LIST OF ASSETS

11.4 LIST OF ASSETS

NOTE: See Chapter 17 for special procedures related to Long-Term Care Programs.

The following alphabetical list identifies items which are considered in determining asset eligibility. Beside each item, there are three boxes. The yes or no in the boxes indicates if the item is an asset for the programs as listed below:

Box 1: Food Stamps

Box 2: WV WORKS, AFDC Medicaid, AFDC-Related Medicaid

Box 3: SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2

EXAMPLE:

Box 1	Box 2	Box 3
FS	WVW, AFDC Groups	SSI Groups
Yes/No	Yes/No	Yes/No

When a “yes” or “no” in the box shows an asterisk(*) beside it, special conditions apply, and the narrative must be consulted.

Unless specified in the narrative or marked with an asterisk(*), the comments apply to all programs listed.

For any program not listed, see Section 11.2.

See Chapter 4 for verification information.

LIST OF ASSETS

A. AGENT ORGANGE COMPENSATION

FS	WVW, AFDC	SSI Groups
No	No	No

All payments from the Agent Orange Settlement fund or any other fund established pursuant to the settlement are excluded.

B. BANK ACCOUNTS AND CD's

FS	WVW, AFDC Groups	SSI Groups
Yes *	Yes *	Yes *

1. Savings Accounts

2. Christmas Clubs

3. Checking Accounts

4. Certificates of Deposits (CD's)

The amount deposited, plus any accrued interest, minus any penalties imposed for early withdrawal, is counted as an asset.

Some funds held in CD’s cannot be withdrawn prior to maturity under any circumstances. In this situation, the certificate is not an asset until the first month after it matures.

NOTE: For a joint checking or savings account, or jointly owned time deposit, refer to the jointly owned assets section under each program of assistance.

The current month's income deposited in accounts is not counted as an asset for that month. See Section 11.2. Checks dated or posted before the usual check receipt date are treated as if they were received in the usual month of receipt.

Food Stamps: When excluded funds are kept in a bank account with other non-excluded money, the normally non-excluded funds are excluded for six months from the date they were placed in the account. After six months, the exclusion ends and all money in the account is an asset. EXCEPTION: Educational funds are excluded even when co-mingled with other funds.

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5. Deposits by Others

a. Foods Stamps

When a non-AG member deposits his own money, for his own use, into the account of an AG member, the amount remaining in the account on the first day of the next calendar month is counted as an asset for the Food Stamp AG.

b. WV WORKS, AFDC Medicaid and AFDC-Related Medicaid

When a non-AG member’s funds are deposited into an AG member’s account, any portion of that deposit that remains in the account in the month following the deposit month is counted as an asset for the AG.

c. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2

Funds deposited into the account of a AG member by a non-AG member are an asset as of the first moment of the month following the month of deposit.

6. Dedicated Account for SSI Recipient

WV WORKS: When the SSI recipient is under age 18 and SSA requires the establishment of a dedicated account for past due monthly SSI payments, the amount in the dedicated account is excluded as an asset. This applies when the back payment amount is deposited by SSA directly in the account and when it is deposited there at the discretion of the representative payee. These accounts may include checking, savings and money market accounts. The exclusion continues until all funds in the account are depleted, or until SSA determines the account no longer meets the SSA criteria for a dedicated account. The exclusion continues after the SSI recipient reaches age 18, as long as the account remains a dedicated account.

C. BONDS - U. S. SAVINGS

The cash-in value is counted.

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes *

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SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2: A U.S. Savings Bond is not an asset during its six-month minimum retention period. As of the first moment of the seventh month, the bond is considered an asset. If an individual receives a bond as a gift, See Section 10.3, U.S. Savings Bonds.

D. BURIAL FUNDS AND PLOTS

1. Burial Funds

FS	WVW, AFDC Groups	SSI Groups
See	Section	11.5

Money set aside to pay for funerals and related expenses may be counted as an asset. When set up as a trust, prepaid burials can be paid for by cash, insurance policies or annuities.

For treatment of burial funds by program, see Section 11.5.

2. Burial Plots

FS	WVW, AFDC Groups	SSI Groups
No*	No*	No *

a. Food Stamps, WV WORKS, AFDC Medicaid and, AFDC/U-Related Medicaid

One burial plot per AG member is excluded.

b. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2

Burial spaces which are intended for the use of the client, spouse, or any member of the immediate family, are excluded.

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E. BUSINESS AND NON-BUSINESS PERSONAL PROPERTY

1. Business Personal Property

FS	WVW, AFDC Groups	SSI Groups
No *	Yes	No *

a. Food Stamps

Excluded if used in a business. If not excluded as business property, the equity value is an asset.

b. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2

Up to $6,000 of an individual's equity in personal or real income-producing property is excluded, if it produces a net annual income of at least 6% of the excluded equity. The maximum amount of net annual income the property must produce is $360.

If the individual's equity is greater than $6,000, only the amount that exceeds $6,000 is counted toward the asset limit, when the net annual income requirement of 6% is met on the excluded equity. Net annual income is the gross income from the enterprise, less the cost of doing business for a one year period. If the activity produces less than a 6% return, due to circumstances beyond the individual's control, such as crop failure or illness, and there is a reasonable expectation that the individual's activity will again produce a 6% return, the property is excluded. If the individual owns more than one piece of property, and each produces income, each has the 6% rule applied. Then, the individual's equity in all of the properties producing 6% are totaled to determine if the total equity is $6,000 or less. The equity in those properties that do not meet the 6% rule is counted as an asset. If the individual's total equity in the properties producing 6% income is over the $6,000 equity limit, the amount of equity exceeding $6,000 is counted as an asset.

The procedure to determine if the property is excluded is as follows:

Step 1: Add together the equity value of all personal

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and real business properties used in one enterprise.

Step 2: If the Step 1 amount is less than $6,000, multiply that amount by .06. If the Step 1 amount is $6,000 or greater, multiply $6,000 by .06.

Step 3: Compare the Step 2 amount to the net annual income. If the net annual income is equal to or greater than the amount in Step 2, subtract $6,000 from total equity value of the property(s). The remainder is an asset. If the net annual income is less than the amount arrived at in Step 2, the total equity of the property(s) is an asset.

EXAMPLE: Mr. Patterson owns a mobile home, which is not his residence, that has a CMV and equity value of $3,000. He owns other property that has a CMV and equity value of $2,000. The mobile home produces a net annual rental income of $750, and the other property produces less than $50 a year. Since the mobile home produces more than a 6% return, its equity value is excluded. Since the other property produces less than a 6% return, its equity value is counted.

EXAMPLE: Sharon has a small business in her home making hand-woven rugs. The looms and other equipment used in the business have a CMV of $7,000. Her equity is $5,500 since she owes $1,500 on the looms. Sharon's net earnings from self-employment are $400. Since Sharon's equity in the looms and other equipment is under the $6,000 limit for income-producing property, and her net income after expenses ($400) is greater than 6% of the equity, her property is excluded from countable resources.

