CABINET FOR HEALTH AND FAMILY SERVICES
Department for Community Based Services
Division of Guardianship
(Amendment)

922 KAR 5:180. Guardianship Trust Fund.

RELATES TO: KRS Chapter 13B, 210.290, 387.010(6), 387.510(15), 387.760
STATUTORY AUTHORITY: 194A.050(1), 387.760(2)
CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: Pursuant to KRS 210.290(4)-(6), the Cabinet for Health and Family Services is authorized to establish a guardianship trust fund that may be used for the benefit of individuals under state guardianship who are indigent. This administrative regulation establishes procedures used by the cabinet to provide public notice of any funds remaining after expenses are paid following the death of an individual under state guardianship who has an estate of less than $10,000 of personal property or money and the process for claiming that property. This administrative regulation establishes the procedures used for any funds that remain unclaimed after the expiration of one (1) year to escheat to the guardianship trust fund and how the guardianship trust fund may be utilized.

Section 1. Definitions.

(1) "Applicant" or "Claimant" means the person who has applied to receive unclaimed personal property or funds of a deceased ward listed on the registry.

(2) "Beneficiary" means an individual or entity that has been identified as a recipient of the estate pursuant to the order of a probate court in this or any other state.

(3) "Cabinet" means the Cabinet for Health and Family Services.

(4) "Department" means the Department for Community Based Services~~[Aging and Independent Living]~~.

(5) "Guardianship trust fund" or "trust" means the guardianship trust fund established by KRS 210.290(4)-(6).

(6) "Guardianship unclaimed funds registry" or "registry" means the registry maintained by the department to post unclaimed funds of a deceased ward.

(7) "Heir" means a legal relative, limited to a spouse, parent, child, or sibling of the deceased appointee.

(8) "Individual under guardianship" means a ward of the state as defined by KRS 387.010(6).

Section 2. Public Notice of Remaining Funds.

(1) Upon the death of an individual under guardianship who has less than $10,000 in personal property or funds, the department shall pay, in priority order, the following:

(a) Funeral expenses:

1. If not prepaid; and
2. If not covered by life insurance;

(b) Outstanding bills related to living expenses including:

1. Rent to a landlord; and
2. Utility companies; and

(c) Medicaid estate recovery owed.

(2) Funds remaining after expenses listed in Subsection 1(a) – (c) of this section shall be listed on the registry for a period of one (1) year from the date posted.

(3) The registry shall be maintained on the department's Web site and shall include:

(a) Name of deceased individual under guardianship;

(b) Year of birth;
(c) Date of death;
(d) Last known city of residence;
(e) Date notice is posted on the registry;
(f) The date the notice expires;
(g) If the amount or value remaining in the estate is more or less than $100; and
(h) The account number.

Section 3. Notice of Registry for Claiming Funds. The cabinet may utilize public announcements, interagency agreements, and announcements to creditors associations, including funeral homes and nursing home associations, in order to provide notice to the public of the registry.

