

Fifty-ninth  
Legislative Assembly  
of North Dakota

## 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; to  
3 provide an appropriation; 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 five hundred dollars or less designated by the applicant or recipient as set  
12 aside to pay for the applicant's or recipient's funeral. An applicant or recipient designates a  
13 prepayment or deposit for that applicant's or recipient's burial by providing funds that are to be  
14 used for the funeral or burial expenses of the applicant or recipient. In addition, the applicant or  
15 recipient may designate all or a portion of the ~~three~~ five thousand five hundred dollar asset  
16 limitation for funeral pre-need contracts, prepayments, or deposits. Interest or earnings  
17 retained in a funeral fund also may not be considered as an available resource. A pre-need  
18 funeral service contract, prepayment, or deposit designated under this section is not a  
19 multiple-party account for purposes of chapter 30.1-31. No claim for payment of funeral  
20 expenses may be made against the estate of a deceased medical assistance recipient except  
21 to the extent that funds maintained in accordance with this section total less than ~~three~~ five  
22 thousand five hundred dollars.

23 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the  
24 general fund in the state treasury, not otherwise appropriated, the sum of \$445,915, or so much

1 of the sum as may be necessary, and from special funds derived from federal funds, the sum of  
2 \$816,585, or so much of the sum as may be necessary, to the department of human services  
3 for the purpose of supplementing other appropriations provided for the medical assistance  
4 program to defray the expenses associated with increasing the amount of the burial exclusion  
5 for medical assistance recipients, for the biennium beginning July 1, 2005, and ending June 30,  
6 2007.

7 **SECTION 3. WAIVER.** During the 2005-07 biennium, the department of human  
8 services shall seek approval from the federal government to disregard for medicaid eligibility  
9 purposes any pre-need funeral service contract, prepayment, or deposit to a fund, regardless of  
10 its value, made by a medicaid applicant or recipient if the pre-need funeral service contract,  
11 prepayment, or deposit to a fund was purchased before April 1, 2004.