EXCEPTION: Property that represents the authority granted by a governmental agency to engage in an income-producing activity is excluded if it is:

- Used in a trade or business or non-business income-producing activity; or

- Not used due to circumstances beyond the individual's control, such as illness, and there

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is a reasonable expectation that the use will resume.

EXAMPLE: John owns a commercial fishing permit granted by the State Commerce Commission, a boat, and fishing tackle. The boat and tackle have an equity value of $6,500. Last year, John earned $2,000 from his fishing business. The value of the fishing permit is not determined because the permit is excluded under the exception. The boat and tackle are producing in excess of a 6% return on the excluded equity value, so the equity is excluded, up to $6,000. The $500 excess value is counted toward the asset limit.

2. Non-Business Personal Property

a. Income Producing

FS	WVW, AFDC Groups	SSI Groups
No *	Yes	See item 1 above

Food Stamps: Property which is annually producing income consistent with its FMV is excluded.

b. Necessary for Self-Support

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	No *

SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2: Non-business personal and real property is considered essential for an individual and/or his spouse's self-support, if it is used to produce goods or services necessary for his daily activities. This property includes real property, such as land, which is used to produce vegetables or livestock for personal consumption only, such as corn, tomatoes, chickens, cattle. This property also includes personal property necessary to perform daily functions, but not passenger cars, trucks, boats, or other special vehicles. Property used to produce goods or services or property necessary to perform daily functions is excluded, if the individual's equity in the property does not exceed $6,000. The amount of equity in excess of $6,000 is counted toward the asset limit. Personal property which is required by the individual's

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employer for work is not counted, regardless of value, while the individual is employed. Examples

of this type of personal property include tools, safety equipment, uniforms and similar items.

EXAMPLE: Bill owns a small unimproved lot several blocks from his home. He uses the lot, which is valued at $4,800, to grow vegetables and fruit, only for his own consumption. Since his equity in the property is less than $6,000, the property is excluded as necessary to self-support.

NOTE: The 6% provision as shown in item 1 above is not used in this determination.

F. CASH ON HAND
CASH SAVINGS

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes

This is a countable asset, except when any portion of it is the current month's income. Once the amount of cash or savings is determined, subtract the current month's income; the remainder is an asset.

G. COLLECTIONS

FS	WVW, AFDC Groups	SSI Groups
No	Yes	Yes

Goods and personal effects of unusual value such as, but not limited to, expensive china, silver, art work, antiques, or gun and coin collections.

H. DISASTER ASSISTANCE

FS	WVW, AFDC Groups	SSI Groups
No	No	No

Assistance provided as a result of a federally declared disaster.

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I. EDUCATIONAL GRANTS, LOANS AND SCHOLARSHIPS

FS	WVW, AFDC Groups	SSI Groups
No *	No *	No *

When funds are excluded as income, they are also excluded as assets. See Chapter 10. However, funds that are not used for the intended purpose and are allowed to accumulate beyond the time they were intended to cover, are assets.

J. EITC (Earned Income Tax Credits)

FS	WVW, AFDC Groups	SSI Groups
No *	No *	No *

1. Food Stamps

   Excluded for 12 months from the date of receipt, if the recipient of the EITC is an AG member at the time of receipt and participates continuously during the 12-month period. AG’s that temporarily do not participate for administrative reasons, i.e., redetermination, but who are otherwise eligible, do not lose the exclusion.

2. WV WORKS, AFDC Medicaid, AFDC-Related Medicaid, SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2

   Excluded in the month of receipt and the following month only. This applies when received as part of paycheck or as one payment at end of the year.

K. EQUIPMENT ESSENTIAL FOR EMPLOYMENT

FS	WVW, AFDC Groups	SSI Groups
No *	Yes	No *

1. Food Stamps

   Property, such as the tools of a tradesman or the machinery of a farmer, which is essential to the employment or self-employment of an AG member. Property essential to the self-employment of an AG member engaged in farming is excluded for one year from the date he terminates his farming self-employment.

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2. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2

   Property which is required by the individual's employer is excluded, regardless of value, as long as the individual is employed. Examples of this type of equipment include tools, uniforms, safety equipment, and other similar equipment.

   Also see Business and Non-Business Personal Property, and Real Property.

L. FOOD STAMPS

FS	WVW, AFDC Groups	SSI Groups
No	No	No

M. HIGHWAY RELOCATION ASSISTANCE PAYMENTS AND URBAN RENEWAL RELOCATION

FS	WVW, AFDC Groups	SSI Groups
No	No	No

These payments are made for moving costs for displaced persons, and may be paid to supplement payments or other costs of purchasing a home in a new location.

N. HOUSEHOLD FURNISHINGS, PERSONAL EFFECTS AND PETS

FS	WVW, AFDC Groups	SSI Groups
No	No	No

Furniture, appliances, personal effects such as clothing, jewelry, and pets are excluded. Certain livestock may also be considered family pets. The Worker and Supervisor must determine on a case-by-case basis whether or not the livestock reasonably qualifies as a pet, taking into account the number of livestock/pets and their usage.

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O. INCOME TAX REFUNDS

Also See EITC.

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes

P. INDIAN LANDS AND TRUST FUNDS

FS	WVW, AFDC Groups	SSI Groups
No.	No	No

Indian Tribe Trust Funds received as a result of Public Laws: 97-458, 98-64, and/or 98-124. Also, payments or relocation assistance to members of the Navajo and Hopi tribes under Public Law 98-531.

- Submarginal lands held in trust for Indians
- Alaskan Native Claims Settlement Act
- Any payments made under various public laws to any member of the following tribes:

Apache Tribe of the Mescalero Reservation
Arizona
Assiniboine
Blackfeet
Chippewas: Lake Superior, Mississippi, Reo, Saginaw, Turtle Mountain Band, White Earth Band
Confederate Tribes/Bands of the Yakima Indian Nation
Grand River Band of Ottawa Indians
Grosventre
Houlton Band of Maliseet
Montana
Papago
Passamaquoddy Tribe
Penobscot Nation
Puyallup Tribe
Seneca Nation

Q. INSURANCE SETTLEMENTS

See Chapter 10 and Section 11.2,F

Treated as lump sum payments, or compensation for loss or damage.

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R. LIFE INSURANCE (Cash Surrender Value)

FS	WVW, AFDC Groups	SSI Groups
No	Yes	Yes *

SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2: If the face value of all life insurance policies for one individual totals $1,500 or less, the cash surrender values are not counted as an asset. If the face value of all life insurance policies for an individual is in excess of $1,500, the cash surrender values are counted as an asset. The life insurance policy must be owned by the client or by a person whose assets are deemed to him to be counted. If the consent of another individual is needed to surrender a policy for its full cash surrender value, and the consent cannot be obtained, the policy is not an asset. Assignment of a life insurance policy to another individual means consent of that individual is required before it can be cashed.

