

1 AN ACT relating to Supplemental Nutrition Assistance Program eligibility.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 205.178 is amended to read as follows:

4 (1) At a regularly scheduled interval, each enrollment or benefit tracking agency
5 associated with the Medicaid program or the Supplemental Nutrition Assistance
6 Program of the cabinet shall receive and review information from the Kentucky
7 Lottery Corporation concerning individuals enrolled as recipients in the Medicaid
8 program or the Supplemental Nutrition Assistance Program that may
9 indicate~~indicates~~ a change in circumstances that would~~may~~ affect eligibility,
10 including but not limited to changes in income or resources.

11 (2) On at least a monthly basis, each enrollment or benefit tracking agency associated
12 with the Medicaid program or the Supplemental Nutrition Assistance Program of
13 the cabinet shall receive and review information from the Vital Statistics Branch
14 concerning individuals enrolled in the Medicaid program or the Supplemental
15 Nutrition Assistance Program that may indicate~~indicates~~ a change in
16 circumstances that would~~may~~ affect eligibility.

17 (3) On at least a quarterly basis, each enrollment or benefit tracking agency associated
18 with the Medicaid program or the Supplemental Nutrition Assistance Program of
19 the cabinet shall receive and review information from the Kentucky Office of
20 Unemployment Insurance concerning individuals enrolled in the Medicaid program
21 or the Supplemental Nutrition Assistance Program that may indicate~~indicates~~ a
22 change in circumstances that would~~may~~ affect eligibility, including but not
23 limited to changes in employment or wages.

24 (4) On at least a quarterly basis, each enrollment or benefit tracking agency associated
25 with the Medicaid program or the Supplemental Nutrition Assistance Program of
26 the cabinet shall receive and review information concerning individuals enrolled in
27 the Medicaid program or the Supplemental Nutrition Assistance Program that

1 indicates a change in circumstances that may affect eligibility, including but not
2 limited to potential changes in residency as identified by out-of-state electronic
3 benefit transfer transactions.

4 (5) On at least a quarterly basis, each enrollment or benefit tracking agency
5 associated with the Supplemental Nutrition Assistance Program of the cabinet
6 shall receive and review information concerning individuals enrolled in the
7 Supplemental Nutrition Assistance Program that may indicate a change in
8 circumstances that would affect eligibility, including but not limited to potential
9 changes in employment or wages as identified by the state directory of new hires.

10 (6) On at least a monthly basis, each enrollment or benefit tracking agency
11 associated with the Supplemental Nutrition Assistance Program of the cabinet
12 shall receive and review information concerning individuals enrolled in the
13 Supplemental Nutrition Assistance Program to assess continuing eligibility,
14 including information on:

15 (a) Earned income, death, incarceration, supplemental security income,
16 beneficiary records, and pension information maintained by the United
17 States Social Security Administration;

18 (b) Income and employment information maintained by the National Directory
19 of New Hires database and child support enforcement data maintained by
20 the United States Department of Health and Human Services;

21 (c) Payment and earnings information maintained by the United States
22 Department of Housing and Urban Development;

23 (d) National fleeing felon information maintained by the United States Federal
24 Bureau of Investigation; and

25 (e) Address change information maintained in the United States Postal Service
26 National Change of Address database.

27 (Z) [(5)] Notwithstanding any other provision of law to the contrary:

- 1 (a) **The cabinet and** each enrollment or benefit tracking agency associated with
2 the Medicaid program or the Supplemental Nutrition Assistance Program ~~of~~
3 ~~the cabinet~~ shall enter into a memorandum of understanding with any
4 department, agency, or division for information detailed in this section; and
- 5 (b) Any department, agency, or division for information detailed in this section,
6 including but not limited to the Kentucky Lottery Corporation, the Vital
7 Statistics Branch, the Office of Unemployment Insurance, and the Department
8 for Community Based Services, shall enter into any necessary memoranda of
9 understanding with the enrollment or benefit tracking agency associated with
10 the Medicaid program or the Supplemental Nutrition Assistance Program
11 requesting an agreement pursuant to paragraph (a) of this subsection.

