

**Kansas Department of Social and Rehabilitation Services
Janet Schalansky, Secretary**

Public Health and Welfare
March 22, 2004

HB 2718 - Irrevocable Funeral Service Agreement Contracts

Senator Wagle and members of the Committee, thank you for the opportunity to appear on HB 2718. My name is Dennis Priest, Program Administrator within SRS. HB 2718 increases the current limit on irrevocable funeral agreements from \$3500 to \$5000.

Under current Medicaid eligibility rules such agreements are exempted as countable assets along with the value of any prepaid burial merchandise such as a casket or burial container. SRS' experience is that many of our elderly Medicaid consumers have or obtain such agreements to make sure there are sufficient resources to pay for their funeral and burial needs. Because of limited funding available in the State's funeral assistance program, a prepaid funeral agreement offers better protection for both the individual and his or her family.

Due to inflationary factors since the standard was last increased and the lack of any discernable impact on the agency, SRS would not oppose the proposed increase.

Thank you for the opportunity to present. I would be happy to stand for questions.