

HOUSE BILL No. 2319

By Committee on Appropriations

2-11

1 AN ACT concerning state medical assistance program; relating to
2 expansion of the program; amending K.S.A. 2014 Supp. 39-709 and
3 75-7409 and repealing the existing sections.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2014 Supp. 39-709 is hereby amended to read as
7 follows: 39-709. (a) *General eligibility requirements for assistance for*
8 *which federal moneys are expended.* Subject to the additional requirements
9 below, assistance in accordance with plans under which federal moneys
10 are expended may be granted to any needy person who:

11 (1) Has insufficient income or resources to provide a reasonable
12 subsistence compatible with decency and health. Where a husband and
13 wife are living together, the combined income or resources of both shall be
14 considered in determining the eligibility of either or both for such
15 assistance unless otherwise prohibited by law. The secretary, in
16 determining need of any applicant for or recipient of assistance shall not
17 take into account the financial responsibility of any individual for any
18 applicant or recipient of assistance unless such applicant or recipient is
19 such individual's spouse or such individual's minor child or minor
20 stepchild if the stepchild is living with such individual. The secretary in
21 determining need of an individual may provide such income and resource
22 exemptions as may be permitted by federal law. For purposes of eligibility
23 for aid for families with dependent children, for food stamp assistance and
24 for any other assistance provided through the Kansas department for
25 children and families under which federal moneys are expended, the
26 secretary for children and families shall consider one motor vehicle owned
27 by the applicant for assistance, regardless of the value of such vehicle, as
28 exempt personal property and shall consider any equity in any additional
29 motor vehicle owned by the applicant for assistance to be a nonexempt
30 resource of the applicant for assistance.

31 (2) Is a citizen of the United States or is an alien lawfully admitted to
32 the United States and who is residing in the state of Kansas.

33 (b) *Assistance to families with dependent children.* Assistance may be
34 granted under this act to any dependent child, or relative, subject to the
35 general eligibility requirements as set out in subsection (a), who resides in
36 the state of Kansas or whose parent or other relative with whom the child

1 is living resides in the state of Kansas. Such assistance shall be known as
2 aid to families with dependent children. Where husband and wife are
3 living together both shall register for work under the program
4 requirements for aid to families with dependent children in accordance
5 with criteria and guidelines prescribed by rules and regulations of the
6 secretary.

7 (c) *Aid to families with dependent children; assignment of support*
8 *rights and limited power of attorney.* By applying for or receiving aid to
9 families with dependent children such applicant or recipient shall be
10 deemed to have assigned to the secretary on behalf of the state any
11 accrued, present or future rights to support from any other person such
12 applicant may have in such person's own behalf or in behalf of any other
13 family member for whom the applicant is applying for or receiving aid. In
14 any case in which an order for child support has been established and the
15 legal custodian and obligee under the order surrenders physical custody of
16 the child to a caretaker relative without obtaining a modification of legal
17 custody and support rights on behalf of the child are assigned pursuant to
18 this section, the surrender of physical custody and the assignment shall
19 transfer, by operation of law, the child's support rights under the order to
20 the secretary on behalf of the state. Such assignment shall be of all
21 accrued, present or future rights to support of the child surrendered to the
22 caretaker relative. The assignment of support rights shall automatically
23 become effective upon the date of approval for or receipt of such aid
24 without the requirement that any document be signed by the applicant,
25 recipient or obligee. By applying for or receiving aid to families with
26 dependent children, or by surrendering physical custody of a child to a
27 caretaker relative who is an applicant or recipient of such assistance on the
28 child's behalf, the applicant, recipient or obligee is also deemed to have
29 appointed the secretary, or the secretary's designee, as an attorney in fact
30 perform the specific act of negotiating and endorsing all drafts, checks,
31 money orders or other negotiable instruments representing support
32 payments received by the secretary in behalf of any person applying for,
33 receiving or having received such assistance. This limited power of
34 attorney shall be effective from the date the secretary approves the
35 application for aid and shall remain in effect until the assignment of
36 support rights has been terminated in full.

37 (d) *Eligibility requirements for general assistance, the cost of which*
38 *is not shared by the federal government.* (1) General assistance may be
39 granted to eligible persons who do not qualify for financial assistance in a
40 program in which the federal government participates and who satisfy the
41 additional requirements prescribed by or under this subsection (d).