S. LIEAP (Low-Income Energy Assistance Program) AND ENERGY CRISIS INTERVENTION PAYMENTS

FS	WVW, AFDC Groups	SSI Groups
No	No	No

T. LOANS, NON-EDUCATIONAL

FS	WVW, AFDC Groups	SSI Groups
Yes *	Yes *	Yes *

1. Food Stamps

   Loans for which there is a verbal or written agreement to repay are excluded.

2. AFDC Medicaid and AFDC-Related Medicaid

   Loans which meet the definition of Bona Fide loans, as found in Chapter 10, are excluded as assets.

3. WV WORKS

   Loans are normally counted as income. See Chapter 10. However, when a loan is excluded from consideration as income and has not been used for the

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intended purpose within 3 months of the date the money is received, the funds remaining at the end of 3 months are counted as an asset. The remaining amount of a loan which was counted as income in the month of receipt, becomes an asset in the month following the month of receipt.

4. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2

   Loans received under conditions which preclude their use for living expenses are excluded.

U. LUMP SUM PAYMENTS

FS	WVW, AFDC Groups	SSI Groups
Yes *	No	No

Lump sum payments are not counted as assets when counted as income. See Chapter 10.

When a lump-sum payment is received prior to the month of application, the amount remaining during the month of application is an asset. When a lump sum payment is received by someone being added to an active AG, the amount retained during his month of application is an asset.

1. Food Stamps

   Non-recurring lump sum payments are counted as assets. For recurring lump sum payments, see Chapter 10.

2. WV WORKS

   When the SSI recipient is under age 18 and SSA requires the establishment of a dedicated account for past due monthly SSI payments, any lump sum SSI back payment amount deposited in the dedicated account is excluded as an asset.

V. MUTUAL FUNDS

FS	AFDC, WVW Groups	SSI Groups
Yes	Yes	Yes

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W. NAZI PERSECUTION VICTIMS PAYMENTS

FS	AFDC, WVW Groups	SSI Groups
No	No	No

These may include, but are not limited to:

- Austrian Social Insurance Payments
- German Reparations Payments
- Netherlands WUV Payments

X. PASS ACCOUNT

FS	WVW, AFDC Groups	SSI Groups
Yes *	Yes	No

Food Stamps: Any PASS account developed for an SSI recipient by SSA is excluded.

See Chapter 10.

Y. PENSION FUNDS

1. Cash Value of Pension Funds

FS	WVW, AFDC Groups	SSI Groups
No	No	No

The cash value of pension accounts is excluded, unless removed from the account.

2. IRA’s, KEOGH’s, 401k’s and similar plans.

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes

Individual Retirement Accounts (IRA's), 401k’s and funds held in KEOGH plans, which do not involve the AG member in a contractual relationship with individuals who are not AG members, are counted as assets. The amount counted is the total cash value of the account or plan, minus the amount of the penalty, if any, that would be applied for the early withdrawal of the entire amount.

If the KEOGH Plan is such that individual participants may make withdrawals without affecting in any way other parties who are not AG members, the AG member's funds in the KEOGH

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Plan, minus any penalty affecting him only, are counted as an asset. The exclusion of the KEOGH Plan involving more than one person does not apply if the other persons involved in the Plan are members of the AG.

Z. PRODUCE AND LIVESTOCK FOR HOME CONSUMPTION

FS	WVW, AFDC Groups	SSI Groups
No	No	No

AA. REAL PROPERTY

Also see BUSINESS and NON-BUSINESS PERSONAL PROPERTY.

1. Homestead Property

FS	WVW, AFDC Groups	SSI Groups
No *	No	No *

The client's homestead is the property on which he lives and which is owned, or is being purchased by him. It is the dwelling and the land on which the dwelling rests, which is not separated by intervening property owned by others. Public rights-of-way which run through the surrounding property and separate it from the home, do not affect this exclusion. Any additional property acquired and not separated from the original acquisition by intervening property owned by others, is also excluded.

The value of structures on the property, other than the client's dwelling, is included in the exemption whether or not they are income-producing, except for mobile homes. The value of any mobile home on the homestead property, if it is not the client's dwelling, is considered an asset, unless it is income-producing property. See Item 3 below.

a. Food Stamps

The client must be living in the home for the exclusion to apply. However, if the AG does not already own a home, the value of a lot on which it intends to build a home is excluded. If the new home is partially completed, the value of this home is also excluded. In addition, if the dwelling is temporarily unoccupied for reasons of employment, training for future employment, illness, or inhabitability caused by casualty or natural disaster, and the family intends to return, the homestead is excluded.

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There is no time period beyond which these exclusions are no longer considered to be temporary. This decision must be made on a case-by-case basis, taking into account the client’s reasonable progress with his plans.

EXAMPLE: Two years ago a family inherited a piece of property on which it does not live. During the FS intake interview, the client indicates that he has plans to build a home for the family on this piece of land. The Worker questions him about what actions he has taken in the last two years to build the house. The Worker determines that he and his wife have discussed it and decided the kind of house they want. They have put no money aside to accomplish this and have not bought any building materials. They have not talked to a bank about possible loans or to a builder, and the father indicates he does not have the necessary skills to build the house himself. The Worker decides that the family wants to build a home there, but has no substantive intent. The Worker does not exclude the inherited property.

EXAMPLE: A man and his wife are buying a piece of property near their current rented residence. They state that they intend to build a home on the property. They have been unable to obtain funding to build the house all at one time, but the man’s father has agreed to loan him enough money to get started. He and his father plan to build the house in the evenings after work and on weekends and will obtain funding the best way they can to finish the house. The bank has said they will probably loan him the money to build the house, once he has established a longer work history. They hope to start building in the next 2 months, weather permitting. The Worker concludes that the man has intent to build a house on the property and excludes the property from being counted as an asset.

b. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2

Only one dwelling is established as the client's principal place of residence, and only the principal place of residence is excluded. When an individual is institutionalized, his home remains his principal place of residence as long as a spouse or dependent relative lives in the home. For purposes of the

homestead exclusion only, a dependent relative is one who is dependent financially, medically, or as otherwise determined, upon the institutionalized person. The following are considered relatives of the institutionalized person: child, stepchild or

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grandchild; parent, stepparent or grandparent; aunt, uncle, niece or nephew; brother or sister, including relations of step or half; cousin or in-law.

When the client has only a life estate interest in his principal place of residence, the value of the life estate interest is excluded. For more information, see item 4 below. Temporary absences from the home for trips, visits, hospitalizations or institutionalization do not affect the homestead exclusion.

