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ROLL NUMBER

DESCRIPTION

1217

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Diana G. Bell
Operator's Signature

12/2/03
Date

2003 HOUSE HUMAN SERVICES

HB 1217

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Doreen Gallwey
Operator's Signature

10/2/03
Date

2003 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. HB 1217

House Human Services Committee

Conference Committee

Hearing Date January 20, 2003

Tape Number	Side A	Side B	Meter #
1	x		0.6 7.8
Committee Clerk Signature <i>Sharon Pennington</i>			

Minutes:

Rep. Droydal, Prime sponsor appeared in support of the bill and will support an amendment if one is proposed by the funeral directors, stating that under current statute an individual may be able to put \$3,000.00 aside that's protected for his or her funeral expenses. This bill will protect those who may have ended up staying in a nursing home longer than they have expected and ran a little short.

Rick Clemes, Pres. of the ND Funeral Directors Assoc., appeared in support with written testimony, stating this will mean that we will finally have uniformity, protect the consumer, easier for social service agencies to follow up and easier for the funeral home.

Concerns of the committee regarding the bill because it doesn't say where the amount of funeral vs. the actual cost at time of death and why the excess money goes to the state.

Further concerns of the committee on counties being on line now, approximate number of recipients receiving these services now, if these pre-need funeral contracts are for current or

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Dorinda Haldrup
Operator's Signature

10/2/03
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House Human Services Committee
Bill/Resolution Number HB 1217
Hearing Date January 20, 2003

expected costs and if the cost of these contracts are paid up front. Also concerns with people on assistance, no money and die, who would pay for that funeral, if there were a lot of these in the State and if it was a problem. Would preplanning decrease the number of assistance funerals and if this will raise the cost of the families choice for a funeral.

A major concern with the committee was why they were asking \$10,000.00 limit as a pre-need.

Larry Bolger of Fargo, appeared in support stating that Minnesota does not have a cap on their type of funeral merchandise that they would like. He stated they could amend the bill with wording to address Rep. Kreidt's and the committee's concerns.

Bill Delmore, Attorney & lobbyist for ND Funeral Directors Assoc. appeared in support with written testimony stating that this is for all North Dakotan's not just for people on assistance.

We intended for reasonable amount up to \$10,000.00 and noted that Legislative Council put in the extra (\$3,000.00) to make it up to \$10,000.00.

Blaine Nordwall, Director of Economic Assistance Policy for the Dept. of Human Services appeared not so much in opposition but to explain the bill with written testimony.

Committee wanted clarification on the change in line 19 (revocable part) and the pre-need contract going into double dipping in going from 10,000.00 to 20,000.00.

Michon Sax, County Social Services Director of Williams County representing the County Directors Assoc. appeared to answer questions of the committee.

Committee wondered how often the county negotiates with the funeral home and the reply was as often as they like.

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Dorinda Bell
Operator's Signature

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1217
House Human Services Committee

Conference Committee

Hearing Date February 3, 2003

Tape Number	Side A	Side B	Meter #
2	x		14.2 - 24.1
3	x		0.0 - 5.8
Committee Clerk Signature <i>Sharon Long</i>			

Minutes: Rep. Price gave explanation of what the bill does. Currently, if you are on Medicaid, you have two pots of money you can protect. You can put \$3,000.00 away for your funeral expenses and also have in savings \$3,000.00 for whatever. Now you can choose that the \$6,000.00 be used for your funeral expenses if those are your wishes, but the money that's in the second \$3,000.00 pot is discretionary expenditures. So a person can leave \$6,000.00 in a savings account to pay for their funeral expenses currently. The bill that is in front of us, raises the initial \$3,000.00 for the pre-need funeral to \$10,000.00, it raises that discretionary pot also to \$10,000.00.

Rep. Pollert asked for clarification of the amendments and stated that the way the bill is written now, he will not vote for.

Rep. Amerman had questions on Basic Care and Personal Care and this bill.

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House Human Services Committee
Bill/Resolution Number HB 1217
Hearing Date February 3, 2003

Rep. Porter stated it was not the sponsors intent to move all of those numbers and moves the amendment of changing on page 1, line 11 from 10 to 5 and on lines 13 and 19 change 10 back to 3, second by Rep. Kreidt

Rep. Kreidt had concerns with an individual on medical assistance and living in a nursing home and at the time of death, that \$3,000.00 cannot be used for burial or anything like that, it has to be set up prepaid funeral. The \$3,000.00 would actually then go back to the County at the time of death. Not to survivors or could not be used for additional funeral expenses.

Rep. Sandvig feels that the \$3,000.00 could be assets and not just a savings account.

Rep. Porter noted that leaving the \$3,000 in the discretionary part would move it up to a potential of \$8,000 total for the funeral with the average being at \$6700.00. Feels that was meeting or exceeding the average.

Vote on motion of amendment: All in favor: 12 - 0 - 1

Rep. Price noted that we will need a fiscal note on this by tomorrow

AFTERNOON

Blaine Norwall of the Dept. of Human Services appeared in front of the committee to explain the fiscal note and brought a memo instead of a fiscal note. Please see attached.

Rep. Porter made a motion of DO NOT PASS as AMENDED, second by Rep. Pollert.

Rep. Sandvig still feels that assets are more than just money and savings accounts.

Vote: 10 - 2 - 1

Rep. Uglem will carry the bill.

FISCAL NOTE
 Requested by Legislative Council
 02/12/2003

REVISION

Amendment to: HB 1217

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$1,775,115		\$1,762,316
Expenditures			\$836,885	\$1,775,115	\$849,684	\$1,762,316
Appropriations			\$836,885	\$1,775,115		

1B. County, city, and school district fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

This bill would increase the pre-need funeral set aside from three thousand to five thousand dollars, resulting in additional medical assistance payments.

3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:

A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

The increased revenue would be from federal Medicaid funds.

B. Expenditures: Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

The estimated increase in grant expenditures would primarily be due to individuals qualifying for Medical Assistance sooner. A small portion of the increase would be due to individuals that would have made repayments of medical assistance to spend down excess assets, but instead placed the excess assets into a pre-need funeral fund.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

If this bill is approved, \$2,612,000 in additional appropriation authority would need to be added to the Executive Budget, with \$836,885 being general funds.

Name:	Debra A. McDermott	Agency:	Human Services
Phone Number:	328-3695	Date Prepared:	02/12/2003

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Debra A. McDermott
 Operator's Signature

02/12/03
 Date

FISCAL NOTE
 Requested by Legislative Council
 02/05/2003

Amendment to: HB 1217

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$1,775,115		\$1,762,318
Expenditures			\$836,885	\$1,775,115	\$849,684	\$1,762,318
Appropriations			\$836,885	\$1,775,115		

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would increase the pre-need funeral set aside from three thousand to five thousand dollars, resulting in additional medical assistance payments.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The increased revenue would be from federal Medicaid funds.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The estimated increase in grant expenditures would primarily be due to individuals qualifying for Medical Assistance sooner. A small portion of the increase would be due to individuals that would have made repayments of medical assistance to spend down excess assets, but instead placed the excess assets into a pre-need funeral fund.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

If this bill is approved, \$2,162,000 in additional appropriation authority would need to be added to the Executive Budget, with \$836,885 being general funds.

Name:	Debra A. McDermott	Agency:	Human Services
Phone Number:	328-3695	Date Prepared:	02/06/2003

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