42 (A) To qualify for general assistance in any form a needy person must
43 have insufficient income or resources to provide a reasonable subsistence

1 compatible with decency and health and, except as provided for
2 transitional assistance, be a member of a family in which a minor child or
3 a pregnant woman resides or be unable to engage in employment. The
4 secretary shall adopt rules and regulations prescribing criteria for
5 establishing when a minor child may be considered to be living with a
6 family and whether a person is able to engage in employment, including
7 such factors as age or physical or mental condition. Eligibility for general
8 assistance, other than transitional assistance, is limited to families in which
9 a minor child or a pregnant woman resides or to an adult or family in
10 which all legally responsible family members are unable to engage in
11 employment. Where a husband and wife are living together the combined
12 income or resources of both shall be considered in determining the
13 eligibility of either or both for such assistance unless otherwise prohibited
14 by law. The secretary in determining need of any applicant for or recipient
15 of general assistance shall not take into account the financial responsibility
16 of any individual for any applicant or recipient of general assistance unless
17 such applicant or recipient is such individual's spouse or such individual's
18 minor child or a minor stepchild if the stepchild is living with such
19 individual. In determining the need of an individual, the secretary may
20 provide for income and resource exemptions.

21 (B) To qualify for general assistance in any form a needy person must
22 be a citizen of the United States or an alien lawfully admitted to the United
23 States and must be residing in the state of Kansas.

24 (2) General assistance in the form of transitional assistance may be
25 granted to eligible persons who do not qualify for financial assistance in a
26 program in which the federal government participates and who satisfy the
27 additional requirements prescribed by or under this subsection (d), but who
28 do not meet the criteria prescribed by rules and regulations of the secretary
29 relating to inability to engage in employment or are not a member of a
30 family in which a minor or a pregnant woman resides.

31 (3) In addition to the other requirements prescribed under this
32 subsection (d), the secretary shall adopt rules and regulations which
33 establish community work experience program requirements for eligibility
34 for the receipt of general assistance in any form and which establish
35 penalties to be imposed when a work assignment under a community work
36 experience program requirement is not completed without good cause. The
37 secretary may adopt rules and regulations establishing exemptions from
38 any such community work experience program requirements. A first time
39 failure to complete such a work assignment requirement shall result in
40 ineligibility to receive general assistance for a period fixed by such rules
41 and regulations of not more than three calendar months. A subsequent
42 failure to complete such a work assignment requirement shall result in a
43 period fixed by such rules and regulations of ineligibility of not more than

1 six calendar months.

2 (4) If any person is found guilty of the crime of theft under the
3 provisions of K.S.A. 39-720, and amendments thereto, such person shall
4 thereby become forever ineligible to receive any form of general
5 assistance under the provisions of this subsection (d) unless the conviction
6 is the person's first conviction under the provisions of K.S.A. 39-720, and
7 amendments thereto, or the law of any other state concerning welfare
8 fraud. First time offenders convicted of a misdemeanor under the
9 provisions of such statute shall become ineligible to receive any form of
10 general assistance for a period of 12 calendar months from the date of
11 conviction. First time offenders convicted of a felony under the provisions
12 of such statute shall become ineligible to receive any form of general
13 assistance for a period of 60 calendar months from the date of conviction.
14 If any person is found guilty by a court of competent jurisdiction of any
15 state other than the state of Kansas of a crime involving welfare fraud,
16 such person shall thereby become forever ineligible to receive any form of
17 general assistance under the provisions of this subsection (d) unless the
18 conviction is the person's first conviction under the law of any other state
19 concerning welfare fraud. First time offenders convicted of a misdemeanor
20 under the law of any other state concerning welfare fraud shall become
21 ineligible to receive any form of general assistance for a period of 12
22 calendar months from the date of conviction. First time offenders
23 convicted of a felony under the law of any other state concerning welfare
24 fraud shall become ineligible to receive any form of general assistance for
25 a period of 60 calendar months from the date of conviction.

26 (e) *Requirements for medical assistance for which federal moneys or*
27 *state moneys or both are expended.* (1) When the secretary has adopted a
28 medical care plan under which federal moneys or state moneys or both are
29 expended, medical assistance in accordance with such plan shall be
30 granted to any person who is a citizen of the United States or who is an
31 alien lawfully admitted to the United States and who is residing in the state
32 of Kansas, whose resources and income do not exceed the levels
33 prescribed by the secretary. In determining the need of an individual, the
34 secretary may provide for income and resource exemptions and protected
35 income and resource levels. Resources from inheritance shall be counted.
36 A disclaimer of an inheritance pursuant to K.S.A. 59-2291, and
37 amendments thereto, shall constitute a transfer of resources. The secretary
38 shall exempt principal and interest held in irrevocable trust pursuant to
39 ~~subsection (e) of K.S.A. 16-303(c)~~, and amendments thereto, from the
40 eligibility requirements of applicants for and recipients of medical
41 assistance. Such assistance shall be known as medical assistance.

