

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1248

2005 HOUSE HUMAN SERVICES

HB 1248

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1248

House Human Services Committee

☐ Conference Committee

Hearing Date January 19, 2005

Tape Number	Side A	Side B	Meter #
#1			# 107 - 1201

Committee Clerk Signature



Minutes:

**Chairman Price** opened hearing on HB 1248

**Greg Larson, Attorney.** See attached testimony

**Rep. Porter:** On your written testimony, I am confused, it says page 2, line 2, should it say page 3, line 2?

**G. Larson:** Yes, I apologize for that.

**Rep. Weisz:** I have a couple questions. I assume that Social Security income remains at 150% limit.

**G. Larson:** No, the SS Income will be part of the 150%.

**Rep. Weisz:** They set up on annuity and \$1000.00 a month other income, what happens to the extra money.

**G. Larson:** It gets very complicated, Statute provides to qualify for Medical Asst. If the numbers go up, it does not disqualify them, but if the income goes up, that would be applied to the expenses.

**Curtis Vole sky, Director of Eligibility, DDS.** See Attached Testimony

**Rep. Sandvig:** If you have to make collections, would the money recovered have to go back to the Fed. Gov.?

**C. Volesky:** Yes, the match would have to be returned to the Fed. Govt.

**Chairman Price:** Are you proposing any other amendments? At this time, the Dept. is going to use the life expectancy table and not make people jump through hoops as far as the Dr.'s referrals.

**C. Volesky:** Yes.

Close hearing on HB 1248.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1248

House Human Services Committee

☐ Conference Committee

Hearing Date January 26, 2005

Tape Number	Side A	Side B	Meter #
#2	x		1032-1776

Committee Clerk Signature



Minutes:

**Chairman Price** opened discussion on HB 1248.

**Rep. Weisz:** See attached E-mail from M. Hauer.

**Chairman Price:** That just doesn't sound right. Our language was that it is not less than 10 years.

But this does not say what we intended.

**Rep. Weisz:** Melissa Hauer said the language is basically the same. I didn't think that was what we had intended either. We had instructed her to come up with was that in no case the guarantee exceed 10 years regardless of the expected life.

**Chairman Price:** It doesn't look like it is two separate pieces, it looks like just one.

**Rep. Devlin:** We don't have the actual amendment in front of us.

**Rep. Weisz:** It is in the second paragraph in the E-mail.

Page 2

House Human Services Committee

Bill/Resolution Number HB 1248

Hearing Date January 26, 2005

**Rep. Kaldor:** Maybe she is getting at that you could have a community spouse, where the annuity pays out longer than what the life expectancy of the annuitant is, thereby shrinking the amount of money per month that would be going to the facility.

**Chairman Price:** The beneficiary will be the Dept.

**Rep. Weisz:** I will contact the Dept. and bring this back.

**Chairman Price:** Closed discussion on HB 1248.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB `1248

House Human Services Committee

☐ Conference Committee

Hearing Date Feb. 1, 2005

Tape Number	Side A	Side B	Meter #
#2	x		995-2600

Committee Clerk Signature



Minutes:

**Chairman Price** opened the discussion on HB 1248.

**Rep. Weisz:** Explained the bill and amendments. Questions have been as who the beneficiary will be, if the community spouse dies and there were a couple issues. How long does the annuity have to pay out and if the recipient dies prior to the life expectancy, who should get those payments or should there be payments. The amendment will do is require annuities will have to pay out for the life expectancy, determined by an actuarial table. Regardless if they have a terminal illness or not. This will get the dept. off the hook. The second amendment will say that the annuity has to pay out for that life expectancy. 20 life expectancy, if they die within 10 yrs, the dept. will be the beneficiary. If they live beyond the life expectancy, the dept. gets nothing. page 2 line 31, page 3 line 8.

**Rep. Weisz:** Move to accept the amendments.

**Rep. Sandvig:** Second.

**Rep. Weisz:** One of the problems, the way the payments scheduled was not drafted in a reasonable manner. If the non community spouse dies before the annuity is used. That does now counts if the other spouse will be benefited.

**Rep. Potter:** What is a community spouse.

**Chairman Price:** It is the term used for the spouse not living in the nursing home.

**Rep. Kreidt:** Could then the annuity be adjusted to cover the nursing home costs?

**Rep. Weisz:** The income could go the NH.

**Rep. Kreidt:** The annuity could be used then and some of the burden could be taken off the state.

**Rep. Weisz:** Yes it could.

**Rep. Porter:** It would be treated as recipient liability.

**Rep. Uglem:** First line on page 3, crossed out income amount and put maintenance assistance. Did that get changed?

**Rep. Weisz:** That is already done.

**Rep. Weisz:** Do Pass as Amended. **Rep. Nelson:** Second

**Vote:** 12-0-0

**Carrier:** **Rep. Weisz**



PROPOSED AMENDMENTS TO HOUSE BILL NO. 1248

Page 2, line 31, replace "maximum" with "minimum"

Page 3, line 1, replace "income amount" with "maintenance needs allowance"

Page 3, line 8, replace "within" with "and has a guaranteed period that is equal to"

Renumber accordingly

House

BILL NO: 1248

BILL LC NO. 50441.0100

AMEND NO: 50441.0101

TITLE NO. 0200

House Human Services

COMMITTEE

2/1/05

DATE OF ACTION



DO PASS



DO NOT PASS



NO RECOMMENDATION

(ONE OF THE ABOVE THREE BOXES MUST BE MARKED)



AMEND AS ATTACHED  
(MUST BE MARKED)

*Julie Hansen*  
Signature

Date: 2/1/05

Roll Call Vote #: 1-<sup>(2)</sup>Amcl-  
2-

2005 HOUSE STANDING COMMITTEE ROLL CALL  
BILL/RESOLUTION NO. HB 1248

House

Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken *Do Pass as amended*

Motion Made By Rep. *Weisz* Seconded By Rep. *Nelson*

Representatives	Yes	No	Representatives	Yes	No
Chairman C.S. Price	✓		Rep. L. Kaldor	✓	
V Chrm. G. Kreidt	✓		Rep. L. Potter	✓	
Rep. V. Pietsch	✓		Rep. S. Sandvig	✓	
Rep. J.O. Nelson	✓				
Rep. W.R. Devlin	✓				
Rep. T. Porter	✓				
Rep. G. Uglem	✓				
Rep. C. Damschen	✓				
Rep. R. Weisz	✓				

Total Yes 12

No 0

Absent 0

Floor Assignment Rep. *Weisz*

If the vote is on an amendment, briefly indicate intent: —

*Annuitiy — disregard assets — Dept Beneficiary*

**REPORT OF STANDING COMMITTEE**

**HB 1248: Human Services Committee (Rep. Price, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1248 was placed on the Sixth order on the calendar.

