

RESOURCES

E-400 OVERVIEW

Resources are excluded in the Medical assistance eligibility determination for MAGI based eligibility groups.

Resources **must** be evaluated and verified for MAABD medical assistance determinations.

Resources are defined as those assets, both real and personal, which an individual owns and can apply, either directly or by sale, to meet basic needs of food, clothing, shelter, and medical costs.

Real property is land, including buildings or immovable objects attached permanently to the land.

Personal property is any property that is not real property. The term encompasses such things as cash, tools, life insurance policies, mobile homes, automobiles, etc.

Any income which is retained the month following the month of receipt and later, is subject to resource evaluation.

Resources are evaluated at market value less encumbrances. When the combined value of all countable resources does not exceed the resource limit, verification of encumbrances is not necessary.

When the value of countable resources is under the resource limit on any day of the month, the **customer** is eligible for that month.

The Asset verification System (AVS) is used to verify resources and is considered verified upon receipt, unless questionable. If questionable, or if the AVS fails to return information*, follow regular procedures to obtain verification. AVS is not used for MAABD programs in which resources are not countable (e.g., individuals who are receiving SSI). *Not all financial institutions participate in the AVS. If a **customer** reports a financial account and it does not return through AVS, follow regular procedures to obtain verification.

E-405 RESOURCE LIMITS

- Resource limits for home-based waivers and institutional groups are \$2,000 for individuals and \$3,000 for couples.
- Resource limits for QMB, SLMB and QI are \$9,090 for an individual OR \$13,630 for a couple when one OR both spouses are applying. When countable resources exceed the limit, the **customer** is ineligible.
- Resource limits for QDWI are \$4,000 for an individual or \$6,000 for a couple when one OR both spouses are applying.
- See MAABD Income chart for the spousal impoverishment maximum resource share that can be transferred to the community spouse of an institutionalized individual or home and community-based waiver recipient.

E-410 TYPES OF RESOURCES (not all inclusive)

RESOURCE TYPE	DESCRIPTION
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**ABLE ACCOUNTS
(Achieving a Better Life Experience)**

1. Personal Property
2. Conditional Exclusion

ABLE Accounts are savings programs which allow individuals with disabilities that began prior to age 26 an opportunity to save and invest money without losing eligibility for certain benefits programs, such as Medicaid, SSI and RSDI. Money in ABLE accounts may be spent for education, housing, transportation, employment, health care, personal support services, legal fees, funeral and burial expenses, and other approved expenses.

Currently, the maximum amount an individual can deposit into an ABLE account annually is \$15,000.00. Contributions to an individual's ABLE account may be made by anybody. The first \$100,000.00 does not count against the asset limit for Medicaid. Anything over \$100,000.00 is countable.

ANNUITIES

1. Personal Property
2. Conditional Exclusion

Annuities are usually purchased to provide a source of income for retirement. A lump sum of money is paid to a bank or insurance company and in return, the individual is promised regular payments of income. These payments continue for a fixed period or for as long as the individual lives, thus creating an ongoing income stream.

The value of an annuity is the amount of money an individual can currently withdraw from the fund after the penalty deduction. This amount, if any, is a countable resource.

Verification: (not all inclusive)

- Documents from the source of payment
- Copy of the annuity agreement

BANK ACCOUNTS

Checking, Savings, Time
Certificates, Money Markets,
Certificates of Deposit (CD)

1. Personal Property
2. Counted

Refer to Individual Development
Account (IDA) section for
consideration of funds deposited
and interest earned on funds in an
IDA savings account.

To determine the countable resource amount,
consider the low balance of the account on any
given day of the calendar month.
Any income/interest deposits in a calendar
month are not a resource until the month
following the month it is posted to the account.
Rebutting ownership does not apply for spousal
resource determinations.

A. Ownership

The person designated as owner of the
account owns all the funds in the account.

Exception: If the owner is acting as an
agent for another individual, monies
deposited and disbursed on behalf of that
individual are not countable.

B. Shared Ownership (joint account)

Account holders are:

- married couples
- parent and minor child

When deeming applies in determining
eligibility for the coverage group (e.g., Public
Laws, institutionalized less than 30 days, etc.),
rebutting ownership is **NOT REQUIRED**
because deeming resources takes precedence.

When deeming does not apply (e.g., home
based waivers, institutionalized at least 30 days,
etc.), the account resource balance will be
presumed available to the customer unless the
customer can successfully prove all or part of
the funds are not his/hers. **Exception: cases
where spousal impoverishment applies,
equal division of resources applies or when
the customer is acting as an agent for the
other account holder(s); rebutting
ownership is NOT REQUIRED.**

Account holders ARE NOT:

- married couples
 - parent and minor child
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RESOURCE TYPE	DESCRIPTION
BANK ACCOUNTS (Cont'd)	<p>The customer has successfully disproved ownership for all months of requested coverage when proof from the financial institution shows: 1) the customer's name has been removed from the joint account; OR 2) access to the account has been restricted and the funds are not available to the customer; OR 3) the account has been changed so only the customer's money is in the account.</p> <p>If the customer can show they are in the process of removing their name from the account, but the action cannot be completed for a time due to a specified reason, the customer has successfully disproved ownership. The case manager should set a future action alert to verify the account was closed/name removed.</p> <p>EXAMPLE: Customer and daughter are joint account owners. The customer's SSA is directly deposited into the account. Customer disproves ownership of the account and provides a statement from Social Security she has requested her check go directly to another account in her name and a statement from the bank requesting the removal of her name from the account. The statement from the bank indicates they will not remove her name until Social Security gets the direct deposit transferred to the other account, which will take approximately two months. If all other criteria are met, the account is successfully disproved. The case would be processed, and the case manager should set a future action alert to verify the removal of her name from the account.</p> <p>In cases where the customer did not successfully disprove ownership, notify the customer in writing that ownership was not disproved and explain how income and resources are being evaluated.</p> <p>F. Customer Does Not Disprove Ownership</p> <p>The account will be considered the customer's resource.</p>