Section 4. Filing a Claim for Funds as a Creditor, Heir, or Beneficiary.
(1) The cabinet shall make available on its Web site the:
(a) "GUF-1 Guardianship Unclaimed Funds Registry Claim Form - Creditor" for any creditor; and
(b) "GUF-2 Guardianship Unclaimed Funds Registry Claim Form - Individual" for any heir or beneficiary of the deceased ward.
(2) All claims shall be submitted by mail. No claim shall be accepted in person, by fax, or by email.
(3) The cabinet shall review all claims received no later than thirty (30) days of the expiration of one (1) year after the public notice of estate funds is listed. Funds shall not be released prior to the expiration of the one (1) year period for filing claims.
(4) Creditors shall have first preference to receive payment from the estate in order as set forth in KRS 210.290(4)(b).
(5) A beneficiary of the estate shall submit a "GUF-2 Guardianship Unclaimed Funds Registry Claim Form - Individual", and the following documentation:
(a) A copy of the will of the deceased individual under guardianship;
(b) A verified copy of an order of a probate court that the beneficiary is entitled to the funds or personal property, or is the administrator or executor of the deceased's estate; and
(c) A copy of the applicant's driver's license or identification card as proof of identity.
(6) An heir of the estate shall submit a "GUF-2 Guardianship Unclaimed Funds Registry Claim Form - Individual", and the following documentation:
(a) A copy of the applicant's driver's license or identification card as proof of identity; and
(b)
1. If a spouse, a copy of the marriage certificate;
2. If a sibling or child of the deceased individual under guardianship, a copy of the applicant's birth certificate; or
3. If a parent of the deceased individual under guardianship, a copy of the deceased's birth certificate.
(7) A creditor, other than Medicaid Estate Recovery Program, of the deceased individual under guardianship shall submit a "GUF-1 Guardianship Unclaimed Funds Registry Claim Form - Creditor", and the following documentation:
(a) An affidavit setting out the relationship to the deceased, the services provided, and the amount owed; and
(b) An itemized copy of the statement of charges owed, a description of the service provided, and dates of service.
(8) Medicaid Estate Recovery Program may file a claim by providing the notice required by 907 KAR 1:585.

(9) All claims submitted within one (1) year of the public notice of a deceased individual under guardianship's funds shall be:

(a) Processed; and

(b) Paid, if valid.

(10) Any remaining funds of the ward shall escheat to the guardianship trust fund.

Section 5. Informal Dispute Resolution and Appeal of Determination Regarding Claim.

(1) Any person or entity aggrieved over a determination by the department regarding a claim may file an informal dispute resolution, which shall be received by the department within fifteen (15) calendar days of the date on the written decision letter.

(2) The request for informal dispute resolution shall be in writing and mailed to the commissioner of the department.

(3) The informal dispute resolution shall include the following information:

(a) Name, address, and telephone number of the claimant;

(b) Justification for the dispute;

(c) Documentation supporting the dispute; and

(d) Signature of person requesting the informal dispute resolution.

(4) The commissioner, or his or her designee, may:

(a) Hold an informal dispute resolution meeting to consider the sufficiency of the claim; and

(b) Provide an opportunity for the claimant to appear to present facts or concerns about the claim.

(5) A complete record of the informal dispute resolution meeting shall be kept for three (3) years. The claimant shall be notified of the determination, including the reason, and the right to appeal, in writing within ten (10) business days.

(6) A claimant dissatisfied with the determination of the informal dispute resolution may request an administrative hearing be conducted in accordance with KRS Chapter 13B.

(7) The request for administrative hearing shall be received:

(a) Within thirty (30) calendar days from the date on the letter providing the decision of the informal dispute resolution;

(b) In writing; and

(c) To the Commonwealth Office of the Ombudsman~~[and Administrative Review]~~, Quality Advancement Branch, 209 St. Clair Street~~[275 E. Main Street, 2 E-O]~~, Frankfort, Kentucky 40601~~[40621]~~.

Section 6. Matters not Appealable: An administrative hearing shall not be conducted if:

(1) The applicant has submitted a claim for funds within one (1) year of the date public notice is posted on the registry.

(2) The applicant has failed to submit a request for administrative hearing within the thirty (30) day time period.

(3) The applicant has failed to produce the documentation required by this administrative regulation when submitting a claim for funds.

(4) The applicant is not an heir as defined by Section 1(7) of this administrative regulation.

Section 7. Guardianship Trust Fund: Investments and Disbursements.

(1) The cabinet may establish the trust with a bank, taking into consideration the location of the bank and if the bank has an established trust division.

(2) The cabinet shall be trustee and shall invest in the funds as authorized by KRS 210.290(5).

(3) Funds may be utilized from the trust for banking fees and charges and for the cost of personnel needed within the department to maintain the registry and process

disbursements. All other funds of the trust shall be utilized for the needs of indigent individuals under guardianship of the cabinet.