Page 2, line 31, replace "maximum" with "minimum"

Page 3, line 1, replace "income amount" with "maintenance needs allowance"

Page 3, line 8, replace "within" with "and has a guaranteed period that is equal to"

Renumber accordingly

2005 SENATE HUMAN SERVICES

HB 1248

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1248

Senate Human Services Committee

☐ Conference Committee

Hearing Date March 8, 2005

Tape Number	Side A	Side B	Meter #
1	x		00-1965
1		x	3240-4465

Committee Clerk Signature *Cathy Minard*

Minutes:

Chairman Lee opened the public hearing on HB 1248. All members were present.

This bill relates to transfer involving annuities.

**Testimony in favor of the bill**

Representative Robin Weisz, District 14 testified in support of the bill. He was not a sponsor but was responsible for the amendments made to it. He explained that the bill changed the annuity relative to exemption from assets for Medicaid planning purposes. The bill sets up that there has to be a guaranteed time and interest payout to the life of the purchaser on the annuity. So that if the applicant's spouse has a life expectancy of 15 years, the annuity would have to be a minimum of 15 years. There could not be a balloon payment at the end of that period. There would be a complete payout of the annuity to the 15 years. One of the issues that came up was: 'what is life expectancy?' While it's not in the bill, but in discussion with the department, we made it clear that life expectancy was merely to be the chart definition, it would not take into account your

personal life expectancy, i.e., if you had a terminal illness. That's been an issue in the past with the department on a couple of cases. We made it clear, that what we were doing with this bill that that would not be the criteria and you had to use the chart. With this bill, if you purchase an annuity, you purchase the life expectancy, you have the payout, the department would be name the beneficiary if the annuitants died prior to their life expectancy. There are some exception--if there are minors living at home.

Julie Fedorchak, representing American International Group (AIG): See written testimony (Attachment 1, 1A)

Gregory C. Larson, Bismarck attorney, testifying on his own behalf. See written testimony (Attachment 2)

Sen. Brown: Where did these amendment come from?

Larson: Rep. Keiser was instrumental in coming up with proposals in conjunction with...he had discussions with the department, they expressed their concerns and then I met with Rep. Keiser several times going through. There were some other amendments proposed that I felt would emasculate the statute so I was opposed to those. We compromised that these were the ones that would still allow the statute do what it was meant to do.

Sen. Brown: Did Rep. Keiser come up with these on his own, did they come from a study committee, did they come from a interim committee, did they come from the industry?

Larson: My understanding is that they were points that the department had concerns with over the past two years as the annuity statute was being applied and they met with Rep. Keiser and that was kind of an informal group that got together. Certainly the meetings I had with Rep. Keiser were informal.

Vice Chairman Dever: When Rep. Weisz said that the House Human Services Committee would probably not have any objection to the amendment, was he referring to yours or Julia's?

Larson: I think he was referring to mine. Rep. Keiser was also apprised of that amendment and was not in objection.

Curtis Volesky, Director of Medicaid Eligibility for the Department of Human Services. See written testimony (Attachment 3)

Chairman Lee: Did you have a change to consider the two small amendments that were proposed?

Volesky: My initial thoughts, on the first one was in regard to removing interest, our understanding of the law would be to have all payments paid out during the person's life expectancy. We don't see it as a requirement that the annuity *must* provide interest as well. So unless I'm misunderstanding that amendment, I'm not sure that it wouldn't be necessary because we're not saying that the annuity *has* to pay the interest, but just all payments should be paid within the person's life expectancy. My concern with the other amendment, reducing it to 80% of life expectancy, really seems to affect the purpose of subsection 4 E or subsection 5. If these annuities are established to pay out over 80% of an individual's life expectancy, it's going to reduce any payments that the department would be able to receive.

There was no further testimony on the bill. Chairman Lee closed the public hearing.

Chairman Lee reopened discussion on HB 1248.

Senator Brown moved DO PASS on the two amendments, seconded by Senator Lyson.

Senator Brown explained the amendments (attachments 1 and 1A)

Sen. Warner: I think I am going to resist the motion. I have no problem with the amendment 'and interest' but maybe I don't understand the 80% point well enough yet.

Chairman Lee: Would the committee prefer to split the two? Rather than consider the two amendment together?

Sen. Lyson: It might be better to split the two amendments.

Chairman Lee: Would you like to move to further amend or withdraw the motion and start over again?

Sen. Brown: I'll withdraw my motion.

Chairman Lee: Would you like to amend the removing of the words 'and interest'?

Sen. Lyson: I would move that as an amendment.

Senator Lyson moved DO PASS on amendment number one, seconded by Senator Warner.

Chairman Lee: I don't recall any objection to the 'and interest' being removed.

Sen. Brown: I don't recall any objection to either one.

Sen. Warner: Someone from the department objected to the 80%. It would reduce their future revenues.

Chairman Lee: Wasn't it something besides that?

Vice Chairman Dever: Did they say that about the interest or about the 80%?

All at once: The 80%

Sen. Lyson: I don't recall any negative comments about amendment number one.