RESOURCE TYPE	DESCRIPTION
BANK ACCOUNTS (Cont'd)	Verification: (not all inclusive) <ul style="list-style-type: none"> - For public guardianship cases only, the ledger card (aka PA Transaction Journal, PA Journal Report or PA Transaction Report) is the primary source for verifying liquid resources. - Copy of bank statement - Copy of deposits and withdrawals - Copy of canceled checks
BURIAL FUNDS 1. Personal Property 2. Conditional Exclusion	<p>Funds set aside for burial include burial insurance, revocable burial contracts, burial trusts, and any separately identifiable assets which are clearly designated for expenses connected with burial, cremation, or other funeral arrangement. ("Separately identifiable" means the funds must be kept separate from the individual's other assets.)</p> <p>Only financial instruments can be claimed by the customer/representative to be funds set aside for burial and must be clearly designated as such. Financial instruments include cash, burial contracts, financial institution accounts, stocks, bonds, life insurance policies, etc.</p> <p>Burial funds cannot be co-mingled with any non-burial related assets. Note: If money is withdrawn from funds designated as set aside for burial, these funds are no longer considered "designated" and cannot meet the burial exclusion.</p> <p>Designation is either by legend on an account or by declaration. Declaration is a signed statement under penalty stating the purpose for which the funds were set aside and the date on which the funds were set aside. Within the statement is the value and the owner of the assets, for whose burial, the form in which the funds are held and the date on which the person first considered the funds set aside for burial. The funds can be excluded effective with the latest of:</p>

RESOURCE TYPE	DESCRIPTION
BURIAL FUNDS (Cont'd)	a. The date of application (if the funds were considered set aside before the month of application); OR b. The month following the month in which the funds were considered set aside, unless there is evidence the funds were used and replaced after that date.
	<p>Dedicated-cumulative burial fund accounts permit monies from different individuals to be placed into one account as long as all the money in the account is for a dedicated purpose. The money deposited into this account must consist of <u>burial funds only</u>. These accounts, their use, establishment and protocol must be approved by the Chief of Eligibility & Payments. The dedicated-cumulative burial fund utilized by the Clark County and the Washoe County Public Guardian's office has been approved for use.</p>
	<p>THE FOLLOWING EXCLUSIONS APPLY TO BURIAL FUNDS:</p>
	a. Any interest accrued in burial accounts which is not paid but left to accumulate as part of the funds; b. Up to the maximum of \$1,500 each for the customer and/or customer's spouse.
	<p>Only the cash surrender value (CSV), less interest, of the policy, contract or insurance OWNED by the customer/ customer's spouse is applied towards the \$1,500 exclusion. Obtain verification from the mortuary/insurance company of the CSV. Burial funds in excess of \$1,500 will be a countable resource.</p>
	<p>THE \$1,500 MAXIMUM MUST BE REDUCED BY:</p>
	a. The amount of funds held in an irrevocable burial trust, irrevocable burial contract or other irrevocable arrangement available to meet burial expenses.

RESOURCE TYPE	DESCRIPTION
BURIAL FUNDS (Cont'd)	<p>NOTE: Any burial trusts, contracts or other arrangements issued in Nevada are not considered irrevocable by state law. These are available resources.</p> <p>Other burial arrangements issued outside of Nevada may be considered irrevocable. Verify with the state where they were issued to determine availability.</p> <p>b. The FACE value of any life insurance policy owned by the customer/ customer's spouse if the CSV was excluded in determining countable resources. NOTE: Life insurance with no provision for a CSV will not affect the burial exclusion.</p> <p>EXAMPLE: Customer has a life insurance policy with a FACE value of \$1,200 and a CSV of \$500. Because the FACE value was less than \$1,500, the \$500 was excluded as a resource.</p> <p>The customer also has funds set aside for burial in the amount of \$2,000 (i.e., CSV of a burial policy). To determine the amount of burial which can be excluded:</p> <p>a) Subtract the \$1,200 FACE value of the excluded life insurance policy from the \$1500 leaving \$300 left of the exclusion.</p> <p>b) Subtract the remaining \$300 exclusion from the \$2,000 burial funds, leaving a balance of \$1,700. The \$1,700 is counted toward the resource limit.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Copy of policy, contract, trust, financial instrument, etc. - Form 2006 designating burial funds - Form 2605 Insurance Policy Information

RESOURCE TYPE	DESCRIPTION
BURIAL SPACES AND RELATED ITEMS	A burial space or item held for the burial of the customer, customer's spouse, or any other member of the customer's immediate family is an excluded resource, regardless of value.
1. Personal Property	The burial space exclusion is in addition to and has no effect on the burial funds exclusion.
2. Excluded	<p>a. Burial spaces are defined as burial plots, gravesites, crypts, mausoleums, caskets, urns, niche or other repositories customarily used for the remains of deceased persons.</p> <p>Burial items may include, but are not limited to vaults, headstones, markers, or plaques, burial containers (e.g., for caskets) and arrangements for the opening and closing of the gravesite and endowment care.</p> <p>b. Immediate family includes a customer's minor and adult children, stepchildren, and adopted children; brothers, sisters, parents, adoptive parents and spouses of those persons.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Copy of policy, contract or other document itemizing items
CASH ON HAND	Currency held by customer at home, on their person, etc.
1. Personal Property	Verification: (not all inclusive)
2. Counted	- Customer's statement

