

AN ACT

ENTITLED, An Act to authorize the adoption of certain federal poverty and food stamp guidelines by administrative rule.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 28-13-32.5 be amended to read as follows:

28-13-32.5. For purposes of determining medical indigence, the county shall establish an annual income guideline for the person which is derived as follows:

- (1) Using the housing index established in § 28-13-32.6, determine the housing index for the person's county of residence. Multiply the county index by three hundred six dollars, the median gross rent of residences in South Dakota in 1996;
- (2) Using the federal poverty guidelines adopted in rules promulgated by the Department of Social Services pursuant to chapter 1-26, determine the federal poverty level for the household size and multiply that figure by one hundred seventy-five percent; and
- (3) Add the results of subdivisions (1) and (2) of this section and multiply by twelve.

Section 2. That § 28-13-32.9 be amended to read as follows:

28-13-32.9. A county is financially responsible only for the hospitalization expense which is beyond the person's ability to pay. A person's ability to pay is determined according to the following:

- (1) Determine the household's contributions for taxes, social security, medicare, and payments to other standard retirement programs. A household's contribution for taxes is limited to the amount of taxes payable for the actual number of dependents in the household;
- (2) Determine the household's expenses, including actual rent paid or scheduled principal and interest payments for a personal residence plus property taxes and homeowner's insurance costs; all utilities; child care expenses related to work schedules; grocery expenses up to the maximum allowed under the Food Stamp Program's Thrifty Food Plan as specified in rules promulgated by the Department of Social Services pursuant to chapter 1-26, plus

household supplies and toiletries; basic auto expenses, gasoline, and upkeep; employee-paid health, life, and auto insurance payments; installment payments for medical bills; recurring expenses for medicine and medical care; court-ordered child support and alimony paid; automobile installment payments for one vehicle; clothing, reasonable in relation to the household's income; and installment payments, limited to necessary household items required by the household to maintain the needs of everyday living and reasonable in relation to the household's income;

- (3) Determine the amount of a household's discretionary income by subtracting the sum of the household's contributions and expenses from the household's income determined according to § 28-13-32.7. Divide the amount of the household's discretionary income in half and multiply the resulting amount by forty-four dollars and ninety-six cents. The result added to the household's adjusted resources determined according to § 28-13-32.8 equals the household's ability to pay the debt and constitutes the household's share of the hospital bill. The amount of forty-four dollars and ninety-six cents represents the amount of medical or hospital expenses which can be amortized over sixty months at twelve percent annual interest per dollar of payment.

The amount of the county's obligation is determined by subtracting the amount of the household's ability to pay from the hospital charges computed according to § 28-13-29. If the household defaults on the payment of its share of the hospital bill, a hospital may not pursue a collection action against the county for the defaulted payment.

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I certify that the attached Act originated in the

SENATE as Bill No. 86

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 86
File No. _____
Chapter No. _____

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Received at this Executive Office this ____ day of _____ ,

19__ at ____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 19__

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State