

Approved: 3-30-92  
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson George Teagarden at 1:45 p.m. on March 10, 1992 in room 514-S of the Capitol.

All members were present except: Representative Kline (excused).

Committee staff present: Ellen Piekalkiewicz, Legislative Research Department  
Debra Duncan, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Sue Krische, Administrative Aide  
Rose Baker, Committee Secretary

Conferees appearing before the committee:

David Haury, Historical Society  
Duane Johnson, State Librarian  
Donna Whiteman, Secretary, SRS  
George Dugger, Policy Analyst, Kansas Department on Aging  
Marilyn Bradt, Kansas for Improvement of Nursing Homes

Others attending: See attached list

SB 573 - Use of certain types of paper for printing state publications.

Senator Lana Oleen submitted written testimony in support of SB 573 (Attachment 1).

David A. Haury, Assistant Director of the Kansas State Historical Society, presented testimony in support of SB 573 (Attachment 2) and explained to the committee the results from the use of acidic paper in the 19th and 20th century. This deterioration places information about our heritage at risk. Today, acid-free paper is available at competitive prices and also available in sufficient quantities.

Duane Johnson, State Librarian, gave testimony in favor of SB 573 (Attachment 3). In answer to questions regarding deterioration of acid free paper in land fills, Mr. Johnson stated that acid free paper may last longer, but over a period of time, it will break down.

SB 607 - Recovery of medical assistance from estates of deceased recipients of assistance.

Donna Whiteman, Secretary, Kansas Department of Social and Rehabilitation Services, presented testimony in favor of SB 607 (Attachment 4) which she stated provides statutory authority for SRS to recover from the estates of deceased Medicaid recipients the cost of medical services provided to individuals who were 65 or older or were institutionalized while on the Medicaid program. In answer to a question from Representative Dean regarding Medicare and Medicaid payments, Secretary Whiteman stated that if someone was hospitalized, they would access Medicare before Medicaid. Chairman Teagarden asked for an explanation of the cost of \$102,000 to implement this program. Secretary Whiteman stated that there would be a need for an additional 4 FTE. One would be an attorney position who would oversee as manager and chief legal advisor of the unit; a legal assistant; an accountant; and an office assistant. In response to a question, Secretary Whiteman expressed concern of the growing costs of nursing home expenses which have grown from \$81 million in 1981 to over \$215 million in 1992.

Representative Fuller asked, when applying for Medicaid, would the clients be advised as to what might take place with their estates when death occurs. A response from Secretary Whiteman was that the employees taking the application cannot give legal advice and she would hope that the applicants knew of this law before applying for assistance.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 1:45 p.m. p.m. on March 10, 1992.

George Dugger, Kansas Department on Aging, presented testimony in support of SB 607 (Attachment 5). Mr. Dugger suggested one change to SB 607 which was that SRS exempt persons with long term care insurance from estate recovery.

Marilyn Bradt, Legislative Coordinator, Kansans for Improvement of Nursing Homes, provided testimony in support of SB 607 (Attachment 6) in which she states that this bill represents a responsible way for the state to recover a portion of its Medicaid nursing home expenses.

### INTRODUCTION OF BILLS

Chairman Teagarden requested the introduction of a bill to sell property in Wichita. Representative Helgerson moved introduction of a bill authorizing the secretary of administration to sell certain property in the city of Wichita. Seconded by Representative Dean. Motion carried.

Representative Hochhauser moved introduction of a bill creating the Kansas labor education center at Kansas state university; establishing an advisory council and the office of director of the center; prescribing powers, duties and functions therefor. Seconded by Representative Helgerson. Motion carried.

Meeting adjourned at 3:45 p.m. The next scheduled meeting will be March 18, 1992 at 1:30 p.m. in room 514-S.



LANA OLEEN  
SENATOR, 22ND DISTRICT  
RILEY AND GEARY COUNTIES



TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS  
CHAIRMAN: GOVERNMENTAL ORGANIZATION  
VICE-CHAIRMAN: CONFIRMATIONS  
LABOR, INDUSTRY AND SMALL BUSINESS  
MEMBER: ASSESSMENT AND TAXATION  
ECONOMIC DEVELOPMENT  
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LEGISLATIVE HOTLINE  
1-800-432-3924

TESTIMONY

HOUSE APPROPRIATIONS COMMITTEE

March 10, 1992

SENATE BILL 573

Chairman Teagarden & Members of the Committee:

Since there are several conferees to appear in support of the bill, I will keep my remarks brief.

