

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-1760/1	Introduction Number AB-0073
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Description
 Cash value of life insurance regarding eligibility for the veterans assistance program

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		5.Types of Local Government Units Affected
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.485 (2)(vm)	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DVA 3/4/2009

LRB Number 09-1760/1	Introduction Number AB-0073	Estimate Type Original
Description Cash value of life insurance regarding eligibility for the veterans assistance program		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the department may provide either subsistence or health care aid to eligible veterans, their un-remarried spouse or the dependent children of a deceased veteran. Eligibility for both subsistence and health care aid is restricted based on asset limitations. This bill would prohibit the inclusion of the cash surrender value of any life insurance policy when determining the applicant's available assets in order to establish eligibility for both types of aid.

Since 2005, there has only been one verifiable instance where the department denied an applicant either subsistence or health care aid on the basis of the surrender value of a life insurance policy. However, that number is somewhat misleading since applications for subsistence aid and health care aid are screened for eligibility by County Veteran Service Officers (CVSO) prior to being submitted to the department. Consequently, it is unknown how many applications have not been submitted to the department because the CVSO determined that an applicant's available assets exceeded the asset limits. As a result, it is not possible to estimate the fiscal effect of this bill.

Long-Range Fiscal Implications