

Testimony
Senate Bill 2261 - Department of Human Services
Senate Industry, Business and Labor Committee
Senator Jerry Klein, Chairman
January 26, 2021

Chairman Klein, and members of the Senate Industry, Business and Labor Committee, I am Jonathan Alm, an attorney with the Department of Human Services (Department). I appear before you in support of Senate Bill 2261 as it adds clarity to irrevocable itemized funeral contracts.

The Department is proposing an amendment to Senate Bill 2261 to add additional clarity for the purpose of Medicaid. The proposed amendment amends the definition of "irrevocable itemized funeral contract" on page 1, lines 16 and 17, to read as follows:

"Irrevocable itemized funeral contract" means an irrevocable pre-need funeral service contract that is an itemized listing of goods and services that will be received based on the contract.

This amendment would add clarity and aligns with current practice as the Department needs the irrevocable itemized funeral contract to have an itemized listing of goods and services.

In addition, the proposed amendment amends page 3, lines 21 through 24, to read as follows:

The irrevocable itemized funeral service ~~may not exceed the amount~~ contract to pay for a funeral ~~and is~~ recognized as an allowable asset exclusion used for determining eligibility for medical assistance under section 50-24.1-02.3 at the time the contract is entered.

This amendment would make it clear that the irrevocable itemized funeral service contract is recognized as an allowable asset exclusion for Medicaid purposes.

Finally, at the request of the North Dakota Bankers Association, the proposed amendment would add an emergency clause.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2261

Page 1, line 3, after "expenses" insert "; and to declare an emergency"

Page 1, line 17, after "contract" insert "that is an itemized listing of goods and services that will be received based on the contract"

Page 3, line 21, after "irrevocable" insert "itemized funeral contract"

Page 3, line 21, overstrike "may not exceed"

Page 3, line 22, overstrike "the amount"

Page 3, line 22, overstrike "and" and insert immediately thereafter "is"

Page 4, after line 10, insert:

"SECTION 3. EMERGENCY. This Act is declared to be an emergency measure."

Re-number accordingly