Testimony House Bill Number 1090 – Department of Human Services House Human Services Committee Representative Robin Weisz, Chairman January 16, 2013

Chairman Weisz, members of the Human Services Committee, I am Tim Austin, an attorney with the Department of Human Services (Department). I am here today in support of House Bill 1090, which was introduced at the request of the Department.

The Department will file a claim, as required by federal law, against estates of deceased medical assistance recipients (or upon the death of a deceased medical assistance recipient's spouse against that spouse's estate) or as permitted by state law against estates of deceased recipients of other Department services, such as those provided by the North Dakota State Hospital and regional human service centers, to collect up to the amount of assistance or service, or both, paid on behalf of the recipient.

North Dakota Century Code section 50-24.1-07 treats the Department's claim against an estate as a preferred claim if the recipient received medical assistance. (A preferred claim gets paid ahead of general claims.) If the recipient did not receive medical assistance, North Dakota Century Code section 50-06.3-07 treats the Department's claim against an estate as a general claim. This bill amends North Dakota Century Code section 50-06.3-07 so the Department's claim against any estate, regardless of the types of benefits received, will always be a preferred claim against the estate.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.