

## 11.1 DEFINITIONS

### ASSETS

Total real and personal property the client has available to meet financial needs, including the value of assets assigned from certain individuals. Assets may be liquid or non-liquid.

### LIQUID ASSETS

Those which are cash or payable in cash on demand, including financial instruments that can be converted to cash. For SSI-Related Medicaid: Liquid assets are those which are cash or which can be converted into cash within 20 working days. National, state and local holidays are not working days.

### NON-LIQUID ASSETS

Those which can be converted or sold for cash. For SSI-Related Medicaid: Non-liquid assets are those which cannot be converted to cash within 20 working days.

### ACCESSIBILITY OF ASSETS

A client may not have access to certain assets. In order to be considered an asset, the asset must be owned by or available to the client. If the client cannot legally dispose of the asset, it is not treated as an asset.

### ANNUITY

An **investment contract or agreement**, which gives the right to receive fixed, periodic payments, either for life or a term of years.

### BENEFICIARY

A person to whom benefits are payable.

### BONDS

U.S. Government, municipal or corporate.

## BURIAL FUNDS

Burial funds include revocable burial contracts, revocable and irrevocable burial trusts, cash, savings bonds, and any other separately identifiable assets which an individual states are intended for expenses connected with burial, cremation, or other funeral arrangements.

## BURIAL CONTRACT

An agreement in which a provider of funeral services and burial items agrees to provide burial services or other final arrangements.

## BURIAL INSURANCE

Insurance with terms specifically providing that the proceeds can be used only to pay burial expenses of the insured individual.

## BURIAL SPACES

Conventional grave sites, crypts, mausoleums, urns or other repositories which are customarily and traditionally used for the remains of deceased persons. It also includes reasonable maintenance of such spaces.

## BURIAL TRUST FUNDS

Assets placed in a trust fund for burial expenses.

## IRREVOCABLE ARRANGEMENTS

Assets which are available for burial and held in an irrevocable burial contract or irrevocable burial trust. Irrevocable contracts and trusts are those which cannot be changed and which do not allow the client access to the assets.

## CASH SAVINGS

The amount of savings or cash-on-hand held by the client or for him by another person.

## CATEGORICALLY ELIGIBLE SNAP AG

An AG which is automatically eligible for the SNAP program without application of the usual eligibility tests.

**CERTIFICATE OF DEPOSIT (CD)**

Funds held in an account that specifies a maturity date.

**CONDITIONAL ELIGIBILITY**

WV WORKS Only: The period of time during which eligibility is allowed, even though assets exceed the maximum allowable asset limit.

**CONTRACT BENEFICIARY**

Any entity that is named in a contract as the beneficiary.

**CONTRACT BUYER**

A person who purchases goods or services as specified in a contract.

**CONTRACT SELLER**

A person, his agent or his employee who sells, makes available or provides contracts.

**CONVERSION OR SALE OF AN ASSET**

The sale or exchange of an asset from liquid to non-liquid or non-liquid to liquid.

**CURRENT MARKET VALUE (CMV)**

Also called FAIR MARKET VALUE. The amount an asset can be expected to sell for on the open market, in the particular geographic area. Market conditions are reflected in an asset's CMV.

**DEBT**

Any form of legal indebtedness against an asset, such as mortgages, liens, loans, purchase contracts and security interests. For purposes of establishing equity value, a debt must be legally recognized as binding on the individual who holds the asset.

**DEDICATED ACCOUNT**

An SSI recipient, who is under age 18 and who has a representative payee, may have a dedicated account, so that back SSI payments can be deposited directly into the account. SSA regulations require that certain such payments be directly deposited. Other payments of the same type are not required to be deposited

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Assets

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directly into the account, but may be deposited in the dedicated account at the discretion of the representative payee. SSA places certain restrictions on the use of the funds deposited into these accounts. SSI representative payees receive notification from SSA that a dedicated account must be established and also receive notification when an SSI back payment amount is directly deposited.

**ELDERLY**

Age 60 and over, for SNAP benefits and WV WORKS. Age 65 and over, for Medicaid.

**ENDOWMENT FOR PERPETUAL CARE**

A contract for care and maintenance of a grave site.

**EQUITY VALUE**

The CMV, less any legal debts, such as mortgages, liens, etc. This is determined by multiplying the amount of the installment payment by the number of payments left and subtracting this amount from the CMV.

**EXCLUDED**

Assets which are not considered when determining asset eligibility.

**FAIR MARKET VALUE (FMV)**

See CURRENT MARKET VALUE

**HOMESTEAD PROPERTY**

The dwelling and land on which the dwelling rests, which is not separated by intervening property owned by others. This property does not have to be part of the original purchase. This includes the life estate interest, when it is the life estate holder's home.

**IMMEDIATE FAMILY**

The SSI-Related Medicaid individual's immediate family includes: parents, or adoptive parents; minor or adult children, including minor or adoptive- and step-children; siblings, including adoptive- and step-siblings. Immediate family also includes the spouse of the above relatives.

## INCOME- PRODUCING PROPERTY

Property that is annually producing income which is consistent with its CURRENT or FAIR MARKET VALUE.

