

1 A RESOLUTION urging the Cabinet for Health and Family Services to utilize
2 enhanced eligibility verification and periodic continuing monitoring of the finances and
3 wealth for persons enrolled in or applying for programs under the cabinet's oversight.

4 WHEREAS, the Cabinet for Health and Family Services monitors many complex
5 programs involving billions of taxpayer dollars; and

6 WHEREAS, many of the programs are based upon need and require initial
7 verification of applicants' eligibility and ongoing assessments of enrollees' eligibility;

8 NOW, THEREFORE,

9 *Be it resolved by the House of Representatives of the General Assembly of the*
10 *Commonwealth of Kentucky:*

11 ➔Section 1. The House of Representatives urges the Cabinet for Health and
12 Family Services to utilize enhanced eligibility verification and periodic continuing
13 monitoring that is, at a minimum, quarterly, to ensure that the following information is
14 verified concerning enrollees and applicants:

- 15 (1) Earned and unearned income;
- 16 (2) Employment status and any changes in employment;
- 17 (3) Immigration status;
- 18 (4) State residency status, including a nationwide best-address source to verify
19 individuals are residents of Kentucky;
- 20 (5) Financial resources;
- 21 (6) Incarceration status;
- 22 (7) Death records;
- 23 (8) Enrollment status in any public assistance programs administered by other
24 states or territories;
- 25 (9) Potential identity fraud or identity theft;
- 26 (10) Lottery winnings; and
- 27 (11) Asset testing, including a nationwide public records data source of physical

1 asset ownership such as real property, automobiles, watercraft, aircraft, and luxury
2 vehicles or other vehicles owned by the applicant or enrollee.

3 ➔Section 2. The Cabinet for Health and Family Services, when it receives
4 information that may impact an individual's eligibility for assistance programs, is urged to
5 take the following steps:

- 6 (1) Review the individual's case file to determine the impact the new information
7 has on the individual or household's eligibility;
- 8 (2) Provide written notice to the individual throughout the investigation;
- 9 (3) Provide opportunity to the individual to explain any discrepancies, including
10 an opportunity for a hearing that complies with KRS Chapter 13B; and
- 11 (4) Discontinue assistance if there is a substantial risk of fraud, waste, or abuse
12 occurring in that case.

13 ➔Section 3. For an individual using food stamps at a grocery store, the Cabinet
14 for Health and Family Services is urged to consider using methods to ensure that the
15 benefits from that program go to benefit the household of the cardholder. These methods
16 may include requiring photographic identification be shown by any member of a
17 household using a benefits card.

18 ➔Section 4. The Cabinet for Health and Family Services is urged to explore the
19 following options when updating its eligibility and monitoring infrastructure:

- 20 (1) Signing of memoranda of understanding or agreement with any state agency
21 necessary to share or acquire needed information;
- 22 (2) Use of independent vendors to provide the information if the agreement with
23 the a vendor includes a requirement of an annualized saving that exceeds the state's total
24 annual cost;
- 25 (3) Use of public or private grants to research the abuse of food stamps or other
26 public programs; and
- 27 (4) The use of multi-state collaborative agreements such as the National Accuracy

1 Clearinghouse, to share information and pool staff or resources to better combat waste,
2 fraud, and abuse.

3 ➔Section 5. The Cabinet for Health and Family Services is urged to:

4 (1) Refer suspected cases of fraud to the Office of the Inspector General for
5 investigation, criminal investigation, recovery of improper payments, and collection of
6 civil penalties.

7 (2) Refer suspected cases of identity fraud to the appropriate county attorney or
8 Commonwealth's attorney office for prosecution;

9 (3) If a case of suspected fraud has resulted in a conviction, review legal options
10 to remove an enrollee from other public assistance programs and garnish wages until an
11 equal amount of the benefits fraudulently received is recovered.

12 (4) Refer any suspected cases of fraud, misrepresentation, or inadequate
13 documentation discovered to the appropriate state or local agencies for review of
14 eligibility discrepancies in any other public programs.

15 ➔Section 6. The General Assembly urges that the resource limit standards of the
16 food stamp program never exceed the standards specified in 7 U.S.C. sec. 2014(g)(1),
17 unless expressly required by federal law. In no case should categorical eligibility
18 exempting households from these resource limits be granted for any non-cash, in-kind or
19 other benefit, unless expressly required by federal law.

20 ➔Section 7. The General Assembly urges the Cabinet for Health and Family
21 Services to not seek, apply for, accept, or renew any waiver of the requirements
22 established under 7 U.S.C. sec. 2015(o).

23 ➔Section 8. The General Assembly recommends that the 1996 work requirements
24 established in federal welfare reform be utilized as a resource and policy goal as the
25 benefits updates and technology updates are prepared and that these work requirements be
26 restored or waivers requesting their restoration be prepared by the cabinet.

27 ➔Section 9. The General Assembly urges that progress reports and final

1 presentations about the updates and direction of benefits programs in Kentucky be given
2 to the Interim Joint Committee on Health and Welfare and the Medicaid Oversight and
3 Advisory Committee at the request of the chairs.

4 ➔Section 10. The General Assembly requests that all updates be completed,
5 legislation recommended, and any necessary waivers requested by December 31, 2018.

6 ➔Section 11. This Resolution shall be known as the Citizen and Taxpayer
7 Stewardship Resolution of 2017.