12 ~~(8)~~~~(6)~~ **The cabinet and** each enrollment or benefit tracking agency associated with
13 the Medicaid program or the Supplemental Nutrition Assistance Program ~~of the~~
14 ~~cabinet~~ may contract in accordance with KRS Chapter 45A with one (1) or more
15 independent vendors to provide additional data or information that may indicate a
16 change in circumstances that may affect eligibility.

17 ~~(9)~~~~(7)~~ **The cabinet and** each enrollment or benefit tracking agency associated with
18 the Medicaid program or the Supplemental Nutrition Assistance Program ~~of the~~
19 ~~cabinet~~ shall explore joining any multistate cooperative to identify individuals who
20 are also enrolled in public assistance programs outside of this state.

21 ~~(10)~~~~(8)~~ If **the cabinet or** an enrollment or benefit tracking agency associated with the
22 Medicaid program or the Supplemental Nutrition Assistance Program ~~of the~~
23 ~~cabinet~~ receives information concerning an individual enrolled in the Medicaid
24 program or the Supplemental Nutrition Assistance Program that **may**
25 **indicate**~~indicates~~ a change in circumstances that **would**~~may~~ affect eligibility, the
26 **cabinet or** enrollment or benefit tracking agency or other appropriate agency shall
27 review the individual's case.

1 ~~(11)~~~~(9)~~ (a) Unless expressly required by federal law or as permitted by this
2 subsection, the cabinet shall not seek, apply for, accept, or renew any waiver
3 of work requirements established by the Supplemental Nutrition Assistance
4 Program under 7 U.S.C. sec. 2015(o) without first obtaining specific
5 authorization from the General Assembly to do so. The cabinet may, without
6 first obtaining specific authorization from the General Assembly, request:

7 1. A waiver of Supplemental Nutrition Assistance Program work
8 requirements for a county in which the unemployment rate is equal to or
9 greater than ten percent (10%);

10 2. A waiver of Supplemental Nutrition Assistance Program work
11 requirements in a county in which the cabinet determines that other
12 economic conditions are severe enough to necessitate a waiver; or

13 3. A statewide waiver of Supplemental Nutrition Assistance Program work
14 requirements if the state's unemployment rate is equal to or greater than
15 ten percent (10%).

16 (b) The cabinet shall not exercise the state's option under 7 U.S.C. sec.
17 2015(o)(6)~~(F)~~.

18 (c) The cabinet may assign individuals who are subject to work requirements
19 under 7 U.S.C. sec. 2015(d)(1) to an employment and training program as
20 defined in 7 U.S.C. sec. 2015(d)(4).

21 ~~(12)~~~~(10)~~ The cabinet shall, in accordance with KRS Chapter 13A, promulgate~~all rules~~
22 ~~and~~ administrative regulations necessary for the purposes of carrying out this
23 section.

24 ~~(13)~~~~(11)~~ Upon request from the Legislative Research Commission, the Cabinet for
25 Health and Family Services shall submit a report relating to the number of
26 individuals discovered utilizing services inappropriately, the number of individuals
27 who were removed from one (1) or more public assistance programs as a result of a

1 review pursuant to this section, and the amount of public funds preserved in total
2 and by public assistance program and aggregated by prior years.

3 ➔Section 2. KRS 205.200 is amended to read as follows:

4 (1) A needy aged person, a needy blind person, a needy child, a needy permanently and
5 totally disabled person, or a person with whom a needy child lives shall be eligible
6 to receive a public assistance grant only if he or she has made a proper application
7 or an application has been made on his or her behalf in the manner and form
8 prescribed by administrative regulation. No individual shall be eligible to receive
9 public assistance under more than one (1) category of public assistance for the same
10 period of time.