VOTE: 5 yeas, 0 nays, 0 absent

Senator Brown moved DO PASS on the second amendment, seconded by Senator Lyson

Chairman Lee: Was that the only concern, just reducing the income?



Sen. Lyson: He (Volesky) gave some comments on that, in his summary.

Chairman Lee: Greg did.

Sen. Brown: What he's saying is that the guaranteed period would be equal to at least 80% of purchaser's life expectancy at 100% there aren't going to be any companies that'll even underwrite the business, at 80% they will.

Vice Chairman Dever: Can you help me understand how this works. If a 50 year old man has a 30 year old wife, and they buy an annuity, 20 years later, he's 70, she's 50; he dies--how is that supposed to be spelled out then?

Sen. Brown: You wouldn't get 50 year old to buy this kind of annuity. You would get somebody that is further advanced in age, maybe 70, who is trying to shelter some assets for his or his wife's sunset years. His life expectancy at 70, according to the tables, is 20 years. The annuity company doesn't want to set up something with full annuity on a 70 year old up to 90, they only want to, based on their experience, base it on 80% of life expectancy.

Sen. Lyson: Greg said that this will probably save the department money in the long run.

Sen. Brown: If people buy them.

Chairman Lee: If you buy one at the age of 70 and the life expectancy is 90 and you're supposed to cover at least 80% of the total life expectancy--80% of 90 is 72.

Sen. Brown: No, you take 80% of 20 years. (16)

Sen. Lyson: That was his comment, that it would save the department in the long run.

VOTE: 4 Yeas, 0 nays, 0 absent

Senator Brown moved DO PASS as amended, seconded by Senator Dever

VOTE: 4 yeas, 0 nays, 0 absent Carrier: Senator Brown Chairman Lee left the voting open until Senator Warner returned.

Sen. Warner: I have a question about grandparents who have custody of minor children they have not adopted. Was it your understanding that the money would still remain with those children rather than being seized by the department of human services?

Sen. Brown: In these annuities, the department, if the individual is on Medicaid, would be the beneficiary of this annuity.

Sen. Warner: If there are minor children, I understand from the bill, that if there are minor children in the home, that the department is ordered to stand aside and let that money transfer to the minor children for their upkeep. But is it clear, in the understanding of the committee, that grandchildren would also constitute minor children in the home?

Chairman Lee: I don't know the answer.

Sen. Brown: What it say is 'when the obligations to the minor child or children or permanently and totally disabled child or children and the department are fulfilled, the department shall remit any future payments made to the department under this section to the contingent beneficiaries selected by the annuitant.'

Chairman Lee: Doesn't sound like grandchildren are in there.

Sen. Brown: The grandparents would have to be very careful about putting the grandchildren as contingent annuitants.

Sen. Warner: I wouldn't necessarily want grandchildren who are minors but being raised by the grandparents. There's no problem is the grandparents adopt the grandchildren; the problem is in that fuzzy area of grandparents taking on grandchildren for temporary or hoping their own kids

will grow up at some point and take the kids back. We might have some kids that are falling into limbo here. Is that a concern of the committee?

Chairman Lee: How about if we hang onto the bill and don't take it up just yet and maybe we can get that question answered. Can you (Carlee) check with Mr. Volesky in the department of human services and ask him about that and maybe we should call Greg Larson and ask him about it as well. If we get the question answered and it sounds like it's something we need to further amend, we'll just keep the bill here and reconsider.

Sen. Lyson: The way I read the bill, the annuity still goes to the department and what's left over goes to the children, even if they're not grandchildren.

Sen. Brown: To the individuals listed as beneficiaries.

Sen. Warner: If there's minor children in the home, it goes to the minor children before the department.

Sen. Brown: It say *and* the department. 'When the obligations of the minor child or children or permanently and totally disabled child or children *and* the department are fulfilled, the department shall remit any future payments made to the department to the contingent beneficiaries.

Sen. Warner: Carlee, when you list things in sequence, do you just develop a hierarchy?

Carlee McLeod, Intern: Not always. I guess it depends on the one drafting it.

Sen. Brown: The obligation of the minor child would take place first. I'm sure of it. Then the department

Sen. Warner: Then if there's any residual, it goes to non-minor children.

Sen. Brown: It goes to whoever is listed on the policy.

Sen. Warner: My only question was whether 'minor child' could be construed to mean minor grandchildren who are dependent upon the annuitant for care. If they're not adopted it's not clear.

Vice Chairman Dever: Probably for other reasons they're considered dependent, for tax purposes, health insurance.

Discussion ended on HB 1248. The bill will be held until Sen. Warner's question is answered.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1248

Senate Human Services Committee

☐ Conference Committee

Hearing Date March 9, 2005

Tape Number

3

Side A

X

Side B

Meter #

2,801-3320

Committee Clerk Signature



cm

Minutes:

**Chairman Lee opened the meeting to discuss HB 1248. All Senators were present.**

**Chairman Lee mentioned that Senator Warner's vote was needed for the bill. Senator Warner brought forth an amendment to the bill.**

**Senator Warner-** If there is any money left over after the death of the person who had an annuity, that minor children in the household are first in line for benefits. A concern of mine is that there are several cases of grandparents raising their own grandchildren. My amendment would insert minor grandchildren into the bill as dependents, along with minor children.

**Senator Brown-** We received an e-mail from Curt Volesky about this issue.

**Chairman Lee-** The question is whether or not it is legal to include grandchildren in the transfer of annuities.

Page 2  
Senate Human Services Committee  
Bill/Resolution Number HB 1248  
Hearing Date March 9, 2005

**Senator Warner-** It is my understanding that some grandparents have legal guardianship status of their grandchildren, and that this would apply towards the amendment, concerning the benefits.

**Chairman Lee** requested the committee consider the amendment the following week.

**Chairman Lee** closed the hearing on HB 1248. No action was taken.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1248

Senate Human Services Committee

☐ Conference Committee

Hearing Date March 14, 2005

Tape Number	Side A	Side B	Meter #
2	x		700-1300
2	x		3800-4200

Committee Clerk Signature



Minutes:

Chairman Lee reopened discussion on HB 1248. All members were present.