2. Sale Proceeds or Compensation for Loss or Damage

See Section 11.2 CONVERSION OR SALE OF AN ASSET; COMPENSATION FOR LOSS OR DAMAGE

If the home is being replaced or repaired due to loss or damage resulting from a disaster or accident, see Chapter 10, Insurance Settlements.

3. Non-Homestead Property

Treatment of non-homestead property as an asset depends on its use.

a. Income-Producing Property

FS	WVW, AFDC Groups	SSI Groups
No *	Yes	No *

(1) Food Stamps

Real property, which is producing an annual income consistent with its FMV, is excluded as an asset. This includes rental homes and vacation homes. The property produces income consistent with its FMV when the earnings equal those received by others in the same geographic area, for property of like value.

EXAMPLE: Rental property is valued at $2,500 and it earns $50/month. Similar property in the area rents for approximately the same amount, $50 -

$60/month. The annual gross earnings are consistent with its FMV.
When a self-employed person experiences adverse working conditions, which prevent him from producing income, such property continues to be excluded.

(2) SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2

Up to $6,000 of an individual's equity in

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real or personal income-producing property is excluded, if it produces a net annual income of at least 6% of the excluded equity. The maximum amount of net annual income the property must produce is $360.

If the individual's equity is greater than $6,000, only the amount that exceeds $6,000 is counted toward the allowable asset limit, when the net annual income requirement of 6% is met. Net annual income is the gross income from the enterprise, less the cost of doing business for a one-year period.

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If the activity produces less than a 6% return, due to circumstances beyond the individual's control, such as crop failure or illness, and there is a reasonable expectation that the individual's activity will again produce a 6% return, the property is excluded. If the individual owns more than one piece of property and each produces income, each has the 6% rule applied. Then the amounts of the individual's equity in all of the properties producing 6% are totaled to determine if the total equity is $6,000 or less. The equity in those properties that do not meet the 6% rule is counted as an asset. If the individual's total equity in the properties producing 6% income is over the $6,000 equity limit, the amount of equity exceeding $6,000 is an asset.

The procedure to determine if the property is excluded are as follows:

Step 1: Add together the equity value of all personal and real business properties used in one enterprise.

Step 2: If the Step 1 amount is less than $6,000, multiply that amount by .06. If the Step 1 amount is $6,000 or greater, multiply $6,000 by .06.

Step 3: Compare the Step 2 amount to the net annual income. If the net annual income is equal to or exceeds the amount arrived at in Step 2, subtract $6,000 from the total equity value of the property(s). The remainder is an asset. If the net annual income is less than the amount arrived at in Step 2, the total equity of the property(s) is an asset.

EXAMPLE: Mr. Patterson owns a mobile home, which is not his residence, that has a CMV and equity value of $3,000. He owns other property that has a CMV and equity value of $2,000. The mobile home produces a net annual rental income of $750, and the other property produces less than $50 a year. Since the mobile home produces more than a 6% return, its equity value is excluded. Since the

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other property produces less than a 6% return, its equity value is not excluded.

EXAMPLE: Sharon has a small business in her home making hand-woven rugs. The looms and other equipment used in the business have a CMV of $7,000. Her equity is $5,500 since she owes $1,500 on the looms. Sharon's net earnings from self-employment is $400. Since Sharon's equity in the looms and other equipment is under the $6,000 limit for income-producing property, and her net income after expenses ($400) is greater than 6% of her equity, her property is excluded from countable resources.

EXCEPTION: Property that represents the authority granted by a governmental agency to engage in an income-producing activity is excluded if it is:

- Used in a trade or business or non-business income-producing activity; or
- Not used due to circumstances beyond the individual's control, e.g., illness, and there is a reasonable expectation that the use will resume.

EXAMPLE: John owns a commercial fishing permit granted by the State Commerce Commission, a boat, and fishing tackle. The boat and tackle have an equity value of $6,500. Last year, John earned $2,000 from his fishing business. The value of the fishing permit is not determined because the permit is excluded under the exception. The boat and tackle are producing in excess of a 6% return on the excluded equity value, so the equity is excluded, up to $6,000. The $500 excess value is counted toward the asset limit.

	FS	WVW, AFDC Groups	SSI Groups
b. Necessary for Self-	Yes	Yes	No *

SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2: Non-business real and personal property is considered necessary for an individual and/or his spouse's self-support, if it is used to produce goods or services necessary for his daily activities. This type of property includes real property, such as land, which is used to produce vegetables or livestock for personal consumption

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only, such as, corn, tomatoes, chickens, cattle. This property also includes personal property necessary to perform daily functions, but not passenger cars, trucks, boats, or other special vehicles. Property used to produce goods or services or property necessary to perform daily functions is excluded, if the individual's equity in the property does not exceed $6,000. The amount of equity in excess of $6,000 is counted toward the asset limit. Personal property which is required by the individual's employer for work is not counted, regardless of value, while the individual is employed. Examples of this type of personal property include tools, safety equipment, uniforms and similar items.

EXAMPLE: Bill owns a small, unimproved lot several blocks from his home. He uses the lot, which is valued at $4,800, to grow vegetables and fruit, only for his own consumption. Since his equity in the property is less than $6,000, the property is excluded as necessary to self support.

c. Other Real Property

FS	WVW, AFDC Groups	SSI Groups
Yes *	Yes *	Yes *

The equity in property, not otherwise excluded, is an asset.

(1) Food Stamps

Real property which the client is making a good faith effort to sell is excluded. A good faith effort means that the property is currently available for sale through a real estate agent or through publication.

(2) WV WORKS

Any non-excluded real property which the AG is making a good faith effort to sell is excluded for six months. A good faith effort means that the property is currently available for sale through a real estate agent or through publication.

The only time this exclusion applies is when the client has agreed in writing, using Form ES-22, to dispose of the property within the six-month exclusion period. Any payments made to the AG during this disposition period must be repaid to the Department once the client disposes of the asset.

If, for any reason, the client fails to dispose of the property, or the case is closed during the exclusion period, all of the payments made to the AG must be repaid. If, at the end of the 6-month period, the client has failed to dispose of the property, it must be counted as an asset.

(3) AFDC Medicaid and AFDC-Related Medicaid

The equity in real property, other than homestead property, is an asset.

(4) SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1, QI-2

When the client's non-excluded real property does not meet the $6,000 or the $6,000/6% limitation, the equity in the property is an asset. See items a and b above.

4. Life Estates

FS	WVW, AFDC Groups	SSI Groups
No	No	Yes *

Under a life estate, an individual who owns transfers ownership of that property to another individual while retaining certain rights to it for the rest of his life, or the life of another person. Generally, a life estate entitles the owner of the life estate to possess, use, and obtain profits from the property for as long as he lives. However, actual ownership of the property has been transferred.