42 (2) For the purposes of medical assistance eligibility determinations
43 on or after July 1, 2004, if an applicant or recipient owns property in joint

1 tenancy with some other party and the applicant or recipient of medical
2 assistance has restricted or conditioned their interest in such property to a
3 specific and discrete property interest less than 100%, then such
4 designation will cause the full value of the property to be considered an
5 available resource to the applicant or recipient. ~~Medical assistance~~
6 ~~eligibility for receipt of benefits under the title XIX of the social security~~
7 ~~act, commonly known as medicaid, shall not be expanded, as provided for~~
8 ~~in the patient protection and affordable care act, public law 111-148, 124~~
9 ~~stat. 119, and the health care and education reconciliation act of 2010,~~
10 ~~public law 111-152, 124 stat. 1029, unless the legislature expressly~~
11 ~~consents to, and approves of, the expansion of medicaid services by an act~~
12 ~~of the legislature.~~

13 (3) (A) Resources from trusts shall be considered when determining
14 eligibility of a trust beneficiary for medical assistance. Medical assistance
15 is to be secondary to all resources, including trusts, that may be available
16 to an applicant or recipient of medical assistance.

17 (B) If a trust has discretionary language, the trust shall be considered
18 to be an available resource to the extent, using the full extent of discretion,
19 the trustee may make any of the income or principal available to the
20 applicant or recipient of medical assistance. Any such discretionary trust
21 shall be considered an available resource unless: (i) At the time of creation
22 or amendment of the trust, the trust states a clear intent that the trust is
23 supplemental to public assistance; and (ii) the trust: (a) Is funded from
24 resources of a person who, at the time of such funding, owed no duty of
25 support to the applicant or recipient of medical assistance; or (b) is funded
26 not more than nominally from resources of a person while that person
27 owed a duty of support to the applicant or recipient of medical assistance.

28 (C) For the purposes of this paragraph, "public assistance" includes,
29 but is not limited to, medicaid, medical assistance or title XIX of the social
30 security act.

31 (4) (A) When an applicant or recipient of medical assistance is a party
32 to a contract, agreement or accord for personal services being provided by
33 a nonlicensed individual or provider and such contract, agreement or
34 accord involves health and welfare monitoring, pharmacy assistance, case
35 management, communication with medical, health or other professionals,
36 or other activities related to home health care, long term care, medical
37 assistance benefits, or other related issues, any moneys paid under such
38 contract, agreement or accord shall be considered to be an available
39 resource unless the following restrictions are met: (i) The contract,
40 agreement or accord must be in writing and executed prior to any services
41 being provided; (ii) the moneys paid are in direct relationship with the fair
42 market value of such services being provided by similarly situated and
43 trained nonlicensed individuals; (iii) if no similarly situated nonlicensed

1 individuals or situations can be found, the value of services will be based
2 on federal hourly minimum wage standards; (iv) such individual providing
3 the services will report all receipts of moneys as income to the appropriate
4 state and federal governmental revenue agencies; (v) any amounts due
5 under such contract, agreement or accord shall be paid after the services
6 are rendered; (vi) the applicant or recipient shall have the power to revoke
7 the contract, agreement or accord; and (vii) upon the death of the applicant
8 or recipient, the contract, agreement or accord ceases.

9 (B) When an applicant or recipient of medical assistance is a party to
10 a written contract for personal services being provided by a licensed health
11 professional or facility and such contract involves health and welfare
12 monitoring, pharmacy assistance, case management, communication with
13 medical, health or other professionals, or other activities related to home
14 health care, long term care, medical assistance benefits or other related
15 issues, any moneys paid in advance of receipt of services for such
16 contracts shall be considered to be an available resource.

17 (5) Any trust may be amended if such amendment is permitted by the
18 Kansas uniform trust code.

19 (f) *Eligibility for medical assistance of resident receiving medical*
20 *care outside state.* A person who is receiving medical care including long-
21 term care outside of Kansas whose health would be endangered by the
22 postponement of medical care until return to the state or by travel to return
23 to Kansas, may be determined eligible for medical assistance if such
24 individual is a resident of Kansas and all other eligibility factors are met.
25 Persons who are receiving medical care on an ongoing basis in a long-term
26 medical care facility in a state other than Kansas and who do not return to
27 a care facility in Kansas when they are able to do so, shall no longer be
28 eligible to receive assistance in Kansas unless such medical care is not
29 available in a comparable facility or program providing such medical care
30 in Kansas. For persons who are minors or who are under guardianship, the
31 actions of the parent or guardian shall be deemed to be the actions of the
32 child or ward in determining whether or not the person is remaining
33 outside the state voluntarily.