I thank you for the opportunity to appear today in support of Senate Bill 573.

Through my association on the Arts and Cultural Resource Committee and President Burke's appointee to the Commission on Waste Reduction & Recycling, I have learned about the importance of using alkaline-based paper for publications which are to be of more permanence than the acid-based paper our society has mainly used for the past 90 years.

The experts in preservation of our significant public records - the State Records Board - is already in place and is willing to serve in the determination capacity referenced in the bill.

I urge your favorable consideration of Senate Bill 573.

Senator Lana Oleen

lo/nj

HA  
3-10-92  
Attachment 1

House Appropriations Committee

I am David A. Haury, Assistant Director of the Kansas State Historical Society. Thank you for this opportunity to discuss the importance of preserving valuable state records and publications by producing them on acid-free or permanent paper.

The instability of the acidic paper used for most late nineteenth and twentieth century documents has resulted in brittleness and browning of an estimated twenty-five percent of the collections in research and major university libraries in North America. This constant deterioration places much information about our heritage at risk, and Kansas has not avoided this threat. Across the street in the Memorial Building numerous records of our state are turning to dust, and their preservation through microfilming or conservation of the original documents is extremely expensive. Terry Harmon, Acting State Archivist, and I brought a few samples which may be passed around.

Until recently the production of most records on acid-free paper was not feasible, but today acid-free paper is available in sufficient quantity and at competitive prices to allow its use for many documents.<sup>1</sup> In other words, while we face the nightmare of a century of using acidic paper, we can prevent the next generation from facing the same

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<sup>1</sup>"The preponderance of alkaline paper among the 1989 contract purchases of paper by the pound indicates that it was available on the market in sufficient quantities to ensure its procurement at prices that were competitive with acid papers." Use of Alkaline Paper in Government Printing, Washington, D.C.: United States Government Printing Office, April, 1990, p. 8.

Joseph Jennifer, Acting Public Printer, testified to the subcommittee of the Committee on Appropriations, House of Representatives, 101st Congress, "In general, the cost of alkaline paper is not significantly different from acid paper."

The Association of Research Libraries also concluded in 1990, "Cost studies of major paper manufacturers' prices for selected paper grades reveal that when comparable papers are considered, the cost of alkaline paper is comparable to that of acidic paper." Preserving knowledge: the case for alkaline paper. Washington, D.C.: ARL, 1990, p. I-A-3.

problems with records produced in the 1990s. The sooner we act to use acid-free paper, the sooner the destruction stops. Over the past two years the federal government and a half dozen states have required the use of acid-free or permanent paper for records and publications with enduring value. S/B 573 provides a similar requirement for our state agencies.

While the terms acid-free and alkaline are synonymous and used interchangeably, permanent paper is less susceptible to acid migration, has greater durability, and is defined by an ANSI standard (Z39.48-1984). Permanent paper is more expensive than regular acid-free paper, and S/B 573 makes a special provision for its use.

The Secretary of Administration has established a committee to study the procurement and use of acid-free paper. This committee has met and endorses the provisions outlined in section 1 and 2 of S/B 573.

First, our information indicates that many types of acid-free paper are generally available at competitive prices and in sufficient quantity, and that price and availability will continue to improve. Of course, prices vary over time and depend on the types of paper and quantities being purchased.<sup>2</sup> Thus section 1 of S/B 573 endorses the efforts of the

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<sup>2</sup>The chart below indicates the results of a cost survey of various types of paper by the Virginia Division of Purchases in late 1990:

<u>Acidic Paper</u>	<u>Price/wt.</u>		<u>Acid-free Paper</u>	<u>Price/wt.</u>
Capitol Bond	\$16.25/20	--	Certificate Bond II	\$14.36/20
Williamsburg Offset	\$5.32/50	--	Springhill Offset	\$7.73/50
	\$12.86/60	--		\$9.01/60
Circa Select Bond	\$20.11/24	--	Curtis Brightwater	\$19.50/24

Division of Purchases and State Printer to purchase and use acid-free paper whenever it is available and cost efficient to do so, but the bill does not impose a requirement for agencies to use acid-free paper for all state publications and records. The Historical Society endorses the efforts by Purchasing to work toward this goal and encourages the legislature to do likewise.

