

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 343
97TH GENERAL ASSEMBLY

1096H.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 208.010, 208.022, 208.048, and 208.182, RSMo, and to enact in lieu thereof seven new sections relating to public assistance, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 208.010, 208.022, 208.048, and 208.182, RSMo, are repealed and
2 seven new sections enacted in lieu thereof, to be known as sections 208.010, 208.022, 208.048,
3 208.182, 208.249, 1, and 2, to read as follows:

208.010. 1. In determining the eligibility of a claimant for public assistance pursuant
2 to this law, it shall be the duty of the division of family services to consider and take into account
3 all facts and circumstances surrounding the claimant, including his or her living conditions,
4 earning capacity, income and resources, from whatever source received, and if from all the facts
5 and circumstances the claimant is not found to be in need, assistance shall be denied. In
6 determining the need of a claimant, the costs of providing medical treatment which may be
7 furnished pursuant to sections 208.151 to 208.158 and 208.162 shall be disregarded. The amount
8 of benefits, when added to all other income, resources, support, and maintenance shall provide
9 such persons with reasonable subsistence compatible with decency and health in accordance with
10 the standards developed by the division of family services; provided, when a husband and wife
11 are living together, the combined income and resources of both shall be considered in
12 determining the eligibility of either or both. "Living together" for the purpose of this chapter is
13 defined as including a husband and wife separated for the purpose of obtaining medical care or
14 nursing home care, except that the income of a husband or wife separated for such purpose shall
15 be considered in determining the eligibility of his or her spouse, only to the extent that such
16 income exceeds the amount necessary to meet the needs (as defined by rule or regulation of the
17 division) of such husband or wife living separately. In determining the need of a claimant in

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 federally aided programs there shall be disregarded such amounts per month of earned income
19 in making such determination as shall be required for federal participation by the provisions of
20 the federal Social Security Act (42 U.S.C.A. 301 et seq.), or any amendments thereto. When
21 federal law or regulations require the exemption of other income or resources, the division of
22 family services may provide by rule or regulation the amount of income or resources to be
23 disregarded.

24 2. Benefits shall not be payable to any claimant who:

25 (1) Has or whose spouse with whom he or she is living has, prior to July 1, 1989, given
26 away or sold a resource within the time and in the manner specified in this subdivision. In
27 determining the resources of an individual, unless prohibited by federal statutes or regulations,
28 there shall be included (but subject to the exclusions pursuant to subdivisions (4) and (5) of this
29 subsection, and subsection 5 of this section) any resource or interest therein owned by such
30 individual or spouse within the twenty-four months preceding the initial investigation, or at any
31 time during which benefits are being drawn, if such individual or spouse gave away or sold such
32 resource or interest within such period of time at less than fair market value of such resource or
33 interest for the purpose of establishing eligibility for benefits, including but not limited to
34 benefits based on December, 1973, eligibility requirements, as follows:

35 (a) Any transaction described in this subdivision shall be presumed to have been for the
36 purpose of establishing eligibility for benefits or assistance pursuant to this chapter unless such
37 individual furnishes convincing evidence to establish that the transaction was exclusively for
38 some other purpose;

39 (b) The resource shall be considered in determining eligibility from the date of the
40 transfer for the number of months the uncompensated value of the disposed of resource is
41 divisible by the average monthly grant paid or average Medicaid payment in the state at the time
42 of the investigation to an individual or on his or her behalf under the program for which benefits
43 are claimed, provided that:

44 a. When the uncompensated value is twelve thousand dollars or less, the resource shall
45 not be used in determining eligibility for more than twenty-four months; or

46 b. When the uncompensated value exceeds twelve thousand dollars, the resource shall
47 not be used in determining eligibility for more than sixty months;

48 (2) The provisions of subdivision (1) of this subsection shall not apply to a transfer, other
49 than a transfer to claimant's spouse, made prior to March 26, 1981, when the claimant furnishes
50 convincing evidence that the uncompensated value of the disposed of resource or any part thereof
51 is no longer possessed or owned by the person to whom the resource was transferred;

52 (3) Has received, or whose spouse with whom he or she is living has received, benefits
53 to which he or she was not entitled through misrepresentation or nondisclosure of material facts

54 or failure to report any change in status or correct information with respect to property or income
55 as required by section 208.210. A claimant ineligible pursuant to this subsection shall be
56 ineligible for such period of time from the date of discovery as the division of family services
57 may deem proper; or in the case of overpayment of benefits, future benefits may be decreased,
58 suspended or entirely withdrawn for such period of time as the division may deem proper;

59 (4) Owns or possesses resources in the sum of one thousand dollars or more; provided,
60 however, that if such person is married and living with spouse, he or she, or they, individually
61 or jointly, may own resources not to exceed two thousand dollars; and provided further, that in
62 the case of a temporary assistance for needy families claimant, the provision of this subsection
63 shall not apply;