34 (g) *Medical assistance; assignment of rights to medical support and*
35 *limited power of attorney; recovery from estates of deceased recipients.* (1)

36 (A) Except as otherwise provided in K.S.A. 39-786 and 39-787, and
37 amendments thereto, or as otherwise authorized on and after September
38 30, 1989, under section 303 of the federal medicare catastrophic coverage
39 act of 1988, whichever is applicable, by applying for or receiving medical
40 assistance under a medical care plan in which federal funds are expended,
41 any accrued, present or future rights to support and any rights to payment
42 for medical care from a third party of an applicant or recipient and any
43 other family member for whom the applicant is applying shall be deemed

1 to have been assigned to the secretary on behalf of the state. The
2 assignment shall automatically become effective upon the date of approval
3 for such assistance without the requirement that any document be signed
4 by the applicant or recipient. By applying for or receiving medical
5 assistance the applicant or recipient is also deemed to have appointed the
6 secretary, or the secretary's designee, as an attorney in fact to perform the
7 specific act of negotiating and endorsing all drafts, checks, money orders
8 or other negotiable instruments, representing payments received by the
9 secretary in on behalf of any person applying for, receiving or having
10 received such assistance. This limited power of attorney shall be effective
11 from the date the secretary approves the application for assistance and
12 shall remain in effect until the assignment has been terminated in full. The
13 assignment of any rights to payment for medical care from a third party
14 under this subsection shall not prohibit a health care provider from directly
15 billing an insurance carrier for services rendered if the provider has not
16 submitted a claim covering such services to the secretary for payment.
17 Support amounts collected on behalf of persons whose rights to support
18 are assigned to the secretary only under this subsection and no other shall
19 be distributed pursuant to ~~subsection (d) of~~ K.S.A. 39-756(d), and
20 amendments thereto, except that any amounts designated as medical
21 support shall be retained by the secretary for repayment of the
22 unreimbursed portion of assistance. Amounts collected pursuant to the
23 assignment of rights to payment for medical care from a third party shall
24 also be retained by the secretary for repayment of the unreimbursed
25 portion of assistance.

26 (B) Notwithstanding the provisions of subparagraph (A), the secretary
27 of health and environment, or the secretary's designee, is hereby
28 authorized to and shall exercise any of the powers specified in
29 subparagraph (A) in relation to performance of such secretary's duties
30 pertaining to medical subrogation, estate recovery or any other duties
31 assigned to such secretary in article 74 of chapter 75 of the Kansas Statutes
32 Annotated, and amendments thereto.

33 (2) The amount of any medical assistance paid after June 30, 1992,
34 under the provisions of subsection (e) is (A) a claim against the property or
35 any interest therein belonging to and a part of the estate of any deceased
36 recipient or, if there is no estate, the estate of the surviving spouse, if any,
37 shall be charged for such medical assistance paid to either or both, and (B)
38 a claim against any funds of such recipient or spouse in any account under
39 K.S.A. 9-1215, 9-1216, 17-2263, 17-2264, 17-5828 or 17-5829, and
40 amendments thereto. There shall be no recovery of medical assistance
41 correctly paid to or on behalf of an individual under subsection (e) except
42 after the death of the surviving spouse of the individual, if any, and only at
43 a time when the individual has no surviving child who is under 21 years of

1 age or is blind or permanently and totally disabled. Transfers of real or
2 personal property by recipients of medical assistance without adequate
3 consideration are voidable and may be set aside. Except where there is a
4 surviving spouse, or a surviving child who is under 21 years of age or is
5 blind or permanently and totally disabled, the amount of any medical
6 assistance paid under subsection (e) is a claim against the estate in any
7 guardianship or conservatorship proceeding. The monetary value of any
8 benefits received by the recipient of such medical assistance under long-
9 term care insurance, as defined by K.S.A. 40-2227, and amendments
10 thereto, shall be a credit against the amount of the claim provided for such
11 medical assistance under this subsection (g). The secretary of health and
12 environment is authorized to enforce each claim provided for under this
13 subsection (g). The secretary of health and environment shall not be
14 required to pursue every claim, but is granted discretion to determine
15 which claims to pursue. All moneys received by the secretary of health and
16 environment from claims under this subsection (g) shall be deposited in
17 the social welfare fund. The secretary of health and environment may
18 adopt rules and regulations for the implementation and administration of
19 the medical assistance recovery program under this subsection (g).