Sen. Brown: This is the annuity bill and Senator Warner brought up a concern about, if an adult is dealing with a grandchild and I did some research. If you go to page 3 line 23-24, after 'minor child' add 'or grandchild' and under 24 after 'disabled child' add 'or grandchild' they say that would take care of our concerns.

Sen. Warner: Do we need the word 'dependent' in there?

Sen. Brown: No, they said just 'grandchild.' They may not be dependent because they may not have done the legal work. This would be the case of not legal guardian.

Vice Chairman Dever: The amendments that we did consider, did involve line 23 of page 3.

Chairman Lee: Correct. But this wouldn't involve a legal guardian.

Senator Brown moved to reconsider the amendment of 3/8/05, seconded by Senator Warner.

Voice vote: Motion carried.

Senator Brown moved DO PASS the 3/14/05 amendment.

Chairman Lee: What we're going to do is withdraw the previous amendment on lines 23-24 (see attachment 1).

This will open it up to *all* grandchildren. Do we want some sort of limitation on this? I don't know how we determine what that is.

Sen. Lyson: Are we opening up something here without putting something in there about getting custody of the child or not. Maybe that custody of at living with, because couldn't we get into a situation where, by leaving off grandchild, and put just the word 'grandchild' in there.

Chairman Lee: Because kids not living with grandparents the way we're doing right now. Do we want to do that?

Sen. Brown: Greg Larson felt that this would apply to the children that were living with the grandparent.

Chairman Lee: He doesn't think it opens it up to all grandchildren? He thinks that it limits it to those that are living with the grandparents.

Sen. Lyson: If that's the case, I have no problem.

Chairman Lee asked Peggy to research what the proper wording would be make sure the amendment covers grandchildren who are living with the grandparents but there is no legal custody.

Chairman Lee closed the discussion. No action was taken.

Chairman Lee reopened discussion after break.



Page 3  
Senate Human Services Committee  
Bill/Resolution Number HB 1248  
Hearing Date March 14, 2005

Chairman Lee: Peggy prepared an amendment and talked with Vonette Richter who suggested that the language on 23 and 26 is appropriate for making sure that grandchildren that are being supported by their grandparents would be covered by this language.

Senator Brown moved DO PASS the 3/14 amendment, seconded by Senator Warner

VOTE; 5 YEAS, 0 NAYS, 0 ABSENT

Senator Brown moved DO PASS the amended bill, Seconded by Senator Warner

VOTE: 5 yeas, 0 nays, 0 absent      Carrier: Senator Brown

Chairman Lee asked the clerk to hold the bill until the amendment could be reviewed.

3/8/05

**Proposed Amendments to HB 1248**

Page 3, line 8, remove "and interest"

Page 3, line 9, after "to" insert "at least eighty percent of"

Renumber accordingly

Date: 3-8-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass on 2 amendments

Motion Made By Sen Brown Seconded By Sen Lyson

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman			Sen. John Warner		
Sen. Dick Dever - Vice Chairman					
Sen. Richard Brown					
Sen. Stanley Lyson					

Total (Yes) No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Withdrawn - went to separate amendments

Date: 38-05  
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass Amendment #1

Motion Made By Sen. Lyson Seconded By Sen. Warner

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman	✓		Sen. John Warner	✓	
Sen. Dick Dever - Vice Chairman	✓				
Sen. Richard Brown	✓				
Sen. Stanley Lyson	✓				

Total (Yes) 5 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-8-05  
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass 2nd amendment

Motion Made By Sen. Brown Seconded By Sen. Lyson

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman	✓		Sen. John Warner		
Sen. Dick Dever - Vice Chairman	✓				
Sen. Richard Brown	✓				
Sen. Stanley Lyson	✓				

Total (Yes) No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-8-05  
Roll Call Vote #: 4

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass as amended

Motion Made By Sen. Brown Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman	✓		Sen. John Warner	✓	
Sen. Dick Dever - Vice Chairman	✓				
Sen. Richard Brown	✓				
Sen. Stanley Lyson	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment Sen. Brown

If the vote is on an amendment, briefly indicate intent:

Date: 3-14-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken reconsider amendment of 3/8/05

Motion Made By Sen Brown Seconded By Sen Warner

Senators	Yes	No
Sen. Judy Lee - Chairman		
Sen. Dick Dever - Vice Chairman		
Sen. Richard Brown		
Sen. Stanley Lyson		

Senators	Yes	No
Sen. John Warner		

Total (Yes) No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

voice vote - all yes.

3/14/05

Attachment 1

**Proposed Amendments to HB 1248**

Page 3, line 8, remove "and interest"

Page 3, line 9, after "to" insert "at least eighty percent of"

Page 3, line 23, after "child" insert "who resided and was supported financially by the deceased"

Page 3, line 26, after the first "child" insert "who resided and was supported financially by the deceased"

Renumber accordingly



Date: 3-14  
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass 3/14 amend

Motion Made By Sen Brown Seconded By Sen Warner

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman	✓		Sen. John Warner	✓	
Sen. Dick Dever - Vice Chairman	✓				
Sen. Richard Brown	✓				
Sen. Stanley Lyson	✓				

Total (Yes) 5 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-14-05  
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

Senate Human Services

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass amendment

Motion Made By Sen Brown Seconded By Sen Warner

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman	✓		Sen. John Warner	✓	
Sen. Dick Dever - Vice Chairman	✓				
Sen. Richard Brown	✓				
Sen. Stanley Lyson	✓				

Total (Yes) 5 No 0

Absent

Floor Assignment Sen. Brown

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

HB 1248, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1248 was placed on the Sixth order on the calendar.