(4) The trust may accept donations and conduct fundraising functions.

(5) Disbursements from the trust may be authorized by the commissioner of the department or by his or her designee in accordance with subsection (7) of this section.

(6) Requests for disbursements from the trust for an individual under guardianship may be made by any employee of the department or by an individual under guardianship.

(7) The following disbursements may be authorized to the extent funds are available in the trust:

(a) Temporary housing costs not to exceed the cost of housing for two (2) months for an individual under guardianship:

1. With no housing;

2. Who has received an eviction notice; or

3. Who is the victim of abuse, neglect, or exploitation and due to the circumstance is no longer able to safely remain in their current living environment and has no access to alternative living arrangements;

(b) Medical supplies, medication, or medical transportation that are not covered by Medicaid or another insurance plan;

(c) Emergency personal needs including clothing or food;

(d) The reasonable cost of burial or cremation:

1. For an individual under guardianship at least six (6) months prior to death; and

2. Not to exceed $5,000, and reduced by the amount of any burial plan, prepaid funeral contract, life insurance, or other funds available to cover the cost of burial or cremation, for an individual under guardianship who~~[has no]~~:

a. Has an insufficient or no b ~~[B]~~urial plan or life insurance;

b. Has no family able to cover the cost in full; or

c. Died in a county that ~~[The county of death]~~ has no fund for indigent burials; or

(e) Expenses necessary to ensure the health, safety, and well-being if no other funds are available or accessible in a timely manner.

Section 8. Right of Reimbursement of the Trust.

(1) The trust shall have the right of reimbursement from an individual under guardianship.

(2) The trust shall be reimbursed as follows by the individual under guardianship:

(a)

1. Funds received are in excess of the individual under guardianship's cost of living expenses; or

2. Other funding sources are obtained to cover the individual's cost of living expenses and allow for repayment to the trust; and

(b) No other debts are owed by the individual under guardianship for living expenses.

Section 9. Incorporated by Reference.

(1) The following material is incorporated by reference:

(a) "GUF-1 Guardianship Unclaimed Funds Registry Claim Form - Creditor" edition 8~~[7]~~/2026~~[0]~~; and

(b) "GUF-2 Guardianship Unclaimed Funds Registry Claim Form - Individual" edition 8~~[7]~~/2026~~[0]~~.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department for Community Based Services~~[Aging and Independent Living]~~, 275 East Main Street, Frankfort, Kentucky 40621, Monday through Friday, 8 a.m. through 4:30 p.m. Eastern Time / 7:00 a.m. through 3:30 p.m. Central Time. This material may also be viewed on the departments Web site at: https://chfs.ky.gov/agencies/dcbs/Pages/default.aspx.

COMPILER'S NOTE: 2025 RS HB 6, enacted by the General Assembly on March 27, 2025, altered the information to be provided at the time an administrative regulation is filed. Aside from formatting changes necessary to upload the regulation into the LRC's publication application, this regulation has been published as submitted by the agency.

922 KAR 5:180
LESA DENNIS, Commissioner
STEVEN J. STACK, MD, MBA, Secretary

APPROVED BY AGENCY: September 18, 2026
FILED WITH LRC: October 14, 2026 at 2:00 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall, if requested, be held on December 21, at 9:00 a.m. Eastern Time / 8:00 a.m. Central Time using the CHFS Office of Legislative and Regulatory Affairs Zoom meeting room. The Zoom invitation will be emailed to each requestor the week prior to the scheduled hearing. Individuals interested in attending this virtual hearing shall notify this agency in writing by December 14, 2026, five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who attends virtually will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on this proposed administrative regulation through December 31, 2026. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person. Pursuant to KRS 13A.280(8), copies of the statement of consideration and, if applicable, the amended after comments version of the administrative regulation shall be made available upon request.