When the client establishes a life estate with his own property, the property itself is no longer an asset to him because ownership has been transferred. However, the value of the life estate is treated as an asset when it is not the client's principal place of residence. The value is determined as follows:

LIST OF ASSETS

Step 1: Determine the CMV of the property

Step 2: Determine the age of the life estate holder, as of his last birthday and the life estate factor for that age found in Appendix A. The table contained in the WV State Code is not used; only Appendix A is used.

Step 3: Multiply the CMV by the life estate factor determined in Step 2.

The resulting amount is counted as an asset for the life estate holder.

If the client believes the life estate is worth less than the determined value, he must provide proof of a lower value.

NOTE: For long-term care cases, a penalty may be applied for transferring property when retaining a life estate. See Chapter 17.

When property is transferred to a client by someone who retains a life estate interest in the property, the transferred property is not counted as an asset, as long as the client cannot legally dispose of it.

5. Real Property Related to Vehicle Maintenance

FS	WVW, AFDC Groups	SSI Groups
No *	Yes	Yes

Food Stamps: Property, which is not excludable under any other provision in this Chapter, is excluded as an asset when a vehicle is excluded for one of the following reasons and the real property is directly related to maintenance or use of that vehicle:

- Over 50% of the use of the vehicle is for income-producing purposes, or

- The vehicle annually produces income consistent with its CMV, even if used on a seasonal basis, such as a truck used in a produce business or for hauling coal, or

- The vehicle is necessary to transport a physically disabled individual who is a member of the Food Stamp AG regardless of the purpose of such transportation. Only the portion of real property determined necessary

  for maintenance or use of a vehicle under this policy is excluded. For an example, see Vehicles.

LIST OF ASSETS

BB. RECREATIONAL EQUIPMENT

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes

See Section 11.1. Recreational equipment is coded in RAPIDS as personal property, not as vehicles. Includes boats, snowmobiles, campers, camper-trailer, airplanes and similar equipment.

CC. RECREATIONAL VEHICLES

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes

See Section 11.1. Recreational vehicles are coded in RAPIDS as personal property, not as vehicles. Includes all terrain vehicles (ATV's) and similar vehicles.

EXCEPTION: When the individual lives in his recreational vehicle, it is considered his home and is excluded as long as he lives in it.

DD. SATELLITE DISHES

FS	WVW, AFDC Groups	SSI Groups
No	No	No

EE. STOCKS

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	Yes

To establish the CMV of a stock for applicants, the Worker must use the closing stock market price as of the last business day of the prior month. For recipients who purchase stocks, the purchase price is used. All policies applicable to stocks also apply to preferred stocks, as well as warrants, rights and options to purchase stocks.

EXCEPTION: Shares of stock in an Alaskan Native Regional or Village Corporation are excluded for all programs.

NOTE: The par value or stated value shown on some stock certificates is not the market value of the stock.

LIST OF ASSETS

FF. SWIMMING POOLS

- Above-ground swimming pools

FS	WVW, AFDC Groups	SSI Groups
No	Yes	Yes

- In-ground swimming pools: considered part of the homestead and excluded.

FS	WVW, AFDC Groups	SSI Groups
No	No	No

GG. TRUST FUNDS

FS	WVW, AFDC Groups	SSI Groups
Yes *	Yes *	Yes *

In general, if the client has unrestricted access to the principal of the trust, it must be counted as an asset.

1. Food Stamps

Any funds in a trust or transferred to a trust and any income produced by that trust are considered inaccessible to the AG and excluded if:

- The trust arrangement is not likely to cease before the next redetermination and no AG member has the power to revoke the trust arrangement or change the name of the beneficiary before the next redetermination; and

- The trustee administering the funds is either:

  - A court, or an institution, corporation or organization which is not under the direction or ownership of any AG member, or

  - An individual appointed by the court who has court-imposed limitations placed on his use of the funds which meet all other fund requirements found in this item (item 1); and

- Trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction, influence of an AG member; and

- The funds held in irrevocable trust are either:

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- Established from the AG's own funds, if the trustee uses the funds solely to make investments on behalf of the trust or to pay education or medical expenses of any person named by the AG creating the trust, or

- Established from non-AG funds by a non-AG member.

When withdrawals are made from a trust fund, see Chapter 10 for policy about treatment of the withdrawal as income.

Dividends which the AG has the option of either receiving as income or reinvesting in the trust are not assets. See Chapter 10 for treatment of dividends.

A client cannot be required to petition the court for the use of the trust. In addition, this fund cannot be presumed to be available to the client.

2. AFDC Medicaid, SSI Medicaid, AFDC/U-Related and SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2.

NOTE: This section applies to any trust established on or after 8/11/93. For trusts prior to 8/11/93, see Appendix B of this Chapter.

For burial trusts, see Section 11.5.

Generally, all trusts are counted as assets, regardless of their purpose, restrictions on distributions or on the trustee's discretion to distribute the funds, whether acted on or not. There are exceptions to this general rule and there is a difference in the treatment of trusts established by a will and those not established by a will. In addition, sometimes revocable and irrevocable trusts are treated differently. Details are found below.

If a trust is made up of the client's resources and those of one or more other persons, only the amount established with the client's resources is counted.

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For purposes of this item (item 2), the terms "individual" or "client" include:

- The client
- His spouse
- Any person, including a court or administrative body, with legal authority to act in place of, or on behalf of, the individual or the individual's spouse
- Any person, including a court or administrative body, acting at the direction of, or upon the request of, the individual or the individual's spouse.

a. Trusts Established By Will

A trust is treated as an asset to the extent that it is available to the client or for his benefit. Clauses included in a trust which limit the trustee's use of the funds (i.e., exculpatory clauses) are recognized and the amount of funds affected by such exculpatory clauses, is excluded. Irrevocable trusts are also excluded, regardless of the amount. There is no penalty for the placement of funds in an irrevocable trust.

b. Trusts Not Established By Will

When the following two conditions are met, the trust policy contained below in this item is applied. If the two conditions are not met, the fund is treated as any other bank account.

- An individual has established a trust if his resources were used to form all or part of the corpus of the trust.
- Any of the following persons established the trust for the individual by any vehicle other than by will:
  - Individual
  - Individual's spouse
  - A person, including a court or administrative body, with legal authority to act in place of, or on behalf of, the individual or the individual's spouse
  - A person, including any court or administrative body, acting at the

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direction of, or upon the request, of the individual or the individual's spouse.

EXCEPTIONS: In the following three trust situations, the trust is totally excluded. In addition, establishment of these trusts is not treated as an uncompensated transfer of resources, as defined in Chapter 17.

- A trust containing the assets of an individual, under age 65, who is disabled,* and which is established for his benefit by a parent, grandparent, legal guardian, or a court. To qualify for the exception, a trust must contain a provision that the State will receive all amounts remaining in the trust upon the death of the individual, up to the total Medicaid payments made on his behalf. The exception continues even after the individual becomes age 65, as long as he continues to be disabled.*

- A trust which contains the assets of an individual who is disabled* and which meets all of the following conditions. This is commonly known as a special needs trust.