RESOURCE TYPE	DESCRIPTION
<p>DEATH BENEFITS</p> <ol style="list-style-type: none"> 1. Personal Property 2. Conditional Exclusion 	<p>Death benefits, including gifts and inheritances, to the extent they are not income because they are to be spent on costs resulting from the last illness and burial expenses of the deceased, are not resources for the calendar month following the month of receipt. If retained until the second calendar month following receipt, they become a resource.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> – Documents from source of payment
<p>DIRECT EXPRESS PRE-PAID MASTERCARD DEBIT ACCOUNTS</p> <ol style="list-style-type: none"> 1. Personal Property 2. Counted 	<p>The Direct Express MasterCard is issued to recipients of Social Security benefits when they do not have a regular bank account, or they choose to use this type of account. Note: Customers are charged a fee to receive a monthly statement.</p> <p>If a customer receives Social Security benefits and claims to not have a bank account, they will have a Direct Express pre-paid MasterCard debit account.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> – Copy of statement – ATM transaction receipts

RESOURCE TYPE	DESCRIPTION
ENTRANCE FEES	Fees paid to continuing care retirement communities (CCRCs), or life care communities (LCCs) where a range of living arrangements from independent living through skilled nursing facility care is provided.
1. Personal Property	These facilities require potential residents provide information about their finances, resources and income, before being accepted for admission.
2. Conditional	The value is determined taking into account spousal impoverishment rules, where appropriate.
	Effective February 8, 2006, considered an available resource if all three conditions are met:
	<ul style="list-style-type: none">- Individual can use them to pay for care when other income and assets are insufficient; and- Refundable upon death of the resident or termination of residency in the facility; and- Fees do not confer (give) any ownership interest in the CCRC or LCC
	Verification: (not all inclusive)
	<ul style="list-style-type: none">- Customer's statement- Copy of signed contract- Receipt of funds paid

RESOURCE TYPE	DESCRIPTION
FEDERAL TAX REFUNDS	An unspent federal tax refund or payment is excluded from resources for a period of 12 months following the month of receipt of the payment.
1. Personal Property	
2. Conditional Exclusion	Verification: (not all inclusive) <ul style="list-style-type: none"> – Copy of check – Copy of IRS filing form
HOME EQUITY	Individuals whose equity interest in their home exceeds \$636,000 are ineligible for long-term care and HCBW services, unless:
1. Personal Property	
2. Conditional Exclusion	<ul style="list-style-type: none"> – The individual’s spouse, dependent child under age 21, or blind/disabled child resides in the home; or – Equity is reduced below \$636,000 due to a home equity loan or reverse mortgage.
	Effective with applications filed on or after January 1, 2006.
	The value is the current market price of the home, or the amount for which it can reasonably be expected to sell on the open market.
	An encumbrance is a legally binding debt against the resource, like a mortgage, reverse mortgage, home equity loan, or other debt secured by the home. Refer to 240, G for potential transfer of assets.
	Verification: (not all inclusive) <ul style="list-style-type: none"> – Written statement from county assessor’s office – Tax lists – Copy of mortgage papers/escrow documents – Copy of deed – Real estate appraisal

RESOURCE TYPE	DESCRIPTION
<p>HOUSEHOLD GOODS AND PERSONAL EFFECTS</p>	<p>Household goods are items of personal property customarily found in the home and used in connection with the maintenance, use, and occupancy of the premises as a home. They include, but are not to: furniture, appliances, televisions, carpets, cooking and eating utensils, dishes, etc.</p> <p>Personal effects are items of personal property that are worn or carried by an individual or that have an intimate relation to him or her. They include, but are not limited to: clothing, jewelry, personal care items, prosthetic devices, and educational or recreational items such as books, musical instruments, or hobby materials.</p> <p>Prosthetic devices, wheelchairs, hospital beds, dialysis machines and other items required by a person's physical condition are excluded.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Customer's statement
<p>INCOME PLACED IN AN ACCOUNT IDENTIFIED AS EXCLUDED INCOME</p>	<p>Any excluded income placed in a financial institution when clearly identified as excluded income.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Source of income - Copy of account statement - Source of deposits
<p>INDIAN LAND</p>	<p>ALL INDIAN PROPERTY under authority of the Bureau of Indian Affairs has a restricted title.</p> <p>A. ASSIGNED LAND – An assignment allows the use of tribal land by a member of the tribe. Assigned land will not be considered a resource.</p>

RESOURCE TYPE	DESCRIPTION
INDIAN LAND (Cont'd)	<p>B. ALLOTTED LAND – This type of land can be sold by the individual upon approval by the Bureau of Indian Affairs. Allotted land is not a resource until the property is sold or transferred.</p> <p>C. UNRESTRICTED LAND – Land owned by the individual and not controlled by the Bureau of Indian Affairs. This land is an available resource.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> – Tax rolls – Copy of deed – Bureau of Indian Affairs – Customer’s statement
INDIAN MONEY 1. Personal Property 2. Conditional Exclusion	<p>Per capita share payments granted to Western Shoshone Indians pursuant to Public Law 108-270 are an exempt resource.</p>
INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) 1. Earned/Unearned 2. Excluded in Financial 3. Excluded in Patient Liability	<p>Intended to improve the economic independence and stability of individuals and families and to promote and support the transition to economic self-sufficiency. An IDA participant can only deposit earned income into an IDA. Federal funds match the amount of earnings low-income working individuals and families deposit into an IDA. IDA savings are to be used for a first home purchase, post-secondary educational expenses, or business capitalization.</p> <p>The Social Security Act provides for state family assistance grant funds (i.e., TANF, WtW) to be used to establish IDAs. The Assets for Independence Act (AFIA) provides for IDAs to be established under Head Start, Low Income Home Energy Assistance (LIHEA), and Community Services.</p>

RESOURCE TYPE	DESCRIPTION
INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) (Cont'd)	Income in an IDA includes: <ul style="list-style-type: none"> - Participant contribution (earned income); - Interest earned on participant earned income contributions; - Matching funds; and - Interest accrued on matching funds.

An individual whose participation in the IDA program has terminated, voluntarily or otherwise, is no longer covered by the resource exclusion.

