

114TH CONGRESS
1ST SESSION

H. R. 2339

To amend title XIX of the Social Security Act to clarify the treatment of lottery winnings and other lump sum income for purposes of income eligibility under the Medicaid program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2015

Mr. PITTS introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to clarify the treatment of lottery winnings and other lump sum income for purposes of income eligibility under the Medicaid program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TREATMENT OF LOTTERY WINNINGS AND**
4 **OTHER LUMP SUM INCOME FOR PURPOSES**
5 **OF INCOME ELIGIBILITY UNDER MEDICAID.**

6 (a) IN GENERAL.—Paragraph (14) (relating to modi-
7 fied adjusted gross income) of section 1902(e) of the So-

1 cial Security Act (42 U.S.C. 1396a(e)) is amended by add-
2 ing at the end the following new subparagraph:

3 “(J) TREATMENT OF CERTAIN LOTTERY
4 WINNINGS AND INCOME RECEIVED AS A LUMP
5 SUM.—

6 “(i) In the case of an individual who
7 is the recipient of qualified lottery
8 winnings or qualified lump sum income,
9 and whose eligibility for medical assistance
10 is determined based on the application of
11 modified adjusted gross income under sub-
12 paragraph (A), a State may, in deter-
13 mining such eligibility, consider such
14 winnings or income (as applicable) as in-
15 come received on a monthly basis—

16 “(I) if such winnings or income
17 (as applicable) is received in an
18 amount that is less than \$50,000,
19 over a period of 12 months; and

20 “(II) if such winnings or income
21 (as applicable) is received in an
22 amount that is greater than or equal
23 to \$50,000, over a period specified by
24 the State not to exceed 240 months,

1 in proportion to the amount of the
2 winnings or income (as applicable).

3 “(ii) DEFINITIONS.—In this subpara-
4 graph:

5 “(I) The term ‘qualified lottery
6 winnings’ means winnings from a
7 sweepstakes, lottery, or pool described
8 in paragraph (3) of section 4402 of
9 the Internal Revenue Code of 1986 or
10 a lottery operated by a multi-state or
11 multi-jurisdictional lottery association
12 in an amount that is not less than
13 \$20,000, including amounts awarded
14 as a lump sum payment.

15 “(II) The term ‘qualified lump
16 sum income’ means income that is re-
17 ceived as a lump sum in an amount
18 that is not less than \$20,000, includ-
19 ing income received from the transfer
20 or sale of real or personal property
21 from the estate (as defined in section
22 1917(b)(4)) of a deceased indi-
23 vidual.”.

24 (b) RULE OF CONSTRUCTION.—Nothing in this Act
25 shall be construed as preventing a State from intercepting

1 the State lottery winnings awarded to an individual in the
2 State to recover amounts paid by the State under the
3 State Medicaid plan under title XIX of the Social Security
4 Act for medical assistance furnished to the individual.

5 (c) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall apply with respect to income received
7 as a lump sum, or winnings received pursuant to lotteries
8 occurring, after a date specified by the State, but not ear-
9 lier than the date that is 24 months before such date of
10 enactment.

○