  • The trust is established and managed by a non-profit association.

  • A separate account is maintained for each beneficiary of the trust, but, for purposes of investment and management of funds, the trust pools the funds in these accounts.

  • Accounts in the trusts are established solely for the benefit of the disabled* individual.

  • Accounts in the trusts are established by the individual, his parent, grandparent, legal guardian or by a court.

  • The trust must include a specific provision that amounts remaining in the individual's account that are not

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retained by the trust upon the client's death, must be used to reimburse the State for Medicaid payments which were made on the individual's behalf.

- Burial trusts which meet all of the following conditions:

  - The individual signs a contract with the funeral director promising prepayment in return for specific funeral merchandise and services.

  - The contract is irrevocable.

  - The individual pays the agreed upon amount to the funeral director in the form of a direct cash payment, purchase or transfer of a life insurance policy or annuity which is assigned to the funeral director.

  - The funeral director, in turn, places the preneed payment or device into a trust or escrow account which the funeral director establishes himself. If the client establishes the trust or other device himself, the amount may be considered a transfer of resources. See Chapter 17.

* For these purposes, the SSA definition of disability is used. Therefore, any person medically approved for or receiving SSI, based on disability, meets the definition, as well as persons who have been determined disabled by the Medical Review Team (MRT). If no disability determination has been made, the case must be submitted for a MRT decision. See Chapter 12.

(1) Revocable Trusts

Once the Worker determines that the trust was not established by a will and does not meet one of the exceptions, above, the following rules apply:

- The corpus of the trust is considered an available asset.

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- Payments from the trust to the client or for his benefit are counted as income.

(2) Irrevocable Trusts

Once the Worker determines the trust was not established by a will and does not meet one of the exceptions above, the following rules apply:

- If there are any circumstances under which payments from the trust could be made to the client or for his benefit, that portion of the corpus, or the interest, is an asset.

- If payments are made from the available corpus, or interest, to the client or for his benefit, the amount is treated as income.

(a) Payments for the Client's Benefit

Throughout this item (item (2)) "payments made on behalf of the client" or "for his benefit" means payments of any kind to another entity, such that the client derives some benefit from the payment. This may include, but is not limited to, clothing, television, payments for services or care rendered, whether medical or personal, payments to maintain a home, etc. Any payment for the benefit of the client is counted, even if it is not customarily counted in determining Medicaid eligibility.

In determining whether payments can or cannot be made from a trust, take into account any restrictions on payments, such as use restrictions, exculpatory clauses, limits on trustee discretion, etc., that may be included in the trust.

EXAMPLE: A trust provides that the trustee can disburse only $1,000 out of a $20,000 trust, only the $1,000 is treated as a payment that could be made to the client or for his benefit.

The remaining $19,000 is treated as an amount which cannot, under any

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circumstances, be paid to, or for the benefit of the individual.

EXAMPLE: A trust contains $50,000 that the trustee can dispurse only in the event that the grantor needs a heart transplant. The full amount is payment that could be made under some circumstances, even though the likelihood of payment is remote if the client does not have heart problems.

In determining whether payments can or cannot be made from a trust, the Worker must take into account restrictions included in the trust on how payments can be made, the Worker must not take into account when payments can be made. When a trust provides, in some manner, that a payment can be made, even though that payment may be sometime in the future, the trust must be treated as providing that payment can be made from the trust.

(b) Undue Hardship

There is a hardship provision which allows the Department to exclude a trust when counting it results in undue hardship for the client. All decisions about undue hardship are made by the Director, Office of Family Support. Any requests for such a determination are submitted in writing and must show complete details about the undue hardship which will result. See "Undue Hardship" in the Definitions section.

3. WV WORKS

NOTE: This item applies to any trust established on or after 1/01/97, regardless of the date the county changed from TANF to WV WORKS. However, no penalty may be applied until the case has been converted from TANF to WV WORKS. Trusts established prior to 1/01/97 are not counted as assets.

For burial trusts, also see Section 11.5.

Generally, all trusts are counted as assets, regardless of their purpose, restrictions on distributions or on the trustee's discretion to distribute the funds, whether acted on or not.

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There are exceptions to this general rule and there is a difference in the treatment of trusts established by a will and those not established by a will. In addition, sometimes revocable and irrevocable trusts are treated differently. Details are found below.

If a trust is made up of the client's resources and those of one or more other persons, only the amount established with the client's resources is counted.

For purposes of this item (item 3), the terms "individual" or "client" include:

- The client
- His spouse
- Any person, including a court or administrative body, with legal authority to act in place of, or on behalf of, the individual or the individual's spouse
- Any person, including a court or administrative body, acting at the direction of, or upon the request of, the individual or the individual's spouse.

a. Trusts Established By Will

A trust is treated as an asset to the extent that it is available to the client or for his benefit. Clauses included in a trust which limit the trustee's use of the funds (i.e., exculpatory clauses) are recognized and the amount of funds affected by such exculpatory clauses, is excluded. Irrevocable trusts are also excluded, regardless of the amount. There is no penalty for the placement of funds in an irrevocable trust.

b. Trusts Not Established By Will

When the following two conditions are met, the trust policy contained below in this item is applied. If the two conditions are not met, the fund is treated as any other bank account.

- An individual has established a trust if his resources were used to form all or part of the corpus of the trust.
- Any of the following persons established the trust for the individual by any vehicle other than by will:
    - Individual
    - Individual's spouse
    - A person, including a court or administrative body, with legal

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authority to act in place of, or on behalf of, the individual or the individual's spouse

- A person, including any court or administrative body, acting at the direction of, or upon the request, of the individual or the individual's spouse.

EXCEPTIONS: In the following three trust situations, the trust is totally excluded. In addition, establishment of these trusts is not treated as an uncompensated transfer of resources, as defined in Section 11.7,D.

- A trust containing the assets of an individual, under age 65, who is disabled,* and which is established for his benefit by a parent, grandparent, legal guardian, or a court. To qualify for the exception, a trust must contain a provision that the State will receive all amounts remaining in the trust upon the death of the individual, up to the total WV WORKS payments made to him or on his behalf. The exception continues even after the individual becomes age 65, as long as he continues to be disabled.*

- A trust which contains the assets of an individual who is disabled* and which meets all of the following conditions. This is commonly known as a special needs trust.

  - The trust is established and managed by a non-profit association.

  - A separate account is maintained for each beneficiary of the trust, but, for purposes of investment and management of funds, the trust pools the funds in these accounts.

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- Accounts in the trusts are established solely for the benefit of the disabled* individual.

- Accounts in the trusts are established by the individual, his parent, grandparent, legal guardian or by a court.

- The trust must include a specific provision that amounts remaining in the individual's account that are not retained by the trust upon the client's death, must be used to reimburse the State for WV WORKS payments which were made to the client's AG.