LIFE ESTATES

1. Personal Property
2. Conditional Exclusion

A life estate gives an individual for his/her lifetime certain rights in property. These rights are the right of possession, the right to use the property, the right to obtain profits from the property (i.e., collection of rents) and the right to sell his or her life estate interest. A contract establishing a life estate may restrain one or more of these rights. The owner(s) of a life estate do not have title to the property and do not have the right to sell the property.

The value of a customer's life estate is determined by:

- 1) the age of the customer,
- 2) the number of owners, and
- 3) the fair market value of the property.

The above information must be verified and then sent to the Chief of E&P requesting a determination of the life estate value.

Exception: A life estate in the principal place of residence is an excluded resource and determining its value is not necessary.

Evaluate for potential transfer of assets.

RESOURCE TYPE	DESCRIPTION
LIFE ESTATES (Cont'd)	Verification: (not all inclusive) <ul style="list-style-type: none"> - Signed and dated statement from a licensed real estate broker - Written statement from county assessor's office - Tax lists - Copy of mortgage papers - Copy of deed - Copy of life estate contract
LIFE INSURANCE POLICIES <ol style="list-style-type: none"> 1. Personal Property 2. Conditional Exclusion 	<p>A life insurance policy is a contract. Its purchaser (the owner) pays premiums to the company that provides the insurance (the insurer). In return, the insurer agrees to pay a specified sum to a designated beneficiary upon the death of the insured (the person on whom, or on whose life, the policy exists).</p> <p>Face Value (FV) is the amount of basic death benefit contracted for at the time the policy is purchased.</p> <p>A policy's cash surrender value (CSV) is a form of equity value that it acquires over time. The owner of a policy can obtain its CSV only by turning the policy in for cancellation before it matures or the insured dies. A loan against a policy reduces its CSV.</p> <p>A life insurance policy is a resource if it has a CSV. Its value as a resource is the amount of the CSV. Life insurance which does not have a cash surrender value (e.g., term life insurance) is excluded from all computations.</p> <p>Any life insurance policy with a CSV must be evaluated for the FV. If the total FV of the policy or combined FV of multiple policies the individual owns total \$1,500 or less, exclude them as a resource. If the total FV of the policy or policies exceeds \$1,500, the total CSV for each policy is counted.</p>

RESOURCE TYPE	DESCRIPTION
LIFE INSURANCE POLICIES (Cont'd)	<p>Accelerated life insurance payments are proceeds paid to a policyholder PRIOR to death. Because an individual receives proceeds from the policy (not the policy's resource value, which is its cash surrender value), the receipt of an accelerated payment is not treated as a conversion of a resource. Since accelerated payments can be used to meet the individual's needs, the payments are income in the month received and a resource if retained into the following month.</p> <p>Most accelerated payment plans fall into three basic types, depending on the circumstances which cause or "trigger" the payments to be accelerated. These are the:</p> <ul style="list-style-type: none"> ● Long-term care model, which allows policyholders to access their death benefits should they require extended confinement in a care facility or, in some instances, health care services at home; ● Dread disease or catastrophic illness model, which allows policy holders to access their death benefits if they contract or acquire one of a number of specified covered conditions; and ● Terminal illness model, which allows policy holders to access their death benefits following a diagnosis of terminal illness where death is likely to occur within a specified number of months. <p>Some companies refer to these types of payments as "living needs" or "accelerated death" payments.</p> <p>Depending on the type of accelerated payment plan, receipt of accelerated payments may reduce the policy's FV by the amount of the payments and may reduce CSV in a manner proportionate to the reduction in FV. In some cases, a lien may be attached to the policy in the amount of the accelerated payments and a proportionate reduction in CSV results.</p>

RESOURCE TYPE	DESCRIPTION
LIFE INSURANCE POLICIES (Cont'd)	<p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Insurance policy/rider - Form 2015 from insurance company - Written statement from insurance company <p>Note: If the CSV is excluded in determining countable resources the FACE value of the life insurance policy may reduce an applicant's burial exclusion. See Burial Funds.</p>
<p>LIQUIDATED RESOURCE</p> <ol style="list-style-type: none"> 1. Real/Personal Property 2. Counted/Excluded 	<p>If a resource is liquidated, the money received is not budgeted as income; it is still considered a resource. Apply the countable/exclusion rules governing the new form the liquidated resource has taken, i.e., cash on hand, bank account, vehicle, stocks, etc.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Sales receipt - Proof of purchase documents - Financial statements
<p>MACHINERY AND EQUIPMENT</p> <ol style="list-style-type: none"> 1. Personal Property 2. Counted 	<p>Machinery and equipment not established as property essential for self-employment/self-support is counted at market value less encumbrances.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Customer's statement is accepted unless the case manager has reason to question the client's statement. Verification is required ONLY when the case manager has reason to question the client's statement. - Written statement from county assessor's office - Written dealer's estimate - Written estimate from agricultural agent

RESOURCE TYPE	DESCRIPTION
<p>MEDICAL SAVINGS ACCOUNTS (employee)</p>	<p>An employer may elect to provide health care benefits for an employee through a medical savings account program.</p>
<p>1. Personal Property</p>	<p>The account is available and therefore countable to the employee after the last business day of the year in an amount equal to the amount contributed during that year.</p>
<p>2. Conditional Exclusion</p>	<p>The account is also available and therefore countable when the individual is no longer employed by the employer.</p>
	<p>Disbursements may be made during a given year by the administrator of the account to pay medical expenses of the employee or his/her dependent, or to reimburse the employee for paid medical expenses.</p>
	<p>Verification: (not all inclusive)</p>
	<p>- Written statement from the employer</p>
<p>MINERAL RIGHTS</p>	<p>Mineral rights represent ownership interest in natural resources such as coal, oil, or natural gas, which are normally extracted from the ground.</p>
<p>1. Real/Personal Property</p>	
<p>2. Counted</p>	<p>If the individual owns the land to which the mineral rights pertain, the market value of the land should include the value of any mineral rights too. If the individual does not own the land to which the mineral rights pertain, obtain the market value from a knowledgeable source.</p>
	<p>Verification: (not all inclusive)</p>
	<ul style="list-style-type: none"> - The Bureau of Land Management - U.S. Geological Survey - Mining companies holding leases

