

FISCAL NOTE

(Return in triplicate)

Bill/Resolution No.: HB 1454 Amendment to: _____

Requested by Legislative Council Date of Request: 1/20/93

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, and cities.

Narrative:

(See Attached)

2. State fiscal effect in dollar amounts:

<u>1991-93</u> <u>Biennium</u>		<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>	
<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>

Revenues:

(\$424.7 Million)

Unknown

Expenditures:

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1991-93 biennium: -0-

b. For the 1993-95 biennium: Loss of \$424.7 Million in Federal Title XIX revenue

c. For the 1995-97 biennium: _____

4. County and City fiscal effect in dollar amounts:

<u>1991-93</u> <u>Biennium</u>		<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

(\$19 Million)

Unknown

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name MIKE SCHWINDT

Department HUMAN SERVICES

Phone Number 224-2330

Date Prepared: 1/22/93

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

HOUSE BILL 1454

Relating to assignment of life insurance proceeds to the Department of Human Services in order to obtain Medical assistance and amending subsection relating to funding pre-need funeral service contracts and to eligibility for Medical assistance.

The following statement regarding HB 1454 is based on verbal evaluation of the bill as received from the Department of Human Services' Legal Services Division:

This bill would violate federal law covering eligibility for Medicaid and may cause the State of North Dakota to lose all medicaid dollars. This is based on:

42 C.F.R. Section 435.401(a) provides that a Medicaid agency may not impose any eligibility requirement that is prohibited under Title XIX of the Act.

- 1) 42 U.S.C. Section 1396k describes permissible assignments that may be required of Medicaid recipients. No provision allowing the assignment of assets is included.
- 2) 42 U.S.C. Section 1396o describes permissible enrollment fees, premiums, deductions, cost sharing, and similar charges. The assignment described in Section 2 of HB 1454 is inconsistent with these requirements.
- 3) 42 U.S.C. Section 1396p prohibits taking of security from Medicaid recipients (with irrelevant exceptions).