\- Burial trusts which meet all of the following conditions:

- The individual signs a contract with the funeral director promising prepayment in return for specific funeral merchandise and services.

- The contract is irrevocable.

- The individual pays the agreed upon amount to the funeral director in the form of a direct cash payment, purchase or transfer of a life insurance policy or annuity which is assigned to the funeral director.

- The funeral director, in turn, places the preneed payment or device into a trust or escrow account which the funeral director establishes himself. If the client establishes the trust or other device himself, the amount may be considered a transfer of resources. See Section 11.7,D.

* For these purposes, the SSA definition of disability is used. Therefore, any person medically approved for or receiving SSI, based on disability, meets the definition, as well as persons who have been determined disabled by the Medical Review Team (MRT). If no disability determination has been made,

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the case must be submitted for a MRT decision. See Chapter 12.

(1) Revocable Trusts

Once the Worker determines that the trust was not established by a will and does not meet one of the exceptions, above, the following rules apply:

- The corpus of the trust is considered an available asset.
- Payments from the trust to the client or for his benefit are counted as income.

(2) Irrevocable Trusts

Once the Worker determines the trust was not established by a will and does not meet one of the exceptions above, the following rules apply:

- If there are any circumstances under which payments from the trust could be made to the client or for his benefit, that portion of the corpus, or the interest, is an asset.
- If payments are made from the available corpus, or interest, to the client or for his benefit, the amount is treated as unearned income.

(a) Payments for the Client's Benefit

Throughout this item (item 4) "payments made on behalf of the client" or "for his benefit" means payments of any kind to another entity, such that the client derives some benefit from the payment. This may include, but is not limited to, clothing, television, payments for services or care rendered, whether medical or personal, payments to maintain a home, etc. Any payment for the benefit of the client is counted, even if it is not customarily counted in determining WV WORKS eligibility.

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In determining whether payments can or cannot be made from a trust, take into

account any restrictions on payments, such as use restrictions, exculpatory clauses, limits on trustee discretion, etc., that may be included in the trust.

EXAMPLE: A trust provides that the trustee can disburse only $1,000 out of a $20,000 trust, only the $1,000 is treated as a payment that could be made to the client or for his benefit. The remaining $19,000 is treated as an amount which cannot, under any circumstances, be paid to, or for the benefit of the individual.

EXAMPLE: A trust contains $50,000 that the trustee can dispurse only in the event that the grantor needs a heart transplant. The full amount is payment that could be made under some circumstances, even though the likelihood of payment is remote if the client does not have heart problems.

In determining whether payments can or cannot be made from a trust, the Worker must take into account restrictions included in the trust on how payments can be made, the Worker must not take into account when payments can be made. When a trust provides, in some manner, that a payment can be made, even though that payment may be sometime in the future, the trust must be treated as providing that payment can be made from the trust.

(b) Undue Hardship

There is a hardship provision which allows the Department to exclude a trust when counting it results in undue hardship for the client. All decisions about undue hardship are made by the Director, Office of Family Support. Any requests for such a

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determination are submitted in writing and must show complete details about the undue hardship which will result. See "Undue Hardship" in the Definitions section.

HH. UNIFORM GIFTS TO MINORS ACT FUNDS

FS	WVW, AFDC Groups	SSI Groups
Yes	Yes	No

II. VEHICLES

FS	WVW, AFDC Groups	SSI Groups
No	Yes *	Yes *

The owner of a vehicle is generally the individual to whom it is titled. However, when the title of a vehicle is not in the client's name, but the client states he is the owner, the vehicle is counted as the client's asset. If the title is in the client's name, and he indicates the vehicle no longer belongs to him, and the name on the title has not been changed, the vehicle is presumed to be his, unless he can prove otherwise. Only those vehicles of members of the AG, individuals who are disqualified or excluded by law and who would otherwise be required to be included, are considered when determining vehicle assets.

A leased vehicle, in which the individual has no equity and which he cannot sell, is excluded.

The NADA trade-in value is usually used as the FMV for Food Stamps, AFDC Medicaid, WV WORKS and AFDC-Related Medicaid.

The NADA retail value is usually used as the FMV for SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2.
Neither the trade-in value nor the retail value is increased or decreased by adding or subtracting the value of low-or high-mileage or other factors, such as optional equipment or special equipment for the disabled.

1. Food Stamps

   All vehicles, as defined in Section 11.1, are not assets for the Food Stamp Program.

<u>End of Food Stamp Vehicle Policy</u>

2. AFDC Medicaid and AFDC-Related Medicaid

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STEP 1: WHEN THE AG HAS ONLY ONE VEHICLE

One vehicle is excluded, provided the equity does not exceed $1,500. When the equity of the vehicle is greater than $1,500, the excess amount is an asset. If the client disagrees with the NADA value or the vehicle is not listed in the NADA book, procedures in Step 2 are followed to determine equity.

STEP 2: DETERMINING EQUITY IN ALL VEHICLES

The listed NADA trade-in value of the vehicle is used, unless one of the following conditions exists:

- The client disagrees with the listed NADA value.

  The client is responsible for obtaining one estimate on form ES-V-1, Vehicle Estimate. The Department assumes any expense incurred in obtaining this estimate, using form DF-67. If the Department has no objection to the client's estimate, it is accepted as the value used in determining equity. The NADA value is not used once an estimate has been obtained.

  If the Department determines that the estimate obtained by the client is unreasonable, a second estimate is obtained by the Worker from a qualified appraiser of the Department's choice. Form DF-67 is used to pay for the estimate. This estimate and the client's estimate are averaged to arrive at a value used in determining countable equity.

- The vehicle is not listed in the NADA Book or the NADA Official Older Car Guide due to year of manufacture. In this situation use the following instructions: The client's statement of the value of the vehicle(s) is accepted unless it appears incorrect. In this situation the Worker requires that the client obtain one estimate. Form ES-V-1 is used, and payment, when required, is made by the Department, using a DF-67. If the vehicle is listed as junk with the Department of Motor Vehicles, as indicated on the title of the vehicle, a sale value of $25 is assigned to it, and that amount used as the CMV.

  In determining the countable value of the vehicle(s), only the equity is counted. Once the CMV is determined, the amount of the periodic installment payment is multiplied by the number of payments remaining. The result is subtracted from the CMV to determine the equity. Only when the client indicates he intends to pay off the vehicle in a lump sum is the pay-off amount used instead of the amount of remaining payments.

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STEP 3: DETERMINING ASSET VALUE OF ALL VEHICLES

After equity is determined for each vehicle, $1,500 is subtracted from the one with the highest equity. Any amount in excess of the $1,500 is an asset for that vehicle. In addition, the equity in all other vehicles is counted in its entirety. See Step 1 above.