RESOURCE TYPE	DESCRIPTION
MONEY FROM SALE OF EXCLUDED HOME	<p>Money received from the sale of an excluded home is disregarded if used to purchase another excludable home within 3 months after the money is received.</p> <p>When the money is received in increments over a period of time, amounts applied to principal are considered a resource and amounts applied to interest are unearned income.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Escrow documents - Copy of check - Bill of sale

PATIENT TRUST ACCOUNTS	<p>To determine the countable resource amount, consider the low balance of the account on any given day of the calendar month.</p> <p>Any income deposits in a calendar month are not a resource.</p> <p>If the facility rebuts the trust account balance due to a delay in posting patient liability or other expenses, they must provide a statement which includes the following:</p> <ol style="list-style-type: none"> a. The total balance of the patient trust account; and b. What portion of the balance is not available and why. The unavailable portion must be itemized showing the amounts which are encumbered and the source of the encumbrance; and c. It must be clear the encumbered portion would not be released to the client if a request were made by the client. <p>If a statement is provided with all of the above, the portion the facility states is unavailable will not be counted as a resource in determining eligibility.</p>
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RESOURCE TYPE	DESCRIPTION
PATIENT TRUST ACCOUNTS (Cont'd)	Verification: (not all inclusive)

- Patient Trust Account Ledgers
 - Medical Facility Information Form 2547-EE
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PENSION FUNDS

1. Personal Property
2. Conditional Exclusion

Pension funds are funds held in individual retirement accounts (IRA) (as described by the IRS), or in work-related pension plans (including Keogh plans). A vested retirement account is an account to which an employee makes contributions for a specified period of time, as defined by the employer. The money contributed by the employee is not matched by the employer until the defined period of time ends.

Count money in an IRA or Keogh as a resource, even if there is a penalty for early withdrawal. Deduct the early withdrawal penalty and count the remainder as a resource.

Do not count Keogh plans as a resource if there is a contractual withdrawal agreement with other people who are not household members, but share the same fund. Consider this resource inaccessible.

Count money in a vested retirement account as a resource, unless early withdrawal is prohibited.

If a vested retirement account is attached and distribution or availability of funds is blocked by a court order due to divorce or child support, consider this resource inaccessible.

Count money in a 401K plan as a resource.

Any retirement fund is not a resource if an individual must terminate employment to obtain any payment.

PENSION FUNDS
(Cont'd)

Pension funds of the **customer's** ineligible spouse are excluded, unless spousal impoverishment rules apply.

Verification: (not all inclusive)

- Financial statements
 - Tax return documents
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RESOURCE TYPE	DESCRIPTION
<p>PERSONAL CARE AND HOME CARE CONTRACT AGREEMENTS</p>	<p>When assistance and/or services are provided to the applicant/recipient, regardless of whether it is by a relative or non-relative, compensation for past assistance and/or services will be considered a transfer for less than fair market value. If the transfer of assets is rebutted, the fair market value of the assistance and/or services may be determined by consulting with area businesses that provide such services.</p>
<p>1. Personal Property</p>	<p>A contract that provides advance payment for expenses, including but not limited to, repairs, maintenance, property taxes, homeowner's insurance, heat and utilities for real property/homestead, or for services like health care monitoring, hospitalization, medical treatment, visitation, entertainment, travel and/or transportation, financial management or shopping, etc., will be considered a transfer of assets. All payments for care and services which were made during the look-back period are considered transfer of assets. Contracts/agreements that involve the provision of companionship are prohibited.</p>
<p>2. Conditional Exclusion</p>	<p>All contracts/agreements and payments related to Personal Care and Home Care, whether between an applicant/recipient and a relative or a non-relative, must be evaluated for transfer of assets.</p> <p>Personal Care and Home Care contracts/agreements are considered transfers for less than fair market value unless the agreement meets all of the following criteria:</p> <ul style="list-style-type: none"> • The services must be performed after a written legal contract/agreement has been executed between the applicant/recipient and the provider. The contract/agreement must be dated, and the signatures must be notarized. Payment for the services must not be made until the services have been provided (there can be no advance

payment for future expenses or services); and

- At the time the services are received, the applicant/recipient cannot be residing in a nursing facility, adult foster care home (licensed or unlicensed), institution for mental diseases, inpatient hospital, intermediate care facility for individuals with intellectual disabilities or be eligible for home and community-based waiver, home health or home help; and
- At the time the services are received, the services must have been recommended in writing and signed by the applicant/recipient's physician as necessary to prevent the transfer of the applicant/recipient to a residential care or nursing facility. Such services cannot include the provision of companionship; and
- The contract/agreement must be signed by the applicant/recipient or legally authorized representative, such as an agent under a power of attorney, guardian, or conservator. If the agreement is signed by a representative, that representative cannot be the provider or beneficiary of the contract/agreement.

Assets transferred to another person in exchange for a contract/agreement related to personal services/assistance and/or payment for real property/homestead expenses after the date of application are considered available and countable assets until they are actually disposed of.

Verification (not all inclusive).

- Financial Statements
 - Bank Statements
 - Copy of signed contract
 - Itemized statements or bills
-

Verification of fair market value of services rendered.