64 (5) Prior to October 1, 1989, owns or possesses property of any kind or character,
65 excluding amounts placed in an irrevocable prearranged funeral or burial contract under chapter
66 436, or has an interest in property, of which he or she is the record or beneficial owner, the value
67 of such property, as determined by the division of family services, less encumbrances of record,
68 exceeds twenty-nine thousand dollars, or if married and actually living together with husband
69 or wife, if the value of his or her property, or the value of his or her interest in property, together
70 with that of such husband and wife, exceeds such amount;

71 (6) In the case of temporary assistance for needy families, if the parent, stepparent, and
72 child or children in the home owns or possesses property of any kind or character, or has an
73 interest in property for which he or she is a record or beneficial owner, the value of such
74 property, as determined by the division of family services and as allowed by federal law or
75 regulation, less encumbrances of record, exceeds one thousand dollars, excluding the home
76 occupied by the claimant, amounts placed in an irrevocable prearranged funeral or burial contract
77 under chapter 436, one automobile which shall not exceed a value set forth by federal law or
78 regulation and for a period not to exceed six months, such other real property which the family
79 is making a good-faith effort to sell, if the family agrees in writing with the division of family
80 services to sell such property and from the net proceeds of the sale repay the amount of
81 assistance received during such period. If the property has not been sold within six months, or
82 if eligibility terminates for any other reason, the entire amount of assistance paid during such
83 period shall be a debt due the state;

84 (7) Is an inmate of a public institution, except as a patient in a public medical institution.

85 3. In determining eligibility and the amount of benefits to be granted pursuant to
86 federally aided programs, the income and resources of [a relative or other person] **all relatives,**
87 **members of the household and any other individuals who are twenty-one years of age or**
88 **older and** living in the home shall be taken into account to the extent the income, resources,
89 support and maintenance are allowed by federal law or regulation to be considered.

90 4. In determining eligibility and the amount of benefits to be granted pursuant to
91 federally aided programs, the value of burial lots or any amounts placed in an irrevocable
92 prearranged funeral or burial contract under chapter 436 shall not be taken into account or
93 considered an asset of the burial lot owner or the beneficiary of an irrevocable prearranged
94 funeral or funeral contract. For purposes of this section, "burial lots" means any burial space as
95 defined in section 214.270 and any memorial, monument, marker, tombstone or letter marking
96 a burial space. If the beneficiary, as defined in chapter 436, of an irrevocable prearranged funeral
97 or burial contract receives any public assistance benefits pursuant to this chapter and if the
98 purchaser of such contract or his or her successors in interest transfer, amend, or take any other
99 such actions regarding the contract so that any person will be entitled to a refund, such refund
100 shall be paid to the state of Missouri with any amount in excess of the public assistance benefits
101 provided under this chapter to be refunded by the state of Missouri to the purchaser or his or her
102 successors. In determining eligibility and the amount of benefits to be granted under federally
103 aided programs, the value of any life insurance policy where a seller or provider is made the
104 beneficiary or where the life insurance policy is assigned to a seller or provider, either being in
105 consideration for an irrevocable prearranged funeral contract under chapter 436, shall not be
106 taken into account or considered an asset of the beneficiary of the irrevocable prearranged funeral
107 contract.

108 5. In determining the total property owned pursuant to subdivision (5) of subsection 2
109 of this section, or resources, of any person claiming or for whom public assistance is claimed,
110 there shall be disregarded any life insurance policy, or prearranged funeral or burial contract, or
111 any two or more policies or contracts, or any combination of policies and contracts, which
112 provides for the payment of one thousand five hundred dollars or less upon the death of any of
113 the following:

114 (1) A claimant or person for whom benefits are claimed; or

115 (2) The spouse of a claimant or person for whom benefits are claimed with whom he or
116 she is living. If the value of such policies exceeds one thousand five hundred dollars, then the
117 total value of such policies may be considered in determining resources; except that, in the case
118 of temporary assistance for needy families, there shall be disregarded any prearranged funeral
119 or burial contract, or any two or more contracts, which provides for the payment of one thousand
120 five hundred dollars or less per family member.