11 (2) The secretary shall, by administrative regulations *promulgated in accordance with*
12 *KRS Chapter 13A*, prescribe the conditions of eligibility for public assistance in
13 conformity with the public assistance titles of the Social Security Act, its
14 amendments, and other federal acts and regulations. The secretary shall also
15 promulgate administrative regulations *in accordance with KRS Chapter 13A* to
16 allow for between a forty percent (40%) and a forty-five percent (45%) ratable
17 reduction in the method of calculating eligibility and benefits for public assistance
18 under Title IV-A of the Federal Social Security Act. In no instance shall grants to
19 families with no income be less than the appropriate grant maximum used for
20 public assistance under Title IV-A of the Federal Social Security Act. As used in
21 this section, "ratable reduction" means the percentage reduction applied to the
22 deficit between the family's countable income and the standard of need for the
23 appropriate family size.

24 (3) The secretary may by administrative regulation *promulgated in accordance with*
25 *KRS Chapter 13A require*~~prescribe~~ as a condition of eligibility that a needy child
26 regularly attend school, and may further by administrative regulation
27 *require*~~prescribe~~ the degree of relationship of the person or persons in whose

1 home such needy child must reside.

2 (4) The secretary may by administrative regulation *promulgated in accordance with*
3 *KRS Chapter 13A* prescribe conditions for bringing paternity proceedings or
4 actions for support in cases of out of wedlock birth or nonsupport by a parent in the
5 public assistance under Title IV-A of the Federal Social Security Act program.

6 (5) Public assistance shall not be payable to or in behalf of any individual who has
7 taken any legal action in his or her own behalf or in the behalf of others with the
8 intent and purpose of creating eligibility for the assistance.

9 (6) The cabinet shall promptly notify the appropriate law enforcement officials of the
10 furnishing of public assistance under Title IV-A of the Federal Social Security Act
11 in respect to a child who has been deserted or abandoned by a parent.

12 (7) ~~A [No]~~ person shall *not* be eligible for public assistance payments if, after having
13 been determined to be potentially responsible, and afforded notice and opportunity
14 for hearing, he or she refuses without good cause:

15 (a) To register for employment with the state employment service,

16 (b) To accept suitable training, or

17 (c) To accept suitable employment.

18 The secretary may prescribe by administrative regulation *in accordance with*,
19 ~~subject to the provisions of~~ KRS Chapter 13A, standards of suitability for training
20 and employment.

21 (8) To the extent permitted by federal law, scholarships, grants, or other types of
22 financial assistance for education shall not be considered as income for the purpose
23 of determining eligibility for public assistance.

24 (9) To the extent permitted by federal law, any money received because of a settlement
25 or judgment in a lawsuit brought against a manufacturer or distributor of "Agent
26 Orange" for damages resulting from exposure to "Agent Orange" by a member or
27 veteran of the Armed Forces of the United States or any dependent of such person

1 who served in Vietnam shall not be considered as income for the purpose of
2 determining eligibility or continuing eligibility for public assistance and shall not be
3 subject to a lien or be available for repayment to the Commonwealth for public
4 assistance received by the recipient.

5 (10) (a) For the purpose of determining eligibility for medical assistance under Title
6 XIX of the Social Security Act, unless otherwise required by federal law, the
7 cabinet shall only accept self-attestation of income, residency, age, household
8 composition, caretaker or relative status, or receipt of other coverage as
9 verification of last resort prior to enrollment, and the cabinet shall not request
10 federal authorization or approval to waive or decline to periodically check any
11 available income-related data source to verify eligibility.

12 (b) This subsection shall not apply to any individual who is a resident of an
13 assisted living community as defined in KRS 194A.700 or to a long-term care
14 facility as defined in KRS 216A.010 or hospital licensed under KRS Chapter
15 216B that is using self-attestation to determine presumptive eligibility.

16 (c) If an individual for medical assistance under Title XIX of the Social Security
17 Act willingly and knowingly self-attests to falsified information related to
18 income, residency, age, household composition, caretaker or relative status, or
19 receipt of other coverage, the cabinet may fine the individual not more than
20 five hundred dollars (\$500) per offense.

21 (11) When determining whether an applicant for services or assistance provided under
22 this chapter meets the applicable income eligibility guidelines, the cabinet shall use
23 the most recent income verification data available and consider fluctuating
24 employment income data.

