

potentially would remove one area of flexibility that the federal government has granted to the State. The State must be allowed to maintain the flexibility to control costs in the least harmful manner. If economic and budget realities were to require additional reductions in the Medicaid Program, all options should be kept open. Reducing the choices available to the State may force even more onerous steps to control Medicaid expenditures.

Further, the bill, which would become effective on October 1, 1993, would sunset on October 1, 1994 if the Department did not impose a Medicaid income eligibility categorical threshold (cap) for nursing home care by that date. If the bill is really intended to solve a problem (which, as noted above, does not exist), it is illogical to make its termination contingent on the Department's maintaining the status quo.

For these reasons, I have vetoed Senate Bill 454.

Sincerely,  
William Donald Schaefer  
Governor

**Senate Bill No. 454**

AN ACT concerning

**Medical Assistance – Long-Term Care – Eligibility**

FOR the purpose of requiring a local department of social services when making a determination as to the eligibility of an individual for medical assistance for nursing facility care to consider an individual as eligible for medical assistance regardless of whether the individual would have been considered ineligible due to the existence of a certain court-approved trust; specifying the criteria that a court-approved trust must satisfy in order for an individual to be considered eligible for medical assistance for nursing facility care under certain circumstances; prohibiting a court from authorizing, directing, or ratifying certain trusts or the transfer of property income into certain trusts that would have the effect of qualifying an individual for medical assistance for nursing facility care under certain circumstances; declaring the intent and purpose of the General Assembly under this Act; requiring the Department of Health and Mental Hygiene to adopt certain regulations; providing for the application of this Act; providing for the termination of this Act; defining a certain term; and generally relating to deeming certain individuals as eligible to receive medical assistance for nursing facility care regardless of the existence of certain court-approved trusts under certain circumstances.

BY adding to

Article – Estates and Trusts

Section 14-108

Annotated Code of Maryland

(1991 Replacement Volume and 1992 Supplement)

BY adding to