Page 3, line 8, remove "and interest"

Page 3, line 9, after "to" insert "at least eighty percent of"

Page 3, line 23, after "child" insert "who resided and was supported financially by the deceased" and after "or" insert "by a"

Page 3, line 26, after "children" insert "who resided and were supported financially by the deceased" and after the second "or" insert "the"

Renumber accordingly

2005 HOUSE HUMAN SERVICES

CONFERENCE COMMITTEE

HB 1248

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1248

House Human Services Committee

☒ Conference Committee

Hearing Date April 4, 2005

Tape Number

1

Side A

x

Side B

x

Meter #

Tape Malfunctioned

Committee Clerk Signature



Minutes:

Conference Committee;

**Rep. Weisz, Chairman, Rep. Nelson & Rep. Sandvig.**

**Sen. Brown, Chairman Sen. Dever, Sen. Warner.**

**Rep. Weisz** called the committee to order. After roll call, Rep. Weisz indicated a quorum was present. **Rep. Weisz** asked the Sen. committee members to explain the changes they made to HB 1248.

**Sen. Brown:** You have the amendments we made in front of you. We removed "an interest", page 3, line 8, page 3 line 9 - changed from "100%" to "at least 80% ", Line 23 page 3, we, in response to comments made to us, about there are more and more grandparents raising grandchildren, revised it to include children. That's it. The 80% does seem to be the problem.

**Rep. Weisz:** From the House perspective, that was probably the only reason we asked for the conference committee, because of the 80% part. Our concern was that if you didn't get an

annuity that was substantially lower than what possible life expectancy was. If you have a 10 year life expectancy, to which you make your annuity for 10 years. The part of the bill was potentially, the dept. will pay the costs, that would potentially collect some of its money, which would make that even more unlikely. Rational that was brought forward to me, I knew there was an amendment going to be put on this, I didn't know exactly what the percentage would be, life expectancy tables would show an odd number of years, we don't want to have an exactly 11.4 years, for instance, I thought that was reasonable. I looked at the bill, and would like to put 90% to be able round it to whatever year that makes sense.

**Sen. Brown:** Can someone else talk?

**Rep. Weisz:** Absolutely.

**Gregory Larsen,** The concern that Chrm. Weisz mentioned was one of the prominent concerns, and that is that we didn't want it to be exact, we wanted to have room for flexibility. That is why we picked the 80%. One of the important things that was brought up, is when there is a younger spouse, say one that is in their 60's yet and have a 20 year life expectancy, payments are very small. When you have an 80% purchase figure, it would help to increase the amount of the monthly annuity payments. That was another consideration. Just because the impact of this annuity bill, in the first place, was to get people to do this, rather than give their assets away, when someone would see, if I buy this, I am only get this much a month, I might as well give it to my children.. The importance in keeping the assets with the parents, is that it will still be there to help to provide support to them, rather than them becoming wards of the state. Also, when you have someone who has a life threatening disease and has a life expectancy that is less than what

the chart indicates, a variable purchase at 80% of their life expectancy, they may be inclined to do it, whereas, if it was at 100%, they may say that it is better off again., just gifting assets away, rather than buy an annuity that would stay with the Medicaid unit. That is the reason we suggested the 80%.

**Rep. Weisz:** Are there any questions?

**Dave Zentner, Director of Medical Services, DHS.**

Our major concern has always been how fair is the annuity process and what we attempted to do with this bill is make it as fair as possible. If we go the 80% route, we will have more of an opportunity for those dollars to flow to the heirs. That was one of our concerns. But 100%, the time is based on the average life expectancy of an individual. At 80%, the money is going to used up sooner and less of an opportunity for the taxpayers to recoup any dollars.

**Curt Volesky:** If the idea is not require people to have an exact life expectancy and to allow some flexibility, this may allow it in one direction but not the other.

**Rep. Weisz:** Couldn't you purchase a 12 year annuity?

**Curt Volesky:** It would have to be a the level of the life expectancy.

**Rep. Weisz:** I felt it wasn't an issue with taking a longer annuity. But I guess the way the language is, it would.

**Curt Volesky:** It may work with the 80 %.

**Sen. Brown:** I believe that justifies the 80%.

**Rep. Weisz:** Comments from the committee. I don't think anyone disagrees that we need to make it work. The amendment, does that seem to be OK.

**Sen. Dever:** I wonder if it is necessary, I feel the Federal rules prevail anyway.

**Rep. Weisz:** Curtis, can you address that, it came down from Melissa.

**C. Volesky:** Our understanding, the way the current law is written, is that we have to disregard these. If Federal law changes and says that we have to count all the annuities. As a state we not count, but we can not get Federal funding. We can put them on Medicaid with general funds. We wanted to protect the state share, that is federal law does change, that we don't have to continue to put these people on Medicaid with only general fund dollars.

**Sen. Brown:** IF you will accept the 80%, we will accept the amendment.

**Rep. Sandvig:** We really feel that 90% should be the figure best used.

**Rep. Weisz:** The annuities at 12 years of less that 90% and below.

**Sen. Brown:** Then we will offer 85%.

**Rep. Weisz:** Then the Senate will recede from its amendments.

**Rep. Nelson:** That would be at 85% then?

**Sen. Brown:** Yes, this will cover page 3- line 8, page 3 line 9 (85%), line 23 - adopted, line 26 - adopted, page 4 insert amendments from the department and renumber.

**Motion: Sen. Brown**

**Sen. Warner: 2nd.**

**Vote: 6-0-0.** Motion carried.

Committee adjourned.

MR: # 950



REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE) - 420

Bill Number HB 1248 (, as (re)engrossed):

Date: 4/4/05

Your Conference Committee

House German Services

For the Senate:

For the House:

YES / NO

YES / NO

Chen Brown ✓

Chen Weisz ✓

Sen. Diller ✓

Rep Nelson ✓

Sen. Warner

Rep Sandberg ✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE) from

the (Senate/House) amendments on (SJ/HJ) page(s) 1215 --

\_\_\_\_, and place on the Seventh order.