Second, section 2 of S/B 573 calls for the State Records Board, a statutory board consisting of representatives of the Historical Society, Attorney General's Office, Department of Administration, and State Library, to identify the records and printed documents which shall be created on permanent paper. This role is consistent with the Board's records management responsibilities since its central focus is designating state records which merit permanent preservation in the archives. We anticipate that the number of documents designated for creation on permanent paper will be very limited, and the bill contains a safeguard to allow the affected agencies to budget accordingly. Certainly the Records Board will take into consideration any hardships that the requirement might create. Nevertheless, it is very important that the state take action to reduce the use of acidic paper in producing materials vital to our state's history.

### Conclusion

On the one hand, the immediate cost of endorsing the effort of Purchasing to encourage agencies to use acid-free paper will be negligible, and, in fact, experts predict that EPA regulations and outdated production techniques will force the cost of acidic

paper to escalate while acid-free paper drops in price. Even the cost of creating a few documents on the more expensive permanent paper will be minimal and spread over the budgets of the various agencies.

On the other hand, the economic impact of continuing to produce many state publications and records on acidic paper will be tremendous. It may cost a few pennies more to produce a document on permanent paper, but it will cost several hundred dollars to microfilm it in a few decades. If the money for preservation is not available at that time, as it is not today, then much of the documentation of our heritage will continue to be lost. Some predict that reduced demand and higher prices will push most acidic paper out of the paper market in four to five years - S/B 573 can start to keep it out of our libraries and the state archives today.



March 10, 1992

To: The House Appropriations Committee  
From: Kansas State Library  
About: Speaking in support of Senate Bill 573

I am Duane Johnson, State Librarian. Thank you for the opportunity to speak in favor of Senate Bill 573.

The State Library endorses Senate Bill 573 because the use of acid-free paper by state government will:

1. Provide an effective method of document preservation to extend the useful life of those state records and publications which have lasting research value.
2. Provide this method of preservation of public records in a cost-effective manner, because acid-free papers are available at costs similar to the costs of common paper stock.
3. Encourage the paper manufacturers to set acid-free paper as the industry standard, which should lead to easier availability of the product at even more competitive prices.

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES  
Donna L. Whiteman, Secretary

House Appropriations Committee  
Senate Bill 607

March 10, 1992

Mr. Chairman and members of the committee, I thank you for the opportunity to present you with this testimony.

Senate Bill 607 provides the statutory authority for the Department of SRS to recover from the estates of deceased Medicaid recipients the cost of medical services provided to individuals who were 65 or older or were institutionalized while on the Medicaid program. This recovery would not take place if the individual has a surviving spouse or a surviving minor or disabled child. Upon the death of any surviving spouse, recovery would be initiated on the estate of that spouse.

We feel this bill is an important part of the Department's overall strategy to help reduce its nursing home expenditures. Costs associated with nursing homes have greatly escalated over the past 10 years and placed an ever increasing burden on the State's resources. As we have previously testified, nursing home expenses now account for approximately 40% of the total Medicaid budget and total expenses have grown from \$81 million in 1981 to over \$215 million in 1992, an increase of over 170%. An estate recovery program would help in reducing this cost by allowing the Department to recoup a portion or all of the nursing home expenses paid out.

The proposal is based on current federal Medicaid regulations which permit States to recover correctly paid Medicaid expenses in two different ways. One is through establishment of liens and the second is through estate recovery. The Legislature has previously expressed interest in the State adopting a lien recovery process as a result of the division of assets law. Upon further review, the Department ultimately rejected this method as it was found to be ineffective, limited both in scope and potential recoveries. A lien can only be placed upon the real property of an individual which would generally limit it to a home. In addition, a lien can only be placed on the home if there is no surviving spouse or minor or disabled child who lives there and only when the agency has determined that the individual cannot reasonably be expected to be discharged and return home. In addition, such liens can only be used to recover expenses for a person who was institutionalized. These requirements, along with the administrative time and effort it would take to file for and maintain the liens, and in some instances to liquidate the property, limit the effectiveness of the lien process and make it a questionable tool as far as recoveries are concerned. There are only a couple of states that use any kind of a lien process.

On the other hand, estate recovery encompasses not only real property but also any available personal property, especially cash assets. As stated earlier, it also allows recovery on the estate of any surviving spouse. In addition, recovery can be initiated for anyone who was 65 years of age or older while on Medicaid and thus is not strictly limited to institutionalized persons. Because

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3-10-92  
Attachment 4

of the broader application of this methodology and its greater potential for significant recoveries, the Department believes this to be the more viable process. It should be noted that in 1937 Kansas enacted laws which provided for recoveries of expenditures to recipients of old age assistance through liens. In 1939 this law was changed to instead use an estate recovery method, but in 1941 the entire law was repealed.