CONTACT PERSON: Krista Quarles, Policy Analyst, Office of Legislative and Regulatory Affairs, 275 East Main Street 5 W-A, Frankfort, Kentucky 40621; Phone: 502-564-7476; Fax: 502-564-7091; CHFSregs@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person:Sarah Bryant, Krista Quarles, Phone Number: (502) 564-3703, (502) 564-7476, Email: SarahE.Bryant@ky.gov, CHFSregs@ky.gov

Subject Headings:Community-Based Services; Deaths; Finance and Administration

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This administrative regulation establishes the procedures the cabinet uses to provide public notice of funds remaining in the estate of a deceased individual under state guardianship whose estate is less than $10,000, the process for a creditor, heir, or beneficiary to claim those funds, the escheat of unclaimed funds to the guardianship trust fund, and the investment and disbursement of the fund for the benefit of indigent individuals under guardianship.

(b) The necessity of this administrative regulation:

This administrative regulation is necessary to establish a uniform process for resolving the remaining estate of a deceased indigent individuals under guardianship, to ensure creditors, heirs, and beneficiaries receive notice and an opportunity to claim funds, and to direct unclaimed funds to the guardianship trust fund so they may be used for the benefit of other indigent individuals under state guardianship.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

This administrative regulation conforms to KRS 210.290(4) through (6), which authorize the cabinet to establish, invest, and disburse a guardianship trust fund for indigent individuals under state guardianship and to provide for unclaimed estate funds to escheat to the fund.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

This administrative regulation assists in the effective administration of the statutes by providing the Cabinet with a clear and consistent procedure for paying estate expenses in the priority order set by KRS 210.290(4), posting and resolving claims through the unclaimed funds registry, and administering disbursements from the trust, allowing the cabinet to carry out its duties under KRS 210.290 efficiently and uniformly.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

This amendment revises Section 7(7)(d) to allow a disbursement from the trust for the cost of burial or cremation of an individual under guardianship who has an insufficient or no burial plan or life insurance, rather than only an individual who has no burial plan or life insurance. The trust remains a source of last resort. The disbursement is still capped at $5,000, is made only to the extent funds are available in the trust, and applies only when the remaining conditions in Section 7(7)(d) are met. This amendment also makes technical changes to update the name of the department to reflect the transfer of the guardianship services to the Department for Community Based Services under KRS 194A.030 and to update the name and address of the office that receives administrative hearing requests.

(b) The necessity of the amendment to this administrative regulation:
This amendment is necessary because some individuals under guardianship have a burial plan or life insurance that is insufficient, which previously made them ineligible for assistance with the cost of burial or cremation. The technical changes are necessary to reflect the transfer of guardianship services to the Department for Community Based Services under KRS 194A.030 and to update the name and address of the office that receives administrative hearing requests.

(c) How the amendment conforms to the content of the authorizing statutes:
The amendment remains within KRS 210.290(4)–(6), which authorize the cabinet to disburse the guardianship trust fund for the benefit of indigent individuals under state guardianship; paying the cost of burial or cremation as a last resort, only to the extent funds are available, is within that authority. The technical changes conform the administrative regulation to the current organization of the Cabinet under KRS 194A.030.

(d) How the amendment will assist in the effective administration of the statutes:
The amendment allows the cabinet to provide for a dignified burial or cremation, as a last resort, for an indigent individual under guardianship whose burial plan or insurance is insufficient and who has no other available resources, more fully carrying out the purpose of the trust, and updates the regulation to reflect the current department and contact information.

(3) Does this administrative regulation or amendment implement legislation from the previous five years?Yes, in part. The technical amendments implement 2023 Ky. Acts ch. 124 (Senate Bill 48), which transferred guardianship services to the Department for Community Based Services and reorganized the Office of the Ombudsman. The substantive amendment to Section 7 is made under existing authority in KRS 210.290 and does not implement legislation from the previous five years.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:
Individuals under the guardianship of the Department for Community Based Services.