\_\_\_\_, ~~adopt~~ further amendments as follows, and place on the  
Seventh order:

\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) was placed on the Seventh order of business on the calendar.

DATE: 4/4/05

CARRIER: Rep Weisz

LC NO. of amendment

LC NO. of engrossment

Emergency clause added or deleted  
Statement of purpose of amendment

MOTION MADE BY: Sen. Brown

SECONDED BY: Sen Warner

VOTE COUNT 6 YES 6 NO 6 ABSENT

Revised 4/1/05

**REPORT OF CONFERENCE COMMITTEE**

**HB 1248, as engrossed:** Your conference committee (Sens. Brown, Dever, Warner and Reps. Weisz, Nelson, Sandvig) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1215, adopt amendments as follows, and place HB 1248 on the Seventh order:

That the Senate recede from its amendments as printed on page 1215 of the House Journal and pages 877 and 878 of the Senate Journal and that Engrossed House Bill No. 1248 be amended as follows:

Page 1, line 2, after "annuities" insert "; and to provide for application"

Page 3, line 8, remove "and interest"

Page 3, line 9, after "to" insert "at least eighty-five percent of"

Page 3, line 23, after "child" insert "who resided and was supported financially by the deceased" and after "or" insert "by a"

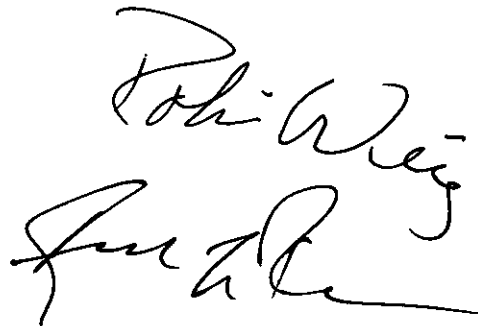
Page 3, line 26, after "children" insert "who resided and were supported financially by the deceased" and after the second "or" insert "the"

Page 3, after line 30, insert:

**"SECTION 2. APPLICATION.** If any provision of this Act is determined by the federal government to be in conflict with existing or future federal requirements with respect to federal participation in medical assistance, the federal requirements prevail."

Renumber accordingly

Engrossed HB 1248 was placed on the Seventh order of business on the calendar.



**2005 TESTIMONY**

HB 1248

January 19, 2005

House Human Services Committee  
HB#1248

CHAIRMAN PRICE AND COMMITTEE MEMBERS:

My name is Gregory C. Larson. I am an attorney in Bismarck appearing here today on my own behalf.

1. This bill changes the annuity statute you enacted in 2003.

2. Subsection three references that an annuity that has language that purports to preclude assignment or transfer of any interest in an annuity is void as against public policy if an application for Medicaid is made. If the annuity is done in compliance with subsection four, then the non-assignment provision will not be void. The purpose of this subsection was to make any annuity that does not comply with subsection four to be an available asset.

3. Subsection four makes four major changes to the previous statute:

- a. It adds language that clarifies that an annuity that complies with the statute will not be considered an available asset. Questions have arisen whether or not the annuity (even though non-assignable and non-transferable) could be sold on a secondary market or through the internet. This will reduce confusion in that area.
- b. Subparagraph c provides that the maximum benefits allowed to be paid per month from the annuity cannot exceed 150% of the maximum monthly income allowed for a community spouse. Currently, that amount is \$2,267 per month.
- c. Subparagraph c is also proposed to be amended (see attached amendment form) to add the following language:

"This monthly income amount shall be the maximum amount allowed by federal law pursuant to 42 USC 1396r-5."

The addition of this language will allow the at home spouse in North Dakota to receive the maximum income amount that federal law allows them to receive. In the past, North Dakota always allowed this maximum amount however, after the last legislative session, the Department amended North Dakota's plan to freeze the monthly income amount at the 2003 amount of \$2,267.00. In 2004, that amount went to \$2,319 and in 2005 it is \$2,377.50. This is the amount that federal law allows assuming that inflation will require an annual increase so that the at home spouse will have sufficient monthly income upon which to live.

- d. Subparagraph e is changed to require the Department of Human Services to determine life expectancy pursuant to the life expectancy tables. This should not meet with objection from the Department because subsection 5 now provides that the Department must be named as beneficiary of any annuity upon the death of the annuitant. Therefore, even if the annuitant has an actual life expectancy less than the life expectancy tables, it can only serve to benefit the Department if that person passes away before the age referenced for that person in the life expectancy tables.

4. Subsection 5 is added to require that the Department of Human Services be named on each annuity as primary beneficiary for any annuity payments due following the death of the applicant and the applicant's spouse, not to exceed the amount of benefits paid to the applicant. This provision will allow the Department to be paid any amounts still available from the annuity upon the death of the annuitant, not to exceed the amount of Medicaid benefits received by the applicant.

#### SUMMARY

These changes will have the effect of tempering some of the provisions of the annuity statute that caused concern to the Department of Human Services. Even though I feel the current statute is in good form and has accomplished everything that the legislature thought it would accomplish when it was unanimously passed, I agree with this bill because even as amended, the statute still will provide significant benefit to at home spouses in North Dakota. These benefits are as follows:

1. The at home spouse would likely have enough income so that he or she would not become impoverished and go on welfare;
2. If the at home spouse later went into the nursing home, the annuity income would be available to pay for the nursing home cost; and
3. This provides alternative planning to giving away assets in order to qualify for medical assistance.