**PROMISSORY NOTES,
FORMAL WRITTEN LOAN
AGREEMENTS AND
PROPERTY AGREEMENTS**

1. Personal Property
2. Conditional Exclusion

Generally, promissory notes, property agreements and loan agreements may be sold or discounted. If the customer's statement of value, either alone or combined with other resources, exceeds the resource limit, there is no need to verify current market value. Presume the value is its outstanding principal balance unless reliable evidence shows current market value (CMV) is less.

Evaluate for potential transfer of assets.

If the individual alleges the item is for sale, promissory notes, formal written loan agreements and property agreements are excluded when the customer verifies the item is for sale at market value and no offers to purchase have been received. The item must remain for sale while the customer receives assistance.

"Good Faith" efforts must be made by or on behalf of the customer to qualify under this exclusion. These efforts must continue for the exclusion to remain in effect.

Federal regulations state "good faith efforts" to sell resources consist of taking all necessary and reasonable steps to sell it in the geographic area covered by media (radio, television, and newspaper, etc.) serving the area where the property is located.

RESOURCE TYPE	DESCRIPTION
<p>PROMISSORY NOTES, FORMAL WRITTEN LOAN AGREEMENTS AND PROPERTY AGREEMENTS (Cont'd)</p>	<p>"Necessary and reasonable" steps to sell this resource will be to utilize a licensed realtor to list the resource for sale OR advertise the resource is for sale through at least one media source covering the area where the resource is located and posting a 'for sale' sign on the property if applicable. The frequency in advertising property for sale will be at least twice a month.</p> <p>Example: Newspaper advertisements should appear twice in a month with each length of time the decision of the customer/ representative.</p> <p>A bona fide negotiable agreement is a resource. The portion of any payment received representing payment on the principal is also a resource. The portion of any payment which represents interest on the principal is unearned income.</p> <p>An agreement which is not bona fide or negotiable is not a resource. The total payments received, whether principal and/or interest, are unearned income.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Bank or other financial institution - Title company - Private investor - Real estate broker
<p>RADIATION EXPOSURE PAYMENTS</p>	<p>Payments made under the Radiation Exposure Compensation Act.</p> <p>1. Personal Property Verification: (not all inclusive)</p> <p>2. Excluded</p> <ul style="list-style-type: none"> - Documents from source of payment - Verify how the resources are held

RESOURCE TYPE	DESCRIPTION
REAL PROPERTY	Real property is land, including buildings or immovable objects attached permanently to the land.
1. Real Property	
2. Conditional Exclusion	<p>OWNERSHIP/AVAILABILITY</p> <p>a. Sole Ownership Sole ownership of real or personal property mean only one person may sell, transfer or otherwise dispose of the property. All of the resource evaluated at market value, less encumbrances, is available to the customer.</p> <p>b. Shared Ownership Shared ownership of real or personal property means two or more people own it simultaneously. The following are common types of shared ownership:</p> <p>1) Tenancy-In-Common Two or more persons each have an undivided fractional interest in the whole property for the duration of the tenancy. These interests are not necessarily equal. One owner may sell, transfer or otherwise dispose of his/her share of the property Without permission of the other owner(s); but cannot take these actions with the entire property. If a tenant-in-common dies, the deceased's interest passes to his/her estate of heirs. Count the fair market value, less encumbrances, of the customer's property share.</p> <p>2) Joint Tenancy Each of two or more persons have one and the same undivided ownership interest and possession of the whole property for the duration of the tenancy. This means each owner owns ALL the property. If a joint tenant dies, the survivor becomes the sole owner. If more than one joint tenant survives, the survivors become joint tenants of the entire property interest. Count the total fair market value, less encumbrances, of the entire property.</p>

RESOURCE TYPE	DESCRIPTION
REAL PROPERTY (Cont'd)	<p>3) Tenancy By The Entirety (Married Couples only) This type of ownership can only exist between married couples. The spouses as a unit own the entire property and can be sold only with the consent of both parties. However, if a legal divorce occurs, the former spouses become tenants-in-common and one can sell his/her share without the consent of the other. If one spouse dies, the survivor becomes the sole owner. Verify whether the customer's spouse will give permission to sell the property. If permission cannot be obtained, DO NOT count the customer's one-half share of the property.</p> <p>Real property is land, including buildings or immovable objects attached permanently to the land.</p> <p>Real property is excluded:</p> <p>a. When the property is the customer's principal place of residence. A principal place of residence is defined as a home (including a mobile home or contiguous land) in which a customer is residing or has resided in the past. Land is contiguous to the home when not separated by property owned by another person. The home exclusion applies to all buildings on the land.</p> <p>A principal place of residence is/was a permanent living arrangement of at least one full calendar month prior to his/her absence.</p> <p>When a customer has ownership interest in more than one residence, determine which is primary by obtaining evidence such as, but not limited to:</p> <ol style="list-style-type: none"> 1. How much time is spent at each residence; 2. Where he/she is registered to vote; 3. Which address he/she uses as a mailing address or for tax purposes.

RESOURCE TYPE	DESCRIPTION
REAL PROPERTY (Cont'd)	<p>Determine the primary residence accordingly and document in the permanent section of the case file.</p> <p>The exemption continues to apply when the customer is absent from the home but:</p> <ol style="list-style-type: none"> 1) Intends to return. If the customer or his authorized representative states in writing the customer intends to return to the home, regardless of whether there is medical evidence showing this is a probability, the home will be exempt; OR representative states in writing the customer intends to return to the home, regardless of whether there is medical evidence showing this is a probability, the home will be exempt; OR 2) The home is occupied by a spouse or dependent (e.g., financially, medically dependent) relative; OR 3) The home ownership is transferred to a revocable trust. <p>The transfer of a primary residence by an institutionalized individual, including SSI recipients, must be evaluated for potential transfer of resource penalty.</p> <ol style="list-style-type: none"> b. For all non-business property up to \$6,000 of the customer's equity if the property is producing a net annual income of at least 6 percent of the excluded equity. The amount of equity exceeding \$6,000 is counted as a resource. Income from this property is counted; OR c. When the customer verifies the property is for sale at market value AND no offers to purchase have been received (the property must remain for sale while the customer receives assistance), or the property has been sold and escrow has not been completed. <p>"Good Faith" efforts must be made by or on behalf of the client in order for property to qualify under this exclusion. These efforts must continue for the exclusion to remain in effect.</p>