20 (3) By applying for or receiving medical assistance under the
21 provisions of article 7 of chapter 39 of the Kansas Statutes Annotated, and
22 amendments thereto, such individual or such individual's agent, fiduciary,
23 guardian, conservator, representative payee or other person acting on
24 behalf of the individual consents to the following definitions of estate and
25 the results therefrom:

26 (A) If an individual receives any medical assistance before July 1,
27 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated,
28 and amendments thereto, which forms the basis for a claim under
29 subsection (g)(2), such claim is limited to the individual's probatable estate
30 as defined by applicable law; and

31 (B) if an individual receives any medical assistance on or after July 1,
32 2004, pursuant to article 7 of chapter 39 of the Kansas Statutes Annotated,
33 and amendments thereto, which forms the basis for a claim under
34 subsection (g)(2), such claim shall apply to the individual's medical
35 assistance estate. The medical assistance estate is defined as including all
36 real and personal property and other assets in which the deceased
37 individual had any legal title or interest immediately before or at the time
38 of death to the extent of that interest or title. The medical assistance estate
39 includes, without limitation assets conveyed to a survivor, heir or assign of
40 the deceased recipient through joint tenancy, tenancy in common,
41 survivorship, transfer-on-death deed, payable-on-death contract, life estate,
42 trust, annuities or similar arrangement.

43 (4) The secretary of health and environment or the secretary's

1 designee is authorized to file and enforce a lien against the real property of
2 a recipient of medical assistance in certain situations, subject to all prior
3 liens of record and transfers for value to a bona fide purchaser of record.
4 The lien must be filed in the office of the register of deeds of the county
5 where the real property is located within one year from the date of death of
6 the recipient and must contain the legal description of all real property in
7 the county subject to the lien.

8 (A) After the death of a recipient of medical assistance, the secretary
9 of health and environment or the secretary's designee may place a lien on
10 any interest in real property owned by such recipient.

11 (B) The secretary of health and environment or the secretary's
12 designee may place a lien on any interest in real property owned by a
13 recipient of medical assistance during the lifetime of such recipient. Such
14 lien may be filed only after notice and an opportunity for a hearing has
15 been given. Such lien may be enforced only upon competent medical
16 testimony that the recipient cannot reasonably be expected to be
17 discharged and returned home. A six-month period of compensated
18 inpatient care at a nursing home or other medical institution shall
19 constitute a determination by the department of health and environment
20 that the recipient cannot reasonably be expected to be discharged and
21 returned home. To return home means the recipient leaves the nursing or
22 medical facility and resides in the home on which the lien has been placed
23 for a continuous period of at least 90 days without being readmitted as an
24 inpatient to a nursing or medical facility. The amount of the lien shall be
25 for the amount of assistance paid by the department of health and
26 environment until the time of the filing of the lien and for any amount paid
27 thereafter for such medical assistance to the recipient. After the lien is filed
28 against any real property owned by the recipient, such lien will be
29 dissolved if the recipient is discharged, returns home and resides upon the
30 real property to which the lien is attached for a continuous period of at
31 least 90 days without being readmitted as an inpatient to a nursing or
32 medical facility. If the recipient is readmitted as an inpatient to a nursing
33 or medical facility for a continuous period of less than 90 days, another
34 continuous period of at least 90 days shall be completed prior to
35 dissolution of the lien.

36 (5) The lien filed by the secretary of health and environment or the
37 secretary's designee for medical assistance correctly received may be
38 enforced before or after the death of the recipient by the filing of an action
39 to foreclose such lien in the Kansas district court or through an estate
40 probate court action in the county where the real property of the recipient
41 is located. However, it may be enforced only:

42 (A) After the death of the surviving spouse of the recipient;

43 (B) when there is no child of the recipient, natural or adopted, who is

1 20 years of age or less residing in the home;

2 (C) when there is no adult child of the recipient, natural or adopted,
3 who is blind or disabled residing in the home; or

4 (D) when no brother or sister of the recipient is lawfully residing in
5 the home, who has resided there for at least one year immediately before
6 the date of the recipient's admission to the nursing or medical facility, and
7 has resided there on a continuous basis since that time.

8 (6) The lien remains on the property even after a transfer of the title
9 by conveyance, sale, succession, inheritance or will unless one of the
10 following events occur:

11 (A) The lien is satisfied. The recipient, the heirs, personal
12 representative or assigns of the recipient may discharge such lien at any
13 time by paying the amount of the lien to the secretary of health and
14 environment or the secretary's designee;

15 (B) the lien is terminated by foreclosure of prior lien of record or
16 settlement action taken in lieu of foreclosure; or

17 (C) the value of the real property is consumed by the lien, at which
18 time the secretary of health and environment or the secretary's designee
19 may force the sale for the real property to satisfy the lien.