***I respectfully request that the committee give this bill a do pass. Thank you for your time and consideration. I would be glad to answer any questions.***

#### PROPOSED AMENDMENTS TO HOUSE BILL 1248

Page 2, line 2, after "5" insert ". This monthly income amount shall be the maximum amount allowed by federal law pursuant to 42 U.S.C. 1396r-5"

Renumber accordingly

#2

**TESTIMONY BEFORE THE HOUSE HUMAN SERVICES COMMITTEE**  
**REGARDING HOUSE BILL 1248**

**JANUARY 19, 2005**

**Chairman Price, members of the committee, I am Curtis Volesky, Director of Medicaid Eligibility for the Department of Human Services. The Department is taking a neutral position on HB 1248.**

**The Department recommends that the phrase "maximum monthly income amount" on page 2, line 31, and continuing on page 3, line 1, be changed to "minimum monthly maintenance needs allowance," to be consistent and clear. This subsection of the bill already references the "minimum monthly maintenance needs allowance" on page 2, lines 26 and 27. The phrase "maximum monthly income amount" is not used in federal or state laws or policies, and it is our understanding that the intent was to reference the "minimum monthly maintenance needs allowance," as identified in the subsequent federal reference [42 U.S.C. 1396r-5].**

**The Department is in support of naming the Department of Human Services as the primary beneficiary in subsection 5; however, we are concerned that its effectiveness may be limited. Subsection 4(e) does not require annuities to have a guarantee period. Accordingly, any annuities that only pay out for the life of the annuitant will terminate upon the annuitant's death, with no further payments due. Such annuities may be encouraged because they may pay a slightly higher monthly benefit, and because the primary beneficiary is the department. Requiring a guarantee period equal to the number of years from the recognized life expectancy table for an individual of the annuitant's age would make estate recovery collections more likely.**

**I will be glad to answer any questions regarding my testimony. Thank you.**

Price, Clara Sue

From: Hauer, Melissa A.  
To: Wednesday, January 26, 2005 7:37 AM  
Cc: Price, Clara Sue; Weisz, Robin L.; Nelson, Jon O.; Sandvig, Sally M.  
Subject: Olson, Carol K.; Volesky, Curtis A.  
Proposed amendment to HB 1248



PROPOSED  
AMENDMENT TO HOU

Representatives Price, Weisz, Nelson and Sandvig,

Attached please find a proposed amendment to House Bill no. 1248 as we discussed yesterday afternoon. This amendment would change subdivision e of subsection 4 to read:

"The annuity is guaranteed for the life of the purchaser and will return the full principal and interest in a period of time no less than the purchaser's life expectancy as determined by the life expectancy tables used by the department of human services but in no case in more than ten years; and"

This amendment is designed to ensure that the annuity pays out fully in no less time than the purchaser's life expectancy and is guaranteed for life which gives a little more strength to recovery provisions of subsection 5.

But, it also caps the amount of time to pay out at no more than 10 years.

The 10 year cap is designed to get at your concern about younger community spouses not having to stretch annuity payments over a longer period of time, such as 20 years, and thus receiving a smaller monthly payment.

Understand that you have the other amendment that the Department proposed when Curtis Volesky testified at the hearing on this bill. As we discussed yesterday, we do not support the amendment proposed by Greg Larson regarding the minimum monthly maintenance needs allowance. I think this covers all the amendments that we discussed yesterday. If not, please feel free to contact me if you have any questions or would like to discuss this.

Thank you.

(See attached file: PROPOSED AMENDMENT TO HOUSE BILL 1248.doc)

**Testimony HB 1248**  
**Transfers Involving Annuities**

Julie Fedorchak representing AIG (American International Group) -- One of the largest insurance companies in the world. They write a lot of annuity policies. AIG supports this bill with the following amendment, which we have run by the lead sponsor of this bill Rep. George Keiser. He does not have a problem with it.

Our amendment deals with language on page 3 line 8 and simply removes the words "and interest." Our concern here is that if companies providing the annuities are required to return all the principle AND interest there would be no incentive for them to provide this product and you wouldn't have any companies entering the market to offer this type of annuity.

Again, Rep. Keiser has reviewed this amendment and he doesn't have a problem with it, so we hope your committee will adopt this amendment and recommend a do pass as amended for HB 1248.



**PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1248**

Page 3, line 8, remove "and interest"

Renumber accordingly

March 7, 2005

Senate Human Services Committee  
SB#1248

CHAIRMAN LEE AND COMMITTEE MEMBERS:

My name is Gregory C. Larson. I am an attorney in Bismarck appearing here today on my own behalf.

1. This bill changes the annuity statute that you enacted in 2003.

2. Subsection three references that an annuity that has language that purports to preclude assignment or transfer of any interest in an annuity is void as against public policy if an application for Medicaid is made. If the annuity is done in compliance with subsection four, then the non-assignment provision will not be void. The purpose of this subsection was to make any annuity that does not comply with subsection four to be an available asset.

3. Subsection four makes four major changes to the previous statute:

- a. It adds language that clarifies that an annuity that complies with the statute will not be considered an available asset. Questions have arisen whether or not the annuity (even though non-assignable and non-transferable) could be sold on a secondary market or through the internet. This will reduce confusion in that area.
- b. Subparagraph c provides that the maximum benefits allowed to be paid per month from the annuity and other income sources cannot exceed 150% of the maximum monthly income allowed for a community spouse. Currently, that amount is \$2,267 per month.
- c. Subparagraph e has been changed to require that the annuity return the full principal and interest over a guaranteed period that is equal to the purchaser's life expectancy. This language is problematic. First, we have had some difficulty agreeing with the Department of Human Services under the old bill as to exactly what the purchaser's life expectancy is. Secondly, if you have a younger spouse with a long life expectancy, the term of the annuity payments could be quite lengthy. Most annuity companies will not write annuities over extremely long periods of time. Thirdly, requiring payments to be over a longer period of time may significantly reduce the amount of monthly payments and be less than what the person requires for monthly income. Finally, if the at home spouse has a lesser life expectancy than the life expectancy tables because of an illness, it may not make sense for them to purchase the annuity because they would not be able to use it over their lesser life expectancy.

I propose an amendment that would have the guarantee period be equal to "at least 80% of" purchaser's life expectancy.

- d. Subparagraph e is changed to require the Department of Human Services to determine life expectancy pursuant to the life expectancy tables.