RESOURCE TYPE	DESCRIPTION
REAL PROPERTY (Cont'd)	<p>Federal regulations state "good faith efforts" to sell property consist of taking all necessary and reasonable steps to sell it in the geographic area covered by media (radio, television, and newspaper, etc.) serving the area where the property is located.</p> <p>"Necessary and reasonable" steps to sell this resource will be to utilize a licensed realtor to list the property for sale OR advertise the property is for sale through at least one media source covering the area where the property is located and posting a 'for sale' sign on the property. The frequency in advertising property for sale will be at least twice a month.</p> <p>Example: Newspaper advertisements should appear twice in a month with each length of time the decision of the customer/representative.</p>
	<p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Signed and dated statement from a licensed real estate broker - Written statement from county assessor's office - Tax lists - Copy of mortgage papers - Copy of deed - Letter from mobile home dealer

RESOURCE TYPE	DESCRIPTION
REIMBURSABLE MEDICAL EXPENSES	Reimbursement for expenses already paid for by the individual (pre-paid institutional care) is not countable as income, but IS countable as a resource following the month of receipt. Other types of cash received for medical expenses (reimbursed prescription expenses) are not countable as income, and are not countable as resources until the second month following receipt.
1. Personal Property 2. Conditional Exclusion	Verification: (not all inclusive) - Documents from the source of payment
RELOCATION ASSISTANCE PAYMENTS	Unspent relocation assistance payments from a state or local government are excluded from resources for 9 months beginning the month after the month in which they received these funds.
1. Personal Property 2. Conditional Exclusion	For example, if an individual receives relocation assistance in January, the assistance can be excluded beginning February through October. Verification: (not all inclusive) – Documents from Source of Payment
REPLACEMENT/REPAIR FUNDS	When monies are received for replacement or repair of destroyed, damaged, or stolen excluded resources, the amount of money received is disregarded from resources for 9 months.
1. Personal Property 2. Conditional Exclusion	
REPLACEMENT/REPAIR FUNDS (Cont'd)	When monies are received for replacement or repair of destroyed, damaged or stolen resources, the amount of money received is considered a change in type of resource and remains a resource, not income.
	Verification: (not all inclusive) – Documents from source of payment – Receipts and canceled check copies

RESOURCE TYPE	DESCRIPTION
REVERSE MORTGAGE	<p>Payments received from a reverse mortgage are exempt income in the month received. Any portion of the payments retained the month following the month of receipt is considered a countable resource.</p>
<ol style="list-style-type: none"> 1. Personal Property 2. Counted 	<p>Evaluate for potential transfer of assets.</p>
SAFE DEPOSIT BOXES	<p>Safe deposit boxes may contain copies of deeds, insurance policies, money and other countable resources. The customer's statement on the application as to the contents may be taken unless questionable. If the contents are questionable, they must be verified.</p>
	<p>Exception: If the contents are questionable or unknown, and there is no way to verify the contents because the customer is incapable of opening the box and there is no other way to verify the contents, the contents will be considered inaccessible.</p>
	<p>Verification: (not all inclusive)</p>
	<ul style="list-style-type: none"> – The case manager viewing the contents – A written statement verifying the contents
SELF-SUPPORT RESOURCES	<p>Resources necessary to fulfill a Plan for Achieving Self-Support (PASS) for the blind and disabled as long as the plan remains in effect. The plan must be an individual plan, in writing, approved by the Social Security Administration.</p>
<ol style="list-style-type: none"> 1. Real/Personal Property 2. Conditional Exclusion 	<p>Verification: (not all inclusive)</p>
	<ul style="list-style-type: none"> – Written documents from the Social Security Administration

RESOURCE TYPE	DESCRIPTION
SELF-EMPLOYMENT RESOURCES	<p>Property essential for self–employment/self-support. All property used in a trade or business and all property used by an employee in connection with employment, regardless of the amount of equity an individual has in the property or whether the property is producing a reasonable rate of return (e.g., real property, buildings, inventory, equipment, tools, machinery, vehicles, etc.). The property must be in current use or returned to use (or in the case of a deceased person, was expected to have been returned to use) within one year.</p>
<ol style="list-style-type: none"> 1. Real/Personal Property 2. Conditional Exclusion 	<p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> – Income Tax Records – Business Records – Customer’s statement
SSI/RSDI RETRO PAYMENTS	<p>The unspent portion of SSI and RSDI Retroactive payments received on or after 03/02/2004 are excluded from resources for 9 months following the month of receipt. The unspent portion of SSI and RSDI Retroactive payments received before 03/02/2004 are excluded from resources for 6 calendar months following the month of receipt. For example, a retroactive RSDI payment received in January 2018 is unearned income for January when determining financial eligibility and patient liability. The RSDI retroactive payment is excluded from resources effective February through October.</p>
<ol style="list-style-type: none"> 1. Personal Property 2. Conditional Exclusion 	<p>These payments are no longer excluded when converted to another resource such as stocks, bonds, etc.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> – SSA Award Letter – Verify how the resources are held
STOCKS AND BONDS	<p>Shares of stock represent ownership in a business corporation. Their value shifts with demand and may fluctuate widely. Exclude shares of stock which cannot be sold.</p>
<ol style="list-style-type: none"> 1. Personal Property 2. Conditional Exclusion (Stocks Only) 	

RESOURCE TYPE

DESCRIPTION

STOCKS AND BONDS

(Cont'd)

U.S. Savings Bonds are obligations of the federal government. Unlike other government bonds, they are not transferable; they can only be sold back to the federal government.