## INDIVIDUAL DEVELOPMENT ACCOUNT (IDA)

**An IDA is a special bank account that helps an individual save for his education or the purchase of a first home or to start a business. The funds are matched by a government or non-profit agency.**

## IRREVOCABLE

**Impossible to retract, revoke or annul.**

## JOINTLY OWNED PROPERTY

An asset owned by two (2) or more individuals.

## LIFE ESTATE HOLDER

The person who benefits from the life estate.

## LIFE INSURANCE

A contract whereby one party insures his own life or the life of another party for a specified amount of money.

## CASH SURRENDER OR CASH-IN VALUE

The amount of cash received by the owner of the policy, if redeemed before death of the insured.

## FACE VALUE

The specified amount payable on death of the insured.

## TERM INSURANCE

Policies which do not have a cash surrender value.

## WHOLE LIFE INSURANCE

Insurance policies which have a cash surrender value.

## LUMP SUM PAYMENTS

Non-recurring, recurring, or advance payments. This may include, but is not limited to, RSDI, stock dividends paid quarterly, or payments from an income disability insurance plan which cover a previous period, but are delayed for medical reports, etc.

## MIXED SNAP AG's

AG's which include a recipient of TANF-funded program, or SSI or who is authorized to receive information and referral services and at least one person who does not receive either of these 3 benefits. Mixed AG's are categorically eligible for SNAP benefits.

## MUTUAL FUNDS

A pool of assets managed by an investment company that buys and sells securities and other investments.

## NON-HOMESTEAD PROPERTY

Real property, other than the homestead, that the client owns or is purchasing.

## PRINCIPAL PLACE OF RESIDENCE

The dwelling the client considers his fixed, established home. **The principal place of residence must be a home in which the individual has lived.**

## PROCEEDS FROM SALE OF HOME

Net amount received by the seller, after satisfaction of all encumbrances and sale expenses.

## PURE SNAP AG's

Every person included in the SNAP AG receives TANF-funded benefits or SSI or is authorized to receive information and referral services. Pure SNAP AG's are categorically eligible for SNAP benefits.

## REBUTTAL

The process whereby the client refutes the Department's presumption of unrestricted access to resources.

## RECREATIONAL VEHICLES AND EQUIPMENT

May include, but is not limited to, boats, snowmobiles, campers, camper-trailers, airplanes, and similar equipment that do not meet the definition of a vehicle and ATV's and similar vehicles that do not require licensing, even though they may be licensed. This does not include sporting equipment or toys. Also see VEHICLE.

## RESOURCES

Income and assets.

## RETIREMENT FUNDS

Funds in an individual account, pension fund or retirement plan, such as IRA's, KEOGH Plans, 401k's, SEP's and employer plans.

## REVOCABLE

**Capable of being revoked, retracted or annulled.**

## SPOUSES

Persons legally married to each other, under the provisions of State law, or those moving to West Virginia from states that recognize their relationship as a legal common-law marriage.

## STOCKS

A security representing a share of ownership in a business or corporation.

## TRUSTEE

Person or institution which holds legal title to property for the benefit or use of another.

## TRUST

Any arrangement in which a grantor transfers property to a trustee(s) with the intention that it be held, managed or administered by the trustee(s) for the benefit of the grantor or certain designated individuals (beneficiaries). The trust must be valid under State law and manifested by a valid trust instrument or agreement. A trustee holds a fiduciary responsibility to manage the trust's corpus and income for the benefit of the beneficiaries. For Medicaid, the term trust also includes any legal instrument or device that is similar to a trust.

**Legal Instrument Or Device Similar To A Trust:** Any legal instrument, device or arrangement which may not be called a trust under State law, but which is similar to a trust. That is, it involves a grantor who transfers property to an individual or entity with the intention that it be held, managed or administered by the individual or entity for the benefit of the grantor or others. This may include, but is not limited to, escrow accounts, investment accounts, pension funds, and other similar entities managed by an individual or entity with fiduciary obligations.

#### UNCOMPENSATED VALUE

The Fair Market Value, less any outstanding loans, mortgages or other encumbrances on the asset, minus the amount of compensation received by the AG.

#### UNDUE HARDSHIP

Undue hardship exists when application of some aspects of the asset policy would deprive the individual of Medicaid, to the extent that his health or life would be endangered. It also exists when application of the trust policy would deprive the individual of food, clothing, shelter or other necessities of life. Undue hardship does not exist when application of the trust policy causes the individual inconvenience or might restrict his lifestyle, but would not put him at risk of serious deprivation.

#### UNIFORM GIFTS TO MINORS ACT (UGMA)

The State law which allows an irrevocable gift of money or property, made to a minor, to be tax-free. This may also be referred to as Uniform Transfer to Minors Act (UTMA).

#### VEHICLE

A car, truck, motorcycle, motor scooter, or a camper when the living section of the camper is a permanent part of the motorized section. To be considered a vehicle, it must require licensing to operate on public roadways, not necessarily be licensed. ATV's are treated as recreational vehicles, not as vehicles. **See Section 11.4,QQ,3 for SSI-Related vehicles.**

Also see RECREATIONAL VEHICLES AND EQUIPMENT.