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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2438

01/29/2016 Authored by Zerwas, Newton, Loeffler, Schoen, Moran and others  
The bill was referred to the Committee on Health and Human Services Reform

1.1 A bill for an act  
1.2 relating to human services; increasing the asset medical assistance eligibility  
1.3 limit and the excess income standard for the blind, disabled, and elderly;  
1.4 amending Minnesota Statutes 2014, section 256B.056, subdivision 3; Minnesota  
1.5 Statutes 2015 Supplement, section 256B.056, subdivision 5c.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2014, section 256B.056, subdivision 3, is amended to  
1.8 read:

1.9 Subd. 3. **Asset limitations for certain individuals.** (a) To be eligible for medical  
1.10 assistance, a person must not individually own more than ~~\$3,000~~ \$10,000 in assets, or  
1.11 if a member of a household with two family members, husband and wife, or parent and  
1.12 child, the household must not own more than ~~\$6,000~~ \$18,000 in assets, ~~plus \$200 for~~  
1.13 ~~each additional legal dependent~~. In addition to these maximum amounts, an eligible  
1.14 individual or family may accrue interest on these amounts, but they must be reduced to the  
1.15 maximum at the time of an eligibility redetermination. The accumulation of the clothing  
1.16 and personal needs allowance according to section 256B.35 must also be reduced to the  
1.17 maximum at the time of the eligibility redetermination. The value of assets that are not  
1.18 considered in determining eligibility for medical assistance is the value of those assets  
1.19 excluded under the Supplemental Security Income program for aged, blind, and disabled  
1.20 persons, with the following exceptions:

- 1.21 (1) household goods and personal effects are not considered;
- 1.22 (2) capital and operating assets of a trade or business that the local agency determines  
1.23 are necessary to the person's ability to earn an income are not considered;
- 1.24 (3) motor vehicles are excluded to the same extent excluded by the Supplemental  
1.25 Security Income program;

2.1 (4) assets designated as burial expenses are excluded to the same extent excluded by  
2.2 the Supplemental Security Income program. Burial expenses funded by annuity contracts  
2.3 or life insurance policies must irrevocably designate the individual's estate as contingent  
2.4 beneficiary to the extent proceeds are not used for payment of selected burial expenses;

2.5 (5) for a person who no longer qualifies as an employed person with a disability due  
2.6 to loss of earnings, assets allowed while eligible for medical assistance under section  
2.7 256B.057, subdivision 9, are not considered for 12 months, beginning with the first month  
2.8 of ineligibility as an employed person with a disability, to the extent that the person's total  
2.9 assets remain within the allowed limits of section 256B.057, subdivision 9, paragraph (d);

2.10 (6) when a person enrolled in medical assistance under section 256B.057,  
2.11 subdivision 9, is age 65 or older and has been enrolled during each of the 24 consecutive  
2.12 months before the person's 65th birthday, the assets owned by the person and the person's  
2.13 spouse must be disregarded, up to the limits of section 256B.057, subdivision 9, paragraph  
2.14 (d), when determining eligibility for medical assistance under section 256B.055,  
2.15 subdivision 7. The income of a spouse of a person enrolled in medical assistance under  
2.16 section 256B.057, subdivision 9, during each of the 24 consecutive months before the  
2.17 person's 65th birthday must be disregarded when determining eligibility for medical  
2.18 assistance under section 256B.055, subdivision 7. Persons eligible under this clause are  
2.19 not subject to the provisions in section 256B.059; and

2.20 (7) effective July 1, 2009, certain assets owned by American Indians are excluded as  
2.21 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public  
2.22 Law 111-5. For purposes of this clause, an American Indian is any person who meets the  
2.23 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

2.24 (b) No asset limit shall apply to persons eligible under section 256B.055, subdivision  
2.25 15.

2.26 **EFFECTIVE DATE.** This section is effective July 1, 2016.

2.27 Sec. 2. Minnesota Statutes 2015 Supplement, section 256B.056, subdivision 5c,  
2.28 is amended to read:

2.29 Subd. 5c. **Excess income standard.** (a) The excess income standard for parents  
2.30 and caretaker relatives, pregnant women, infants, and children ages two through 20 is the  
2.31 standard specified in subdivision 4, paragraph (b).

2.32 (b) The excess income standard for a person whose eligibility is based on blindness,  
2.33 disability, or age of 65 or more years shall equal ~~80~~ 100 percent of the federal poverty  
2.34 guidelines.

3.1 **EFFECTIVE DATE.** This section is effective July 1, 2016.