

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-1068.01 Richard Sweetman x4333

SENATE BILL 14-207

SENATE SPONSORSHIP

Todd and Herpin,

HOUSE SPONSORSHIP

Young,

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING CONTRIBUTIONS TO POOLED TRUSTS BY INDIVIDUALS
102 WHO ARE SIXTY-FIVE YEARS OF AGE OR OLDER.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The transfer of assets by an individual who is 65 years of age or older to a pooled trust does not constitute a transfer without fair consideration. The department of health care policy and financing (department) shall not delay an individual's eligibility for medical assistance or otherwise penalize an individual for entering into a joinder

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

agreement, transfer agreement, or other agreement to transfer assets to a pooled trust so long as an actuarially sound spending plan is submitted with the agreement to the department or to a county department of social services that is responsible for acceptance of medicaid applications.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 15-14-412.9, **add** (5)
3 as follows:

4 **15-14-412.9. Pooled trusts - limitations - definitions.**

5 (5) (a) THE TRANSFER OF ASSETS BY AN INDIVIDUAL WHO IS SIXTY-FIVE
6 YEARS OF AGE OR OLDER TO A POOLED TRUST DOES NOT CONSTITUTE A
7 TRANSFER WITHOUT FAIR CONSIDERATION. THE DEPARTMENT OF HEALTH
8 CARE POLICY AND FINANCING SHALL NOT DELAY AN INDIVIDUAL'S
9 ELIGIBILITY FOR MEDICAL ASSISTANCE OR OTHERWISE PENALIZE AN
10 INDIVIDUAL FOR ENTERING INTO A JOINDER AGREEMENT, TRANSFER
11 AGREEMENT, OR OTHER AGREEMENT TO TRANSFER ASSETS TO A POOLED
12 TRUST SO LONG AS AN ACTUARIALLY SOUND SPENDING PLAN IS SUBMITTED
13 WITH THE AGREEMENT TO THE DEPARTMENT OR TO A COUNTY
14 DEPARTMENT OF SOCIAL SERVICES THAT IS RESPONSIBLE FOR ACCEPTANCE
15 OF MEDICAID APPLICATIONS.

16 (b) A TRUSTEE OF A POOLED TRUST MAY UPDATE THE SPENDING
17 PLAN FROM TIME TO TIME BASED ON CHANGED CIRCUMSTANCES SO LONG
18 AS IT CONTINUES TO BE ACTUARIALLY SOUND.

19 (c) AS USED IN THIS SUBSECTION (5), UNLESS THE CONTEXT
20 OTHERWISE REQUIRES:

21 (I) "ACTUARIALLY SOUND SPENDING PLAN" MEANS A PLAN FOR
22 WHICH THERE IS A REASONABLE EXPECTATION THAT THE ASSETS PLACED
23 IN TRUST WILL BE CONSUMED DURING AN INDIVIDUAL'S EXPECTED

1 LIFETIME.

2 (II) "INDIVIDUAL'S EXPECTED LIFETIME" MEANS THE LIFE
3 EXPECTANCY OF AN INDIVIDUAL, AS DETERMINED BY THE ACTUARIAL LIFE
4 TABLE OF THE FEDERAL SOCIAL SECURITY ADMINISTRATION.

5 (d) ON OR BEFORE OCTOBER 1, 2014, THE MEDICAL SERVICES
6 BOARD SHALL PROMULGATE RULES AS NECESSARY TO IMPLEMENT THIS
7 SUBSECTION (5).

8 **SECTION 2. Effective date.** This act takes effect July 1, 2014.

9 **SECTION 3. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.