121 6. Beginning September 30, 1989, when determining the eligibility of institutionalized
122 spouses, as defined in 42 U.S.C. Section 1396r-5, for medical assistance benefits as provided for
123 in section 208.151 and 42 U.S.C. Sections 1396a, et seq., the division of family services shall
124 comply with the provisions of the federal statutes and regulations. As necessary, the division
125 shall by rule or regulation implement the federal law and regulations which shall include but not

126 be limited to the establishment of income and resource standards and limitations. The division
127 shall require:

128 (1) That at the beginning of a period of continuous institutionalization that is expected
129 to last for thirty days or more, the institutionalized spouse, or the community spouse, may request
130 an assessment by the division of family services of total countable resources owned by either or
131 both spouses;

132 (2) That the assessed resources of the institutionalized spouse and the community spouse
133 may be allocated so that each receives an equal share;

134 (3) That upon an initial eligibility determination, if the community spouse's share does
135 not equal at least twelve thousand dollars, the institutionalized spouse may transfer to the
136 community spouse a resource allowance to increase the community spouse's share to twelve
137 thousand dollars;

138 (4) That in the determination of initial eligibility of the institutionalized spouse, no
139 resources attributed to the community spouse shall be used in determining the eligibility of the
140 institutionalized spouse, except to the extent that the resources attributed to the community
141 spouse do exceed the community spouse's resource allowance as defined in 42 U.S.C. Section
142 1396r-5;

143 (5) That beginning in January, 1990, the amount specified in subdivision (3) of this
144 subsection shall be increased by the percentage increase in the Consumer Price Index for All
145 Urban Consumers between September, 1988, and the September before the calendar year
146 involved; and

147 (6) That beginning the month after initial eligibility for the institutionalized spouse is
148 determined, the resources of the community spouse shall not be considered available to the
149 institutionalized spouse during that continuous period of institutionalization.

150 7. Beginning July 1, 1989, institutionalized individuals shall be ineligible for the periods
151 required and for the reasons specified in 42 U.S.C. Section 1396p.

152 8. The hearings required by 42 U.S.C. Section 1396r-5 shall be conducted pursuant to
153 the provisions of section 208.080.

154 9. Beginning October 1, 1989, when determining eligibility for assistance pursuant to
155 this chapter there shall be disregarded unless otherwise provided by federal or state statutes the
156 home of the applicant or recipient when the home is providing shelter to the applicant or
157 recipient, or his or her spouse or dependent child. The division of family services shall establish
158 by rule or regulation in conformance with applicable federal statutes and regulations a definition
159 of the home and when the home shall be considered a resource that shall be considered in
160 determining eligibility.

161 10. Reimbursement for services provided by an enrolled Medicaid provider to a recipient
162 who is duly entitled to Title XIX Medicaid and Title XVIII Medicare Part B, Supplementary
163 Medical Insurance (SMI) shall include payment in full of deductible and coinsurance amounts
164 as determined due pursuant to the applicable provisions of federal regulations pertaining to Title
165 XVIII Medicare Part B, except for hospital outpatient services or the applicable Title XIX cost
166 sharing.

167 11. A "community spouse" is defined as being the noninstitutionalized spouse.

168 12. An institutionalized spouse applying for Medicaid and having a spouse living in the
169 community shall be required, to the maximum extent permitted by law, to divert income to such
170 community spouse to raise the community spouse's income to the level of the minimum monthly
171 needs allowance, as described in 42 U.S.C. Section 1396r-5. Such diversion of income shall
172 occur before the community spouse is allowed to retain assets in excess of the community spouse
173 protected amount described in 42 U.S.C. Section 1396r-5.

208.022. All electronic benefits cards distributed to recipients of temporary assistance
2 for needy families benefits shall have imprinted on the card a photograph of the recipient or
3 protective payee authorized to use the card and shall expire and be subject to renewal after a
4 period of three years. **Retail establishments shall be required to verify that the photograph**
5 **on the card matches the identity of the person presenting the card.** The card shall not be
6 accepted for use by a retail establishment if the photograph of the recipient does not match the
7 person presenting the card.

208.048. 1. A dependent child eighteen years of age shall, in order to retain eligibility
2 for aid to families with dependent children, be enrolled as a full-time student in a public or
3 private secondary school, or an equivalent level of vocational or technical school in lieu of
4 secondary school, and reasonably expected to complete the program of the secondary school, or
5 equivalent vocational or technical training.

6 **2. All recipients of temporary assistance benefits shall be required to provide proof**
7 **that all dependent children who are eligible for enrollment in a public school are enrolled**
8 **and attending school regularly.**

9 [2.] 3. The department of social services shall promulgate rules and regulations to carry
10 out the provisions of this section pursuant to section 660.017 and chapter 536.

208.182. 1. [The division of family services shall establish pilot projects in St. Louis
2 City and in any county with a population of six hundred thousand or more, which shall provide
3 for a system of electronic transfer of benefits to public assistance recipients. Such system shall
4 allow recipients to obtain cash from automated teller machines or point of sale terminals. If less
5 than the total amount of benefits is withdrawn, the recipient shall be given a receipt showing the
6 current status of his account.] **All electronic benefit cards distributed to food stamp recipients**

7 shall have imprinted on the card a photograph of the recipient and shall expire and be
8 subject to renewal after a period of three years. Retail establishments shall be required to
9 verify that the photograph on the card matches the identity of the person presenting the
10 card. The card shall not be accepted for use by a retail establishment if the photograph of
11 the recipient does not match the person presenting the card.