25 (12) If in the normal course of operations, the cabinet finds that an individual has
26 trafficked, sold, distributed, given, or otherwise transferred an electronic benefit
27 transfer card issued by the department for money, service, or other valuable

1 consideration, the cabinet, to the extent permitted under state and federal law:

2 (a) Shall through any means practical, including but not limited to garnishment of
3 future cash assistance benefits, seek recoupment from the individual of any
4 cash benefits trafficked, sold, distributed, given, or otherwise transferred; and

5 (b) May:

6 1. Upon the first violation, deem the individual ineligible for all public
7 assistance programs administered by the cabinet under this chapter for a
8 period of not more than six (6) months;

9 2. Upon the second violation, deem the individual ineligible for all public
10 assistance programs administered by the cabinet under this chapter for a
11 period of not more than twelve (12) months; and

12 3. Upon the third violation, deem the individual ineligible for all public
13 assistance programs administered by the cabinet under this chapter for a
14 period of not more than five (5) years.

15 (13) (a) Notwithstanding any other provision of Kentucky law, the following shall be
16 disregarded for the purposes of determining an individual's eligibility for a
17 means-tested public assistance program, and the amount of assistance or
18 benefits the individual is eligible to receive under the program:

19 1. Any amount in an ABLE account;

20 2. Any contributions to an ABLE account; and

21 3. Any distribution from an ABLE account for qualified disability
22 expenses.

23 (b) For purposes of this subsection:

24 1. "ABLE account" means an account established within any state having a
25 qualified ABLE program as provided in 26 U.S.C. sec. 529A, as
26 amended;

27 2. "Kentucky law" includes:

- 1 a. All provisions of the Kentucky Revised Statutes:
- 2 b. Any contract to provide Medicaid managed care established
- 3 pursuant to this chapter;
- 4 c. Any agreement to operate a Medicaid program established
- 5 pursuant to this chapter; and
- 6 d. Any administrative regulation promulgated pursuant to this
- 7 chapter; and
- 8 3. "Qualified disability expenses" means expenses described in 26 U.S.C.
- 9 sec. 529A of a person who is the beneficiary of an ABLE account.
- 10 (14) (a) Residency shall not be established for an individual if the individual relocates
- 11 to Kentucky with the sole intention of establishing eligibility to receive
- 12 medical services, including substance use disorder treatment services under
- 13 this chapter.
- 14 (b) An individual may rebut the sole intention of paragraph (a) of this subsection
- 15 by showing proof of residency. Proof of residency shall include but not be
- 16 limited to the possession of a valid Kentucky operator's license or a copy of a
- 17 deed or property tax bill, utility agreement or bill, or rental housing
- 18 agreement.
- 19 **(15) (a) When determining eligibility for the Supplemental Nutrition Assistance**
- 20 **Program, the cabinet shall not:**
- 21 **1. Grant categorical eligibility under 7 U.S.C. sec. 2014(a) or 7 C.F.R.**
- 22 **sec. 273.2(j)(2)(ii) for any noncash or in-kind services, or other benefit**
- 23 **unless expressly required by federal law;**
- 24 **2. Apply gross income standards higher than the standards specified in 7**
- 25 **U.S.C. sec. 2014(c) or allowable financial resources higher than the**
- 26 **standards specified in 7 U.S.C. sec. 2014(g)(1), except as provided in**
- 27 **paragraph (b) of this subsection, unless expressly required by federal**

1 law; or

2 3. Grant categorical eligibility, exempting households from such gross
3 income standards or allowable financial resource standards for any
4 noncash or in-kind services, or other benefits, unless expressly
5 required by federal law.

6 (b) The cabinet may apply alternate vehicle allowance standards, in accordance
7 with 7 U.S.C. sec. 2014(g)(2)(D) when counting allowable financial
8 resources and household income for purposes of determining Supplemental
9 Nutrition Assistance Program eligibility.

10 (c) 1. Unless otherwise prohibited by federal law, the cabinet shall assign
11 certification periods of no greater than four (4) months for households
12 enrolled in the Supplemental Nutrition Program:

13 a. With zero net income; or

14 b. That includes an able-bodied adult without dependents.

15 2. The limitations established in subparagraph 1. of this paragraph shall
16 not apply to any household that includes an elderly or disabled
17 member.