Approximately 25 states currently have some form of estate recovery in place. Most of these states have had some degree of success in recovering monies based proportionately on the amount and type of effort undertaken. By far the most successful effort has occurred in the State of Oregon which has administered some form of estate recovery since 1949. In the two most recent years, Oregon has collected over \$6 million each year resulting in almost \$14 in recoveries for every \$1 spent in administering the program. The Department has developed its proposal based on the Oregon model and the statutory changes contained in this bill are patterned on the language used in Oregon's law. In addition, the Department has proposed that a special unit be created to administer the program as Oregon has done and this has been included as one of the Governor's budget proposals for FY 1993.

The General Accounting Office (GAO) conducted a study in 1988 of the estate recovery programs and recommended that such a process be adopted nationally as a means of offsetting state and federal Medicaid costs. The report recommended that Congress mandate the establishment of such programs. It was determined that estate recovery would promote more equitable treatment of Medicaid recipients and would achieve significant savings while treating the elderly equitably and humanely. The GAO made particular note of the Oregon program explaining that some of the keys to their success involved establishing enabling legislation, securing recoveries from estates of surviving spouses, and establishing a central recovery unit. All of these criteria have been followed by the Department in making this proposal.

Based on the experience of Oregon and other states, the primary focus of recovery would be upon any real property owned by the individual and/or spouse, including the homestead, and available cash assets (e.g. savings and bank accounts, stocks, bonds, etc.). Items such as personal effects, keepsakes, jewelry, and even vehicles would likely not be recovered from as the time and effort required to dispose of these items would in most instances outweigh any monies recovered from their sale. Only those items which would likely be probated would be considered for recovery purpose. Thus, for example, property held in joint tenancy would not be available for estate recovery purposes as ownership would pass to the other joint tenants based on rights of survivorship and never become part of the estate.

Regarding implementation, the bill contains several important features.

1. It allows for claims against accounts in banks, savings and loan, and credit unions upon the person's death. Such accounts would otherwise be paid to beneficiaries and not be subject to probate. Oregon has similar authority and about a quarter of their recoveries comes from these claims.

2. Claims will only be initiated for medical assistance paid out after June 30, 1992. The Department does not believe that recovery of assistance paid out prior to the effective date of the law should occur. Current recipients who would be affected by the law need prior and adequate notification of the changes. By allowing for retroactive recovery, the individual could not have made an informed decision about receiving medical assistance as the law would not exist prior to July 1.
3. The law allows the Secretary discretion in terms of pursuing estate claims. It is realized that not every estate will be sufficient enough to make recovery cost effective and that there may be instances of hardship where the estate is not pursued.
4. The Department will have a first class claim against the estate following the payment of any appropriate funeral expenses. This will provide a greater opportunity for success in recovering monies paid out.

The main functions of the estate recovery unit will be to collect and track data concerning the assets of affected Medicaid clients, to file and collect on claims through probate or other collection activities, and to distribute monies collected based on federal and state share. The attorney position will be the overall manager of the unit and serve as the chief legal advisor in all of the unit's transactions. The legal assistant will largely be responsible for assisting the attorney in researching and initiating claims as well as collecting and tracking data on all potential resources. The accountant would manage the accounts receivable functions involved as claims are collected and distributing these funds properly. The office assistant would provide all necessary secretarial and clerical support for the unit. Staff in the agency's field offices will primarily be responsible for referring all asset information to the recovery unit at the time of application and again at the time of death. They would also be responsible for reporting to the unit when the recipient dies as well as informing potential clients about the estate recovery requirement and their responsibility to report any changes in assets.

A sample recovery scenario is attached to this testimony that provides an overview of how the recovery process would work.

In summary, we strongly support this bill and look forward to working with the Legislature to implement an effective estate recovery program. Such program will be to the benefit of both the State and those people we serve.