EXAMPLE: A client has three (3) vehicles. The NADA values are:

Vehicle A	Vehicle B	Vehicle C
$2,500	$1,500	$1,750

The client disagrees with the NADA values of Vehicles B and C. Estimates are obtained for Vehicles B and C as follows:

Vehicle B	Vehicle C
$900	$1,200

The Department disagrees with the estimate obtained for Vehicle B and obtains another estimate of $1,100.

The values used to determine countable equity are found by using the NADA value for Vehicle A, accepting the client-obtained estimate for Vehicle C and by averaging the two estimates for Vehicle B. Therefore, the countable equity is determined as follows:

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Vehicle A		Vehicle B		Vehicle C	
$2,500		$1,000		$1,200	
- 300	Owed	- 400	Owed	- 500	Owed
$2,200	Equity	$ 600	Equity	$700	Equity

Vehicle A is the vehicle with the highest equity; Vehicle A receives the $1,500 exclusion.

Vehicle A	Vehicle B	Vehicle C
$2,200 -1,500 $ 700	$600	$700
Counted toward the asset limit.	Counted toward the asset limit.	Counted toward the asset limit.

Total Vehicle Asset Value = $2,000. The case is ineligible.

End of AFDC Medicaid and

AFDC-Related Medicaid Vehicle Policy

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3. SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 and QI-2.

One vehicle is excluded from consideration as an asset for these coverage groups, when certain criteria regarding value and use are met.

When there is more than one vehicle, always apply the vehicle exclusions in a manner which benefits the client. For instance, the car with the highest value may not be the vehicle used to obtain medical treatment; however, it may be excluded for that use, if it is to the advantage of the client.

STEP 1: EXCLUSION BASED ON USE

One vehicle is totally excluded, regardless of its value, if the AG or an individual whose assets are used to determine the AG's eligibility, uses it as follows:

- For employment; or
- For medical treatment of a specific or regular medical problem; or
- If it is modified for operation by, or specially equipped for, the transportation of a handicapped person; or
- It is necessary to provide transportation to perform essential daily activities because of climate, terrain, distance or similar factors; or
- It is essential to achieving self-support for an AG member or an individual whose assets are used to determine the AG's eligibility, as described in an SSA-approved PASS.

STEP 2: EXCLUSION BASED ON VALUE

If no vehicle is excluded in Step 1, the first $4,500 of the CMV of one vehicle is excluded. When the client's only vehicle cannot be excluded in Step 1 and the CMV is $4,500 or less, the vehicle is totally excluded. When the CMV is more than $4,500, the amount in excess of $4,500 is counted as an asset. Equity value is not considered in this step.

When the client disagrees with the NADA retail value of the vehicle, he may obtain another estimate in writing at his own expense. If he provides the statement, it is averaged with the NADA retail value to arrive at the CMV.

NOTE: Any estimate the client provides must be furnished by a knowledgeable, disinterested source, such as, but not limited

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to, a domestic or foreign used car or truck dealer, or an automobile insurance company.

When the vehicle in question is too old to be listed in the NADA book, the Worker must use the value for the oldest listed vehicle of like make and model. If the client disagrees with this amount, he must be advised that he can obtain an estimate from another source. If there is a charge for the appraisal estimate, the client is responsible for the charge.

STEP 3: VALUE OF OTHER VEHICLES

If the AG or an individual whose assets are used to determine the AG's eligibility has any other vehicles not excluded in Steps 1 or 2 above, the equity of these vehicles is an asset. See Section 11.1 for instructions for determining equity.

<u>EXAMPLE</u>: John Smith owns a 1990 Toyota Celica with a CMV of $8,350, and his equity is $500. He also owns a 1988 Volkswagen with a CMV and equity value of $2,700, which exceeds the asset limit. Based upon Mr. Smith's statement, neither vehicle can be excluded based on use. The $4,500 CMV exclusion is applied to the Volkswagen instead of the Toyota because it benefits the client. Only the equity value of the 1990 Toyota counts toward the asset limit.

<u>EXAMPLE</u>: Mr. Smith has the same vehicles as above. However, he says he usually uses the Toyota Celica to drive to the doctor. If the Toyota is totally excluded, the equity value of the Volkswagen makes him ineligible. Thus, the value of the Volkswagen is totally excluded based on use, and the $500 equity value of the Toyota, along with other countable assets, does not make him ineligible.

<u>End of SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB, QI-1 & QI-2 Vehicle Policy</u>

4. WV WORKS

NOTE: Equity is not a factor in any step of the process determine countable vehicle assets.

STEP 1: EXCLUSION OF ONE VEHICLE

One (1) vehicle is excluded regardless of value. If the client has more than one vehicle, he chooses which vehicle to exclude. The Fair Market Value, not equity, of all other vehicles is an asset.

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STEP 2: DETERMINING FAIR MARKET VALUE (FMV) OF ALL NON-EXCLUDED VEHICLES

The NADA trade-in value of the vehicle is used, unless one of the following conditions exists:

- The client disagrees with the listed NADA value.

  The client is responsible for obtaining one estimate on form ES-V-1, Vehicle Estimate. The Department assumes any expense incurred in obtaining this estimate, using form DF-67. If the Department has no objection to the client's estimate, it is accepted as the FMV. The NADA value is not used once an estimate of the value has been obtained.

  If the Department determines that the estimate obtained by the client is unreasonable, a second estimate is obtained by the Worker from a qualified appraiser of the Department's choice. Form DF-67 is used to pay for the second estimate. This estimate and the client's estimate are averaged to arrive at the FMV.

- The vehicle is not listed in the NADA Book or the NADA Official Older Car Guide due to year of manufacture. In this situation use the following instructions.

  New and Older Models: The client's statement of the value of the vehicle(s) is accepted unless it appears incorrect. In this situation the Worker requires that the client obtain one estimate. Form ES-V-1 is used, and payment, when required, is made by the Department, using a DF-67. If the vehicle is listed as junk with the Department of Motor Vehicles, as indicated on the title of the vehicle, a sale value of $25 is assigned to it, and that amount used as the value.

STEP 3: DETERMINING ASSET VALUE OF ALL NON-EXCLUDED VEHICLES

The FMV as determined in Step 2 above, of all non-excluded vehicles is counted in its entirety, regardless of the client’s equity.

End of WV WORKS Vehicle Policy

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JJ. WALKER V. BAYER, ET AL SETTLEMENTS

FS	WVW, AFDC Groups	SSI Groups
Yes	WVW-Yes; AFDC Groups-	No*

Medicaid Only: Payments made from any fund established pursuant to a class settlement in the case of Susan Walker v. Bayer Corp., et al. are excluded. Payments made as a result of an individual release of claims, instead of the class settlement, are excluded when the agreement is signed by all affected parties on or before the later of 12/31/97, or the date that is 270 days after the date on which the release is first sent to the persons to whom the payment is to be made.