18 3. The cabinet may shorten the certification period upon a
19 determination, based on documented and specific changes in a
20 household's circumstances, that the household is likely to become
21 ineligible before the end of the assigned certification period.

22 (d) The cabinet shall promulgate administrative regulations in accordance with
23 KRS Chapter 13A to implement this subsection.

24 (16) (a) Pursuant to 7 U.S.C. sec. 2015(f), an individual shall not be eligible to
25 receive Supplemental Nutrition Assistance Program benefits unless the
26 individual is a resident of the United States and is:

27 1. A citizen or national of the United States;

- 1 2. An alien lawfully admitted for permanent residence as an immigrant,
2 as defined in 8 U.S.C. sec. 1101(a)(15) and (20) and U. S.C.
3 sec.1641(b)(1), excluding alien visitors, tourists, diplomats, students,
4 or other individuals admitted temporarily without intent to abandon
5 their residence in a foreign country;
- 6 3. An alien who has been granted the status of a Cuban or Haitian
7 entrant, as defined in Section 501(e) of the Refugee Education
8 Assistance Act of 1980 Pub. L. No. 96-422, and 8 U. S. C. sec.
9 1641(b)(7); or
- 10 4. An individual lawfully residing in the United States in accordance
11 with a Compact of Free Association, as referenced in 8 U.S.C. sec.
12 1612(b)(2)(G).
- 13 (b) The cabinet shall be required to verify that an individual is eligible to
14 participate in the Supplemental Nutrition Assistance Program pursuant to 7
15 U.S.C. sec. 2015(f) and paragraph (a) of this subsection during enrollment
16 and eligibility recertification by requiring the individual to provide an
17 acceptable form of proof of citizenship or eligible alien status including but
18 not limited to:
- 19 1. Birth or hospital record;
20 2. Voter registration card;
21 3. United States passport; or
22 4. United States Customs and Immigration Service documentation.
- 23 (c) The cabinet shall verify that an applicant or enrollee of the Supplemental
24 Nutrition Assistance Program is eligible pursuant to paragraph (a) of this
25 subsection through the Systematic Alien Verification for Entitlements
26 Program operated by the United States Department of Homeland Security
27 and any other verification system at the time of application, at each

1 eligibility recertification, and whenever information is received indicating a
2 change in circumstances affecting eligibility related to citizenship or
3 immigration status.

4 (d) A match through any electronic or data verification system shall not, by
5 itself, be accepted as proof of identity. Every applicant for the Supplemental
6 Nutrition Assistance Program shall be required to provide documentary
7 proof pursuant to paragraph (b) of this subsection.

8 (e) 1. If the cabinet confirms through verification that an applicant or
9 enrollee for the Supplemental Nutrition Assistance Program is not
10 lawfully present in the United States or no longer qualifies pursuant to
11 7 U.S.C. sec. 2015(f), 8 U.S.C. sec. 1641(b), and paragraph (a) of this
12 subsection, or any successor provision of state or federal law, the
13 cabinet shall immediately terminate future Supplemental Nutrition
14 Assistance Program benefits and initiate disenrollment.

15 2. An applicant who is subject to termination and disenrollment pursuant
16 to subparagraph 1. of this paragraph but whose lawful presence or
17 eligible alien status is pending verification may receive temporary
18 benefits only for the minimum period required under federal law, or, if
19 no minimum period is specified, for a period not to exceed ninety (90)
20 days from the date of the original verification request.

21 (f) The cabinet shall submit to the United States Department of Agriculture
22 information concerning any household member for whom it is unable to
23 verify under paragraph (a) of this subsection, regardless of whether such
24 household member is applying to participate in the program as a member of
25 the household.

26 (g) Notwithstanding any options provided under 7 C.F.R. sec. 273.11(c)(3),
27 when administering Supplemental Nutrition Assistance Program benefits,

1 *including eligibility and household benefit allotment, the cabinet shall not*
2 *prorate or exclude the income or financial resources of individuals*
3 *ineligible under paragraph (a) of this subsection who are members of the*
4 *household. All such income and resources shall be fully considered.*