U.S. Saving Bonds cannot be redeemed for six months after the issue date specified on the face of the bond.

A municipal bond is the obligation of a state or a locality (county, city, town, village or special purpose authority such as a school district).

A corporate bond is the obligation of a private corporation.

Verification: (not all inclusive)

- Newspaper reporting stock closing prices
 - Local securities firm
 - Written statement from firm's accountants
 - Table of redemption values for U.S. Savings Bonds
 - Telephone call to local bank
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RESOURCE TYPE	DESCRIPTION
TRUST FUNDS	Most trusts are referred to the Chief of Eligibility and Payments for an evaluation and decision on availability. Obtain the complete trust document with all attachments to send with the request. Use form 6009 and ensure it is signed by both the case worker and supervisor. Send via inter-office mail.
1. Personal Property	
2. E & P Chief Evaluation Required	<p>EXCEPTION: MAGI Medicaid groups do not require a resource evaluation. If a customer is applying for or receiving Medicaid in a MAGI category and the customer has a trust, do not refer the trust to the Chief of E&P for legal evaluation. Refer to MAM E-300 (Trust Funds) for instructions on counting trust income. Trusts should always be referred to E&P when a MAGI Medicaid case is to be converted to a MAABD program.</p> <p>Trusts established prior to August 11, 1993 by an individual or the individual's spouse, under which the individual is the recipient of all or part of any payments from the trust are called Medicaid Qualifying Trusts (MQTs). MQT assets (income/resources) are "deemed" available to the customer.</p> <p>When the evaluation determines that the principal of the trust is not available to meet the needs of the customer, it is an excludable resource.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Trust documents/agreements - Memorandum from Chief of E&P

RESOURCE TYPE	DESCRIPTION
UNIFORM GIFTS TO MINORS	Uniform Gifts to Minors Act permits gifts to minors which are free of tax burdens.
1. Real/Personal Property	An individual (donor) makes an irrevocable gift of money or other property to a minor (the donee). The gift, plus any earnings it generates, is under the control of a custodian until the donee reaches the age of majority by state law (18 years for Nevada). The custodian has discretion to provide to the minor or spend for the minor's support, maintenance, benefit or education, as much of the assets as he/she deems equitable. The donee automatically receives control of the assets upon reaching the age of majority.
2. Conditional Exclusion	<p>The gift, including any additions or earnings, is not income to the donee. The custodian's disbursements to the donee are income to the minor.</p> <p>All property becomes available to the donee and subject to income rules in the month the donee reaches the age of majority. The month following the month of majority, the property is subject to resource evaluation.</p>
	Verification: (not all inclusive)
	<ul style="list-style-type: none"> - Copy of the document of ownership, e.g., deed, CD, savings passbook, etc.
VEHICLES	Vehicles include passenger cars, trucks, boats, snowmobiles, trailers, recreational vehicles, etc.
1. Personal Property	
2. Conditional Exclusion	

RESOURCE TYPE	DESCRIPTION
VEHICLES (Cont'd)	<p>The fair market value (FMV) less encumbrances of all types of vehicles for which the total or partial value has not been excluded. The FMV is determined by the "average trade-in" value or the current "wholesale blue book" value of the vehicle excluding optional equipment and mileage.</p> <p>If the vehicle is no longer listed in the blue book or the vehicle is inoperable or extensively damaged, the customer's statement of value is acceptable.</p> <p>ALWAYS obtain FMV of vehicles which are collectible or antique.</p> <p>For vehicles used to provide transportation such as passenger cars, trucks, boats, snowmobiles, animal drawn vehicles, etc., apply the following exclusions in the following order.</p> <p>This does not include recreational vehicles or vehicles not used for transportation.</p> <p>a. Exclude the TOTAL value of ONE vehicle for the customer or member of the client's household if:</p> <ol style="list-style-type: none"> 1) It is necessary for employment; 2) It is necessary for transportation to or from medical treatment of a specific or regular medical problem; 3) The vehicle has been modified for operation by or transportation of the handicapped customer/household member; 4) It is necessary because of climate, terrain, or distance to provide transportation to perform essential daily activities (such as going to the grocery store, going to the post office, etc.).

RESOURCE TYPE	DESCRIPTION
VEHICLES (Cont'd)	<p>b. When NO vehicle has been excluded under 1, 2, 3 or 4 above, the current market value (CMV), NOT allowing any encumbrances, of ONE vehicle up to \$4,500 will be excluded. When the market value exceeds \$4,500, the excess amount is divided equally among all owners and the customer's share is applied toward the resource limit.</p> <p>c. The market value of any OTHER vehicles less encumbrances is divided equally among all owners and the customer's share is applied toward the resource limit.</p> <p>d. Exclude the TOTAL value of the customer's vehicle(s) essential for producing income including vehicles used in a trade or business.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Customer's statement regarding the number of vehicles owned, ownership status and availability is acceptable unless the case manager has reason to question the statement. Possible sources of verification are: <ul style="list-style-type: none"> - Kelley Blue Book - Copy of bill of sale - Copy of vehicle registration - Written statement from county tax assessor - Estimate from auto dealer

VICTIMS OF CRIME	<p>Payments received from a fund established by a state to aid victims of crime are excluded for a 9-month period beginning the month after the payments are received.</p> <p>Verification: (not all inclusive)</p> <ul style="list-style-type: none"> - Documents from source of payment
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HIWA RESOURCE EXCLUSIONS:

Under the HIWA program the following resources are excluded:

- One vehicle
- Approved accounts of \$15,000 or less
- Special needs trusts
- IRS recognized retirement accounts
- SSA death benefit payment
- Medical savings account
- Tax refunds
- Life insurance policies with cash surrender values of less than \$50,000.
- Funeral/burial policies