4. Subsection 5 is added to require that the Department of Human Services be named on each annuity as primary beneficiary for any annuity payments due following the death of the applicant and the applicant's spouse, not to exceed the amount of benefits paid to the applicant. This provision will allow the Department to be paid any amounts still available from the annuity upon the death of the annuitant, not to exceed the amount of Medicaid benefits received by the applicant.

#### SUMMARY

These changes will have the effect of tempering some of the provisions of the annuity statute that caused concern to the Department of Human Services. Even though I feel the current statute is in good form and has accomplished everything that the legislature thought it would accomplish when it was unanimously passed, I agree with this bill because even as amended, the statute still will provide significant benefit to at home spouses in North Dakota. These benefits are as follows:

1. The at home spouse would likely have enough income so that he or she would not become impoverished and go on welfare;
2. If the at home spouse later went into the nursing home, the annuity income would be available to pay for the nursing home cost; and
3. This provides alternative planning to giving away assets in order to qualify for medical assistance.

***I respectfully request that the committee give this bill a do pass with proposed amendment below. Thank you for your time and consideration. I would be glad to answer any questions.***

#### PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL 1248

On page 3, line 9, after "to" insert "at least eighty percent of"

Renumber accordingly

#2A

## DRAFT

### PROPOSED AMENDMENTS TO HOUSE BILL NO. 1248

Page 2, line 31, replace "maximum" with "minimum"

Page 3, line 1, replace "income amount" with "maintenance needs allowance"

Renumber accordingly

**TESTIMONY BEFORE THE SENATE HUMAN SERVICES COMMITTEE**

**REGARDING HOUSE BILL 1248**

**MARCH 8, 2005**

Chairman Lee, members of the committee, I am Curtis Volesky, Director of Medicaid Eligibility for the Department of Human Services. I appear before you to provide information on and express the Department's support for HB 1248.

Subsection 3, beginning on page 2 line 10, insures that all annuities, except those authorized under subsection 4, that are purchased after July 31, 2005 are assignable. Annuities that are not excludable are counted as an asset for Medicaid and usually cause the individuals to fail Medicaid due to excess assets. Those individuals must then attempt to sell the income stream from the annuity. While such income streams can be sold, it is more difficult, and may result in a smaller purchase offer, than if the payments from the annuity can be assigned. This provision simplifies the process by allowing all such annuities to be assigned.

Subsection 4, beginning on page 2 line 16, changes the requirements for annuities purchased to provide income for community spouses (subsection 2) after July 31, 2005. The changes are:

- To limit the income received from annuities under this section to the community spouse monthly maintenance allowance (currently \$2267), and to insure that this annuity provision can not be used to provide the community spouse with monthly income that is more than 150% of the community spouse maintenance allowance (\$3400).

- To require annuities under this provision to pay benefits over the life expectancy of the annuitant, and to have a guarantee period equal to that life expectancy. The life expectancy is based on the life expectancy tables.

Subsection 5, beginning on page 3 line 13, provides that the Department of Human Services be named as the primary beneficiary in the event that the annuitant dies before the end of the guarantee period. The Department can only receive payments equal to the amount paid in Medicaid benefits for the individual and their spouse, and only if there is no surviving spouse or minor or disabled child. This provision is directly connected to the guarantee period required in subsection 4(e). If an annuity only paid for the life of the annuitant and did not have a guarantee period, payments would terminate upon the annuitant's death, with no further payments due. This would make subsection 5 ineffective.

I will be glad to answer any questions regarding my testimony. Thank you.



**Curtis A. Volesky**

03/08/2005 05:08 PM

To: intern1@state.nd.us

CC:

Subject: HB 1248

Karly,

You asked if a grandparent who had custody of a child named that child as a beneficiary of their annuity, whether the child would receive the annuity payments instead of the department.

The provision in HB 1248 provides that a minor child or a disabled child are entitled to the payments before the department. This is in reference to children of the individual, and parents have a duty to support their minor children. A grandparent does not have that duty, and a grandchild is not a child, so the grandchild would not receive the payments ahead of the department.

I hope this answers your question. Please let me know if you have further questions.

Curtis Volesky  
Director, Medicaid Eligibility  
ND Department of Human Services

  
**Curtis A. Volesky**

03/10/2005 08:23 AM

To: "Lee, Judy E." <jlee@state.nd.us>  
cc: Intern 1 NDLA/NDLC/NoDak@NoDak, David J.  
Zentner/DHS/NoDak@NoDak, Melissa A.  
Hauer/DHS/NoDak@NoDak

Subject: Re: grandparents 

Senator Lee

There is no law currently preventing us from identifying certain grandchildren from receiving annuity payments ahead of the department. The proposed SB 2190 only allows minor or disabled children to receive the payments ahead of the department, but could also allow for grandchildren in specific situations. Those specific situations would have to be identified. That said, however, if HB 1217 (which allows persons to purchase nursing care insurance to protect assets) passes, and federal law changes to allow us to implement that partnership program, the federal law will not allow grandchildren to receive the annuity benefits ahead of the department for anyone who uses that provision. Federal law would only allow minor or disabled children to receive the payments ahead of the department, and the language in SB 2190 was prepared with that in mind.

Please let me know if I can be of further assistance.

Curtis Volesky  
Director, Medicaid Eligibility  
ND Department of Human Services

"Lee, Judy E." <jlee@state.nd.us>



**"Lee, Judy E."**  
**<jlee@state.nd.us**  
**>**

03/09/2005 08:37 AM

To: "Volesky, Curtis A." <sovolc@state.nd.us>  
cc: <intern1@state.nd.us>  
Subject: grandparents

Curt - I have another question about your answer to our intern, carlee McLeod, about annuities and whether or not children who are being cared for by grandparents could be beneficiaries ahead of the Department. Is there any law preventing that consideration? Our committee's concern is for those families where grandparents are providing full care for grandchildren, but have not adopted them. Please respond to both the intern's e-mail address, as well as mine, so that we might get the information in committee.