

DSS-4357EL

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DIVISION: Office of Medicaid Management

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TO: Local District Commissioners, MA Directors

FROM: Ann Clemency Kohler, Director, Office of Medicaid Management

SUBJECT: Kennedy-Kassebaum Bill, Regarding Transfer of Assets

EFFECTIVE DATE: January 1, 1997

CONTACT PERSON: Robin Johnson (518) 486-7454

This is to inform districts of the "Health Insurance Portability and Accountability Act of 1996", otherwise known as the Kennedy-Kassebaum bill, which includes new provisions regarding the transfer of assets in the Medicaid program.

This bill makes it a federal crime if a person knowingly and willfully disposes of assets and the result is a period of ineligibility for Medicaid. The Department is currently waiting for clarification from the Health Care Financing Administration of the impact of this bill on Medicaid. Until further information is obtained, we are asking districts to track any Medicaid case which involves a transfer penalty caused by a transfer made on or after January 1, 1997. Further information will be provided as it becomes available.