

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT
LB641

Hearing Date: Thursday March 06, 2025
Committee On: Judiciary
Introducer: Bostar
One Liner: Change provisions relating to medicaid estate recovery

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Bosn, DeBoer, Hallstrom, Holdcroft, McKinney, Rountree,
Storer, Storm

Nay:

Absent:

Present Not Voting:

Testimony:

Proponents:

Senator Eliot Bostar
Jina Ragland
Alex DeGarmo
Edison McDonald

Representing:

Opening Presenter
AARP Nebraska
Alzheimer's Association
The Arc of Nebraska

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 641 amends § 68-919 of the Medical Assistance Act (Medicaid estate recovery) to amend how and when the state can recover costs of Medicaid benefits from the estate of a deceased recipient.

The bill amends § 68-919(1), which provides that a Medicaid recipient is indebted to the Department of Health and Human Services if the recipient is 55 years old or older and resided in a medical institution and could not have been reasonably expected to be discharged and resume living at home. The bill amends § 68-919(1)(b) to include an "assisted living facility" to the definition of "medical institution."

The bill amends § 68-919(2), which governs the debt accrued for medical assistance and conditions for recovery. The debt arises during the recipient's lifetime, but repayment of the debt is postponed until after the recipient's death. Existing law states that the Department of Health and Human Services shall not foreclose on a lien on a deceased recipient's home while the home is the residence of a recipient's adult child who has lived in the home for at least 2



years immediately before the recipient was institutionalized, has continuously live there since that time, and can prove that the adult child provided care that delayed the recipient's admission.

The bill expands this provision to apply it to a recipient's "relative" who made their residence at the recipient's home at least 1 year before the recipient incurred the medical assistance debt and that the relative provided care that delayed the recipient's admission. The bill defines "relative" as a child, grandchild, niece, nephew, sibling, or other individual who can establish a close relationship tie.

The bill amends § 68-919(4) to add new language stating that if a Medicaid recipient owns a life estate, it will not be included in the recipient's estate for purposes of Medicaid estate recovery after 12 months from when the life estate deed was recorded if a relative lived with the Medicaid recipient solely and continuously to provide care that kept the recipient out of a nursing home or other medical facility.

Explanation of amendments:

The Judiciary Committee amendment, AM 538, is a white-copy amendment that strikes the original sections and reinserts section 68-919 as modified by the amendment. The changes made to subsections (1) and (4) of section 68-919 by LB 641 remain unchanged by AM 538. The changes made to subsection (2) of section 68-919 by AM 538 to LB 641 include removing the definition of "relative" and replacing subdivision (2)(b) of such section with new language providing that a written attestation by a physician stating that a recipient's sibling or adult child provided care that delayed the recipient's admission to a medical institution is sufficient documentation for the department to avoid foreclosure on the lien on the recipient's residence.

Carolyn Bosn, Chairperson