20 (7) If the secretary for aging and disability services or the secretary of
21 health and environment, or both, or such secretary's designee has not filed
22 an action to foreclose the lien in the Kansas district court in the county
23 where the real property is located within 10 years from the date of the
24 filing of the lien, then the lien shall become dormant, and shall cease to
25 operate as a lien on the real estate of the recipient. Such dormant lien may
26 be revived in the same manner as a dormant judgment lien is revived under
27 K.S.A. 60-2403 et seq., and amendments thereto.

28 (8) Within seven days of receipt of notice by the secretary for
29 children and families or the secretary's designee of the death of a recipient
30 of medical assistance under this subsection, the secretary for children and
31 families or the secretary's designee shall give notice of such recipient's
32 death to the secretary of health and environment or the secretary's
33 designee.

34 (9) All rules and regulations adopted on and after July 1, 2013, and
35 prior to July 1, 2014, to implement this subsection shall continue to be
36 effective and shall be deemed to be duly adopted rules and regulations of
37 the secretary of health and environment until revised, amended, revoked or
38 nullified pursuant to law.

39 (h) *Placement under the revised Kansas code for care of children or*
40 *revised Kansas juvenile justice code; assignment of support rights and*
41 *limited power of attorney.* In any case in which the secretary for children
42 and families pays for the expenses of care and custody of a child pursuant
43 to K.S.A. 2014 Supp. 38-2201 et seq. or 38-2301 et seq., and amendments

1 thereto, including the expenses of any foster care placement, an
2 assignment of all past, present and future support rights of the child in
3 custody possessed by either parent or other person entitled to receive
4 support payments for the child is, by operation of law, conveyed to the
5 secretary. Such assignment shall become effective upon placement of a
6 child in the custody of the secretary or upon payment of the expenses of
7 care and custody of a child by the secretary without the requirement that
8 any document be signed by the parent or other person entitled to receive
9 support payments for the child. When the secretary pays for the expenses
10 of care and custody of a child or a child is placed in the custody of the
11 secretary, the parent or other person entitled to receive support payments
12 for the child is also deemed to have appointed the secretary, or the
13 secretary's designee, as attorney in fact to perform the specific act of
14 negotiating and endorsing all drafts, checks, money orders or other
15 negotiable instruments representing support payments received by the
16 secretary on behalf of the child. This limited power of attorney shall be
17 effective from the date the assignment to support rights becomes effective
18 and shall remain in effect until the assignment of support rights has been
19 terminated in full.

20 (i) No person who voluntarily quits employment or who is fired from
21 employment due to gross misconduct as defined by rules and regulations of
22 the secretary or who is a fugitive from justice by reason of a felony
23 conviction or charge shall be eligible to receive public assistance benefits
24 in this state. Any recipient of public assistance who fails to timely comply
25 with monthly reporting requirements under criteria and guidelines
26 prescribed by rules and regulations of the secretary shall be subject to a
27 penalty established by the secretary by rules and regulations.

28 (j) If the applicant or recipient of aid to families with dependent
29 children is a mother of the dependent child, as a condition of the mother's
30 eligibility for aid to families with dependent children the mother shall
31 identify by name and, if known, by current address the father of the
32 dependent child except that the secretary may adopt by rules and
33 regulations exceptions to this requirement in cases of undue hardship. Any
34 recipient of aid to families with dependent children who fails to cooperate
35 with requirements relating to child support enforcement under criteria and
36 guidelines prescribed by rules and regulations of the secretary shall be
37 subject to a penalty established by the secretary by rules and regulations
38 which penalty shall progress to ineligibility for the family after three
39 months of noncooperation.

40 (k) By applying for or receiving child care benefits or food stamps,
41 the applicant or recipient shall be deemed to have assigned, pursuant to
42 K.S.A. 39-756, and amendments thereto, to the secretary on behalf of the
43 state only accrued, present or future rights to support from any other

1 person such applicant may have in such person's own behalf or in behalf of
2 any other family member for whom the applicant is applying for or
3 receiving aid. The assignment of support rights shall automatically become
4 effective upon the date of approval for or receipt of such aid without the
5 requirement that any document be signed by the applicant or recipient. By
6 applying for or receiving child care benefits or food stamps, the applicant
7 or recipient is also deemed to have appointed the secretary, or the
8 secretary's designee, as an attorney in fact to perform the specific act of
9 negotiating and endorsing all drafts, checks, money orders or other
10 negotiable instruments representing support payments received by the
11 secretary in behalf of any person applying for, receiving or having
12 received such assistance. This limited power of attorney shall be effective
13 from the date the secretary approves the application for aid and shall
14 remain in effect until the assignment of support rights has been terminated
15 in full. An applicant or recipient who has assigned support rights to the
16 secretary pursuant to this subsection shall cooperate in establishing and
17 enforcing support obligations to the same extent required of applicants for
18 or recipients of aid to families with dependent children.

