

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1147
Committee Substitute Favorable 6/23/93
Committee Substitute #2 Favorable 7/1/93

Short Title: Medicaid Long-Term Care Eligibility.

(Public)

Sponsors:

Referred to:

April 19, 1993

A BILL TO BE ENTITLED

AN ACT TO SPECIFY THE EFFECT OF CERTAIN TRANSFERS ON ELIGIBILITY
FOR STATE MEDICAL ASSISTANCE FOR LONG-TERM CARE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 108A-58(i) reads as rewritten:

"(i) ~~This Subsections (a) through (h) of this section shall~~ apply only to transfers made before July 1, 1988."

Sec. 2. G.S. 108A-58 is amended by adding new subsections to read:

"(j) For the purposes of determining an individual's eligibility for institutional or community-based care, transfers that result in periods of ineligibility pursuant to 42 U.S.C. § 1396p(c)(1) shall be considered a single transfer and the periods of ineligibility shall run sequentially beginning on the date of the first transfer that results in a period of ineligibility, except that no period of ineligibility shall begin before the date on which the transfer resulting in that ineligibility period was made. The provisions of this subsection do not apply to transfers made before January 1, 1994.

(k) Any provision in any **inter vivos** trust created for the benefit of the grantor that provides directly or indirectly for the suspension, termination, or diversion of the principal, income, or other beneficial interest of the grantor in the event that the grantor or the grantor's spouse applies for medical assistance or requires medical, hospital, or nursing care shall, upon taking effect, be deemed to result in an uncompensated transfer of the assets. The value of the uncompensated transfer shall be the value of the assets

1 affected by the provision, and the date of the transfer shall be deemed to be the date
2 upon which the provision takes effect. This subsection does not apply to trust
3 provisions that are irrevocable before January 1, 1994, except that this subsection does
4 apply to any trust assets that become subject to these provisions after January 1, 1994."

5 Sec. 3. The provisions of this act are severable. If any provision of this act is
6 held invalid by a court of competent jurisdiction, the invalidity does not affect the other
7 provisions of the act that can be given effect without the invalid provision.

8 Sec. 4. This act is effective upon ratification and applies to determinations of
9 eligibility made on or after this date.