(5) Provide an analysis of how the entities identified in question (4) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (4) will have to take to comply with this administrative regulation or amendment:
None. The amendment does not require any regulated entity to take a new action. Assistance with burial or cremation is a discretionary disbursement made by the cabinet, and an individual under guardianship is not required to do anything to comply.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (4):
There is no cost to the entities identified to comply with this amendment.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4):
An indigent individual under guardianship whose burial plan or life insurance is insufficient will become eligible for assistance with the cost of burial or cremation from the trust, helping ensure a dignified burial or cremation.

(6) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

This amendment can be implemented at no significant initial cost. The registry and the guardianship trust fund already exist, and no new systems or staff are required.

(b) On a continuing basis:

Expanding eligibility may modestly increase the number of burial or cremation disbursements, which remain capped at $5,000 each and are paid from the existing guardianship trust fund to the extent funds are available. No new continuing cost is anticipated.

(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation or this amendment:

The guardianship trust fund established under KRS 210.290 funds the disbursements, and existing agency resources fund administration. No new funding source is required.

(8) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

No increase in fees or funding is necessary. The amendment is administered using the existing guardianship trust fund.

(9) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

No. This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(10) TIERING: Is tiering applied?

Tiering is not applied. This administrative regulation applies equally to all individuals under the guardianship of the cabinet.

FISCAL IMPACT STATEMENT

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 194A.050(1), 210.290, and 387.760(2). The technical change conforms the administrative regulation to KRS 194A.030.

(2) Identify the promulgating agency and any other affected state units, parts, or divisions:

The Cabinet for Health and Family Services, Department for Community Based Services is the promulgating agency.

(a) Estimate the following for the first year:

Expenditures:No significant new expenditures; any increase in burial or cremation disbursements is paid from the existing guardianship trust fund and is capped at $5,000 per individual.

Revenues:None.

Cost Savings:None.

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

Any variation reflects the number of indigent individuals under guardianship requiring burial assistance in a given year, paid from the trust to the extent funds are available.

(3) Identify affected local entities (for example: cities, counties, fire departments, school districts):

This administrative regulation does not affect any cities, counties, fire departments, or school districts.

(a) Estimate the following for the first year:

Expenditures:None.

Revenues:None.

Cost Savings:None.

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

No difference; no impact on local entities.

(4) Identify additional regulated entities not listed in questions (2) or (3):

(a) Estimate the following for the first year:

Expenditures:None.

Revenues:None.

Cost Savings:None.

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

No difference.

(5) Provide a narrative to explain the:

(a) Fiscal impact of this administrative regulation:

This amendment expands the circumstances under which the cabinet may pay the cost of burial or cremation from the guardianship trust fund to include an individual whose burial plan or life insurance is insufficient, rather than only an individual who

has none, and makes technical changes to reflect the transfer of guardianship services to the Department for Community Based Services under KRS 194A.030 and to update the name and address of the office that receives administrative hearing requests. The fiscal impact is minimal. The trust remains a source of last resort. Any disbursement is capped at $5,000 per individual, is made only to the extent funds are available in the trust, and is paid only when no other resources are available. Any increase in disbursements is paid from the existing guardianship trust fund. The amendment creates no fee, requires no new appropriation, and imposes no cost on local government or regulated entities.

(b) Methodology and resources used to determine the fiscal impact:
This conclusion is based on the cabinet's administration of the existing guardianship trust fund and its experience with the number of indigent individuals under guardianship requiring burial assistance.

(6) Explain:

(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). ($500,000 or more, in aggregate)
: This administrative regulation will not have an overall negative or adverse major economic impact of $500,000 or more, in aggregate, on the entities identified in questions (2)–(4).

(b) The methodology and resources used to reach this conclusion:
The amendment expands the discretionary benefit paid from an existing restricted trust fund, capped at $5,000 per individual, and imposes no cost on regulated entities or local government; the aggregate impact is therefore well below the $500,000 threshold defined in KRS 13A.010(13).