19 (1) (1) A program of drug screening for applicants for cash assistance
20 as a condition of eligibility for cash assistance and persons receiving cash
21 assistance as a condition of continued receipt of cash assistance shall be
22 established, subject to applicable federal law, by the secretary for children
23 and families on and before January 1, 2014. Under such program of drug
24 screening, the secretary for children and families shall order a drug
25 screening of an applicant for or a recipient of cash assistance at any time
26 when reasonable suspicion exists that such applicant for or recipient of
27 cash assistance is unlawfully using a controlled substance or controlled
28 substance analog. The secretary for children and families may use any
29 information obtained by the secretary for children and families to
30 determine whether such reasonable suspicion exists, including, but not
31 limited to, an applicant's or recipient's demeanor, missed appointments and
32 arrest or other police records, previous employment or application for
33 employment in an occupation or industry that regularly conducts drug
34 screening, termination from previous employment due to unlawful use of a
35 controlled substance or controlled substance analog or prior drug screening
36 records of the applicant or recipient indicating unlawful use of a controlled
37 substance or controlled substance analog.

38 (2) Any applicant for or recipient of cash assistance whose drug
39 screening results in a positive test may request that the drug screening
40 specimen be sent to a different drug testing facility for an additional drug
41 screening. Any applicant for or recipient of cash assistance who requests
42 an additional drug screening at a different drug testing facility shall be
43 required to pay the cost of drug screening. Such applicant or recipient who

1 took the additional drug screening and who tested negative for unlawful
2 use of a controlled substance and controlled substance analog shall be
3 reimbursed for the cost of such additional drug screening.

4 (3) Any applicant for or recipient of cash assistance who tests positive
5 for unlawful use of a controlled substance or controlled substance analog
6 shall be required to complete a substance abuse treatment program
7 approved by the secretary for children and families, secretary of labor or
8 secretary of commerce, and a job skills program approved by the secretary
9 for children and families, secretary of labor or secretary of commerce.
10 Subject to applicable federal laws, any applicant for or recipient of cash
11 assistance who fails to complete or refuses to participate in the substance
12 abuse treatment program or job skills program as required under this
13 subsection shall be ineligible to receive cash assistance until completion of
14 such substance abuse treatment and job skills programs. Upon completion
15 of both substance abuse treatment and job skills programs, such applicant
16 for or recipient of cash assistance may be subject to periodic drug
17 screening, as determined by the secretary for children and families. Upon a
18 second positive test for unlawful use of a controlled substance or
19 controlled substance analog, a recipient of cash assistance shall be ordered
20 to complete again a substance abuse treatment program and job skills
21 program, and shall be terminated from cash assistance for a period of 12
22 months, or until such recipient of cash assistance completes both substance
23 abuse treatment and job skills programs, whichever is later. Upon a third
24 positive test for unlawful use of a controlled substance or controlled
25 substance analog, a recipient of cash assistance shall be terminated from
26 cash assistance, subject to applicable federal law.

27 (4) If an applicant for or recipient of cash assistance is ineligible for
28 or terminated from cash assistance as a result of a positive test for
29 unlawful use of a controlled substance or controlled substance analog, and
30 such applicant for or recipient of cash assistance is the parent or legal
31 guardian of a minor child, an appropriate protective payee shall be
32 designated to receive cash assistance on behalf of such child. Such parent
33 or legal guardian of the minor child may choose to designate an individual
34 to receive cash assistance for such parent's or legal guardian's minor child,
35 as approved by the secretary for children and families. Prior to the
36 designated individual receiving any cash assistance, the secretary for
37 children and families shall review whether reasonable suspicion exists that
38 such designated individual is unlawfully using a controlled substance or
39 controlled substance analog.

40 (A) In addition, any individual designated to receive cash assistance
41 on behalf of an eligible minor child shall be subject to drug screening at
42 any time when reasonable suspicion exists that such designated individual
43 is unlawfully using a controlled substance or controlled substance analog.

1 The secretary for children and families may use any information obtained
2 by the secretary for children and families to determine whether such
3 reasonable suspicion exists, including, but not limited to, the designated
4 individual's demeanor, missed appointments and arrest or other police
5 records, previous employment or application for employment in an
6 occupation or industry that regularly conducts drug screening, termination
7 from previous employment due to unlawful use of a controlled substance
8 or controlled substance analog or prior drug screening records of the
9 designated individual indicating unlawful use of a controlled substance or
10 controlled substance analog.

