

**Fifty-fifth Legislative Assembly, State of North Dakota, begun in the
Capitol in the City of Bismarck, on Monday, the sixth day of January,
one thousand nine hundred and ninety-seven**

HOUSE BILL NO. 1272
(Representatives Kerzman, Svedjan)
(Senator Thane)

AN ACT to amend and reenact section 50-24.1-02.3 and subsection 1 of section 50-24.1-07 of the North Dakota Century Code, relating to funeral expenses in claims against the estates of former medicaid recipients.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 50-24.1-02.3 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

50-24.1-02.3. When ~~pre-need designated funeral plan prepayments or deposits~~ not to be considered in eligibility determination. In determining eligibility for medical assistance, the department of human services may not consider as an available resource any prepayments or deposits to a fund which total three thousand dollars or less, and the interest accrued thereon, made and maintained by an applicant for or recipient of medical assistance in a fund, not commingled with any other funds, designated by the applicant or recipient as set aside to pay for the applicant's or recipient's funeral. In addition, the applicant or recipient may designate all or a portion of the three thousand dollar asset limitation for funeral purposes. Interest or earnings retained in a funeral fund also may not be considered as an available resource. A ~~pre-need funeral service contract~~ prepayment or deposit designated under this section is not a multiple-party account for purposes of chapter 30.1-31. No claim for payment of funeral expenses may be made against the estate of a deceased medical assistance recipient except to the extent that funds maintained in accordance with this section total less than ~~one~~ three thousand four hundred dollars.

SECTION 2. AMENDMENT. Subsection 1 of section 50-24.1-07 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. On the death of any recipient of medical assistance who was fifty-five years of age or older when the recipient received the assistance, and on the death of the spouse of ~~such a~~ the deceased recipient, the total amount of medical assistance paid on behalf of the recipient following the recipient's fifty-fifth birthday must be allowed as a preferred claim against the decedent's estate after payment, in the following order, of:
 - a. Funeral expenses not in excess of ~~fourteen hundred~~ three thousand dollars;
 - b. Expenses of last illness;
 - c. Expenses of administering the estate, including attorney's fees approved by the court;
 - d. Claims made under chapter 50-01;
 - e. Claims made under chapter 50-24.5; and
 - f. Claims made under chapter 50-06.3 and on behalf of the state hospital.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-fifth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1272.

House Vote: Yeas 93 Nays 0 Absent 5

Senate Vote: Yeas 47 Nays 0 Absent 2

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 1997.

Approved at _____ M. on _____, 1997.

Governor

Filed in this office this _____ day of _____, 1997,
at _____ o'clock _____ M.

Secretary of State