federal decision related to this request.

2.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.