11 (B) Any designated individual whose drug screening results in a
12 positive test may request that the drug screening specimen be sent to a
13 different drug testing facility for an additional drug screening. Any
14 designated individual who requests an additional drug screening at a
15 different drug testing facility shall be required to pay the cost of drug
16 screening. Such designated individual who took the additional drug
17 screening and who tested negative for unlawful use of a controlled
18 substance and controlled substance analog shall be reimbursed for the cost
19 of such additional drug screening.

20 (C) Upon any positive test for unlawful use of a controlled substance
21 or controlled substance analog, the designated individual shall not receive
22 cash assistance on behalf of the parent's or legal guardian's minor child,
23 and another designated individual shall be selected by the secretary for
24 children and families to receive cash assistance on behalf of such parent's
25 or legal guardian's minor child.

26 (5) If a person has been convicted under federal or state law of any
27 offense which is classified as a felony by the law of the jurisdiction and
28 which has as an element of such offense the manufacture, cultivation,
29 distribution, possession or use of a controlled substance or controlled
30 substance analog, and the date of conviction is on or after July 1, 2013,
31 such person shall thereby become forever ineligible to receive any cash
32 assistance under this subsection unless such conviction is the person's first
33 conviction. First-time offenders convicted under federal or state law of any
34 offense which is classified as a felony by the law of the jurisdiction and
35 which has as an element of such offense the manufacture, cultivation,
36 distribution, possession or use of a controlled substance or controlled
37 substance analog, and the date of conviction is on or after July 1, 2013,
38 such person shall become ineligible to receive cash assistance for five
39 years from the date of conviction.

40 (6) Except for hearings before the Kansas department for children and
41 families or, the results of any drug screening administered as part of the
42 drug screening program authorized by this subsection shall be confidential
43 and shall not be disclosed publicly.

1 (7) The secretary for children and families may adopt such rules and
2 regulations as are necessary to carry out the provisions of this subsection.

3 (8) Any authority granted to the secretary for children and families
4 under this subsection shall be in addition to any other penalties prescribed
5 by law.

6 (9) As used in this subsection:

7 (A) "Cash assistance" means cash assistance provided to individuals
8 under the provisions of article 7 of chapter 39 of the Kansas Statutes
9 Annotated, and amendments thereto, and any rules and regulations adopted
10 pursuant to such statutes.

11 (B) "Controlled substance" means the same as in K.S.A. 2014 Supp.
12 21-5701, and amendments thereto, and 21 U.S.C. § 802.

13 (C) "Controlled substance analog" means the same as in K.S.A. 2014
14 Supp. 21-5701, and amendments thereto.

15 Sec. 2. K.S.A. 2014 Supp. 75-7409 is hereby amended to read as
16 follows: 75-7409. (a) The department of health and environment shall be
17 designated as the single state agency with responsibility for supervising
18 and administering the state plan for medical assistance under the federal
19 social security act, 42 U.S.C. § 1396 et seq., and amendments thereto. The
20 department of health and environment shall develop state plans, as
21 provided under the federal social security act, whereby the state cooperates
22 with the federal government in its program of assisting the states
23 financially in furnishing medical assistance and services to eligible
24 individuals.

25 (b) The department of health and environment shall undertake to
26 cooperate with the federal government on any other federal program
27 providing federal financial assistance and services for medical assistance
28 not inconsistent with this act. The department of health and environment is
29 not required to develop a state plan for participation or cooperation in all
30 federal social security act programs relating to medical assistance or other
31 available federal programs that relate to medical assistance.

32 (c) *The department of health and environment shall develop a federal*
33 *medicaid waiver application under § 1115 of the social security act, 42*
34 *U.S.C. § 1315, for a budget-neutral managed care program, to be known*
35 *as KanCare 2.0, to provide access to health care coverage options for*
36 *newly eligible individuals while employing personal responsibility through*
37 *cost sharing and rewarding healthy outcomes and responsible health*
38 *choices. As used in this subsection, "newly eligible individuals" means*
39 *otherwise ineligible adults between 19 and 65 years of age with an income*
40 *that is equal to or less than 138% of the federal poverty level and further*
41 *defined by documentation of citizenship and residency status to be*
42 *implemented by the department. The department shall submit any state*
43 *medicaid plan amendment as necessary to implement such waiver.*

- 1 Sec. 3. K.S.A. 2014 Supp. 39-709 and 75-7409 are hereby repealed.
- 2 Sec. 4. This act shall take effect and be in force from and after its
- 3 publication in the statute book.