12 2. The disclosure of any information provided to a financial institution, business or
13 vendor by the [division of family services] **department** pursuant to this section is prohibited.
14 Such financial institution, business or vendor may not use or sell such information and may not
15 divulge the information without a court order. Violation of this subsection is a class A
16 misdemeanor.

17 3. [Subject to appropriations and subject to receipt of waivers from the federal
18 government to prevent the loss of any federal funds, the department of social services shall
19 require the use of photographic identification on electronic benefit transfer cards issued to
20 recipients in this system. Such photographic identification electronic benefit transfer card shall
21 be in a form approved by the department of social services.

22 4.] The [division of family services] **department** shall promulgate rules and regulations
23 necessary to implement the provisions of this section pursuant to section 660.017 and chapter
24 536. **The rules shall ensure compliance with federal law, taking into account individuals
25 and households with special needs as well as ensuring that all appropriate household
26 members or authorized representatives are able to access benefits as necessary.**

27 [5.] 4. The delivery of electronic benefits and the electronic eligibility verification,
28 including, but not limited to, [aid to families with dependent children (AFDC)] **temporary
29 assistance for needy families (TANF)**, women, infants and children (WIC), early periodic
30 screening diagnosis and treatment (EPSDT), food stamps, supplemental security income (SSI),
31 including Medicaid, child support, and other programs, shall reside in one card that may be
32 enabled by function from time to time in a convenient manner.

208.249. 1. As used in this section, the following terms mean:

2 (1) “Department”, the department of social services;

3 (2) “Fraud”, a known false representation, including the concealment of a material
4 fact, upon which the recipient claims eligibility for public assistance benefits;

5 (3) “Public assistance benefits”, temporary assistance for needy families benefits,
6 food stamps, medical assistance, or other similar assistance administered by the
7 department of social services or other state department;

8 (4) “Recipient”, a person who is eligible to receive public assistance benefits.

9 **2. Any person who knowingly and intentionally commits fraud in obtaining or**
10 **attempting to obtain public assistance benefits shall lose eligibility for public assistance**
11 **benefits permanently.**

12 **3. Any persons who, based upon their personal knowledge, have reasonable cause**
13 **to believe an act of public assistance benefits fraud is being committed shall report such**
14 **act to the department. When a report of suspected public assistance benefits fraud is**
15 **received by the department, the department shall investigate such report. An investigation**
16 **of public assistance benefits fraud shall be initiated by the department within fifteen days**
17 **of receipt of the report. Absent good cause, any investigation shall be concluded within**
18 **sixty days of receipt of the report. The burden of conducting the investigation rests with**
19 **the fraud investigator or fraud unit and not the recipient's caseworker. Failure to comply**
20 **with the provisions of this section shall be grounds for termination of employment. The**
21 **investigation must include:**

22 **(1) A request for the employment records and pay stubs of the recipient covering**
23 **the previous six months;**

24 **(2) Verification of all individuals living in the household of the recipient;**

25 **(3) A copy of any rental agreement for the residence or a copy of the deed of the**
26 **home;**

27 **(4) A copy of any court order regarding custody of any minor children living in the**
28 **home; and**

29 **(5) The state and federal tax returns of the recipient for the previous two years.**

Section 1. Notwithstanding any provision of law to the contrary, the department
2 **shall establish and implement a welfare-to-work program that requires all recipients of**
3 **temporary assistance for needy families benefits to make at least twenty job contacts per**
4 **week. The department shall allow recipients to work as unpaid interns for a governmental**
5 **entity and shall only require those working as interns to make at least ten job contacts per**
6 **week. Any county, city or other political subdivision shall be allowed to submit to the**
7 **department available intern positions in which temporary assistance recipients may be**
8 **placed. The director of the department of social services shall apply for all waivers of**
9 **requirements under federal law necessary to implement the provisions of this section with**
10 **full federal participation. The provisions of this section shall be implemented, subject to**
11 **appropriation, as waivers necessary to ensure continued federal participation are received.**

Section 2. All recipients of temporary assistance for needy families, food stamps,
2 **child care assistance, supplemental nutrition assistance, or any other similar governmental**
3 **assistance program who are eighteen years of age or older and under twenty-six years of**
4 **age shall be required to possess a high school diploma. Recipients who are twenty-six years**

5 of age or older shall be required to possess a high school diploma or graduate equivalency
6 degree. The director of the department of social services shall apply for all waivers of
7 requirements under federal law necessary to implement the provisions of this section with
8 full federal participation. The provisions of this section shall be implemented, subject to
9 appropriation, as waivers necessary to ensure continued federal participation are received.

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