Donna L. Whiteman  
Secretary

## ESTATE RECOVERY EXAMPLE

To illustrate how the recovery process might operate, consider the following example: A 70 year old single individual applies for assistance with his nursing home care. At the time of application, his assets consist of a home valued at \$30,000, a \$1,000 savings account, and some farm land valued at \$10,000 which is currently rented. The client is resource eligible as the home is exempt based on the client's stated intent to return to it and the farm property is exempt as income-producing property. Field staff refer this information to the recovery unit at the time the application is approved and the unit staff record and track this information. The individual dies a year later and field staff relay this information to the recovery unit. No changes have occurred to his assets except the savings account is now depleted. The recovery unit obtains information concerning the individual's Medicaid expenses which were paid out while he was institutionalized and these amounted to \$20,000. The estate ends up being probated and the recovery unit files a claim.

After payment of any funeral expenses from the estate, the remaining amount would be available for recovery. In this case example, the State would likely recover all Medicaid expenses paid out based on the value of the client's estate.

STATE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES  
Office of the Secretary  
913-296-3274

OREGON FACT SHEET  
March 2, 1992

BASIC INFORMATION

	<u>OREGON</u>	<u>KANSAS</u>
State Population	2.9 Mil.	2.47 Mil.
Population 65 Years of Age and Over	391,324	342,571
Total Medicaid Expenses	\$518 Mil.	\$480 Mil.
Total Medicaid Recipients	227,011	153,000
Total NF Expenses (incl. MR)	\$122.6 Mil.	\$215 Mil.
Total NF Recipients (incl. MR)	7,887	13,900
Total HCBS Expenses	\$36 Mil.	\$7.5 Mil.
Total HCBS Recipients	7,700	950
Average Nursing Home Cost to Medicaid	\$1,295	\$1,149
Average HCBS Cost per Month	\$367	\$674

ESTATE RECOVERY INFORMATION

Average Claims/Month - 60  
Average Settlement/Month - \$600,000  
Total Settlements for 1991 - \$6 Mil.

Assets Recovered From

Banking/Savings Accounts - 1/4 of Recoveries  
Probate Claims - 1/2 of Recoveries  
Property Sold on Contract - 1/4 of Recoveries

350 Death Referrals/Month

About 65/mo. Probated  
Remaining - Bank Collection

WHEN PROBATE?

If there is real property as well as cash assets:  
Wait for probate to be filed or initiate it.

If only bank accounts: File collection letters with financial institutions.

RECOVERY UNIT

Staff of 10  
Director  
3 Estate Administrators  
1 Resource Coordinator  
5 Other Staff  
1 Bookkeeper  
2 Administrative Assistants  
1 Claims Research Accountant  
1 Researcher

Oregon Fact Sheet  
Page 2

It is uncertain about what the extent of recoveries will be in this program. We do know that Oregon has had a very successful program and we have modeled our proposal as closely as possible to what they are doing. The Governor's budget recommendation concerning estate recovery estimates that the program will take in \$201,000 in recoveries the first year, enough to pay for the estate unit. It is hoped that in the long run, we will be able to recover substantial dollars, possible \$1-2 million/year, but this is speculative at this point.

RE:DP:bg

Testimony on SB 607  
Before the House Appropriations Committee  
by  
Kansas Department on Aging  
March 10, 1992

The Kansas Department on Aging supports SB 607. We understand the need to reduce the growth in expenditures of Medicaid for institutional long term care. We believe there are several options which would allow Kansas to reduce expenditures for nursing homes. We believe that estate recovery under SB 607 is one available option that can recover a portion of expended funds without negatively impacting on the care of older Kansans who medically need nursing home care.

We believe that significant protections for older Kansans are built into SB 607. As written, SB 607 is not retroactive, therefore allowing recipients of Medicaid to have notice before estate recovery goes into effect. A major protection is that SB 607 would not seek recovery until after the death of the recipient, the death of the recipients' spouse and only at a time when the recipient has no surviving child who is under 21 years of age or is blind or permanently and totally disabled. The estate recovery program would not put a lien on people's property. The surviving spouses could use the property as they saw fit.

Other states, most notably Oregon, have pursued this option with varying results. But virtually all states with estate recovery are able to recover enough money to make the program economically viable.

We would suggest one change to SB 607: that SRS exempt persons with long-term care insurance from estate recovery. We have attached a balloon which does this. Increased use of long term care insurance is another option that Kansas has to both reduce state fund expenditures and provide needed long term care.

Estate recovery is one option that Kansas has to reduce Medicaid expenditures for nursing home care. The Department on Aging suggests that estate recovery could negate the need for a 300% Medicaid cap. The Department on Aging believes estate recovery to be part of a reasonable solution to the difficult fiscal decisions about the provision Medicaid.

GAD:ms:607

HA  
3-10-92  
Attachment 5



1 been terminated in full. The assignment of any rights to payment  
 2 for medical care from a third party under this subsection shall not  
 3 prohibit a health care provider from directly billing an insurance  
 4 carrier for services rendered if the provider has not submitted a  
 5 claim covering such services to the secretary for payment. Support  
 6 amounts collected on behalf of persons whose rights to support are  
 7 assigned to the secretary only under this subsection and no other  
 8 shall be distributed pursuant to subsection (d) of K.S.A. 39-756 and  
 9 amendments thereto, except that any amounts designated as medical  
 10 support shall be retained by the secretary for repayment of the  
 11 unreimbursed portion of assistance. Amounts collected pursuant to  
 12 the assignment of rights to payment for medical care from a third  
 13 party shall also be retained by the secretary for repayment of the  
 14 unreimbursed portion of assistance.

15 ~~(2) The amount of any medical assistance paid after June 30,~~  
 16 ~~1992, under the provisions of subsection (e) is (A) a claim against~~  
 17 ~~the property or any interest therein belonging to and a part of the~~  
 18 ~~estate of any deceased recipient or, if there is no estate, the estate~~  
 19 ~~of the surviving spouse, if any, shall be charged for such medical~~  
 20 ~~assistance paid to either or both, and (B) a claim against any funds~~  
 21 ~~of such recipient or spouse in any account under K.S.A. 9-1215, 9-~~  
 22 ~~1216, 17-2263, 17-2264, 17-5828 or 17-5829 and amendments thereto.~~  
 23 ~~There shall be no recovery of medical assistance correctly paid to~~  
 24 ~~or on behalf of an individual under subsection (e) except after the~~  
 25 ~~death of the surviving spouse of the individual, if any, and only at~~  
 26 ~~a time when the individual has no surviving child who is under 21~~  
 27 ~~years of age or is blind or permanently and totally disabled. Trans-~~  
 28 ~~fers of real or personal property by recipients of medical assistance~~  
 29 ~~without adequate consideration are voidable and may be set aside.~~  
 30 ~~Except where there is a surviving spouse, or a surviving child who~~  
 31 ~~is under 21 years of age or is blind or permanently and totally~~  
 32 ~~disabled, the amount of any medical assistance paid under subsection~~  
 33 ~~(e) is a claim against the estate in any guardianship or conserva-~~  
 34 ~~torship proceeding. The secretary is authorized to enforce each claim~~  
 35 ~~provided for under this subsection (g). The secretary shall not be~~  
 36 ~~required to pursue every claim, but is granted discretion to determine~~  
 37 ~~which claims to pursue. All moneys received by the secretary from~~  
 38 ~~claims under this subsection (g) shall be deposited in the social~~  
 39 ~~welfare fund. The secretary may adopt rules and regulations for the~~  
 40 ~~implementation and administration of the medical assistance recovery~~  
 41 ~~program under this subsection (g).~~

Except for persons with long-term care insurance as defined in K.S.A. 40-2227 and amendments thereto, the

42 (h) Placement under code for care of children or juvenile of-  
 43 fenders code; assignment of support rights and limited power of



**KINH** Kansans for Improvement of Nursing Homes, Inc.

913 Tennessee, suite 2 Lawrence, Kansas 66044 (913) 842-3088

TESTIMONY PRESENTED TO  
THE HOUSE COMMITTEE ON APPROPRIATIONS  
CONCERNING SB 607

March 10, 1992

Mr. Chairman and Members of the House Appropriations Committee:

As a consumer organization, KINH cannot pursue its primary interest in the quality of care in nursing homes without necessarily taking an interest in the cost of nursing home care, both to the private pay consumer and to the state as well.

SB 607 provides for recovery of the State's Medicaid costs from the estate of deceased recipients of Medicaid assistance. It protects the surviving spouse and dependent children, commencing the recovery process only upon the death of the spouse and providing that there is no disabled or minor child surviving.

KINH strongly supports SB 607, believing that this is a responsible way for the state to recover at least a portion of its Medicaid nursing home expenses. Estate recovery programs have proven successful in many other states. Oregon, in particular, has established a program which brings in \$10 for every dollar of administrative cost to the state.

KINH urges your support for SB 607.

Marilyn Bradt  
Legislative Coordinator

NA  
3-10-92  
Attachment 6