

EXAMPLE: A 10-year-old child is applying for SSI-Related Medicaid. He is living with his mother, his stepfather, and two minor dependent sisters, none of whom are Medicaid eligible. The child's assets are \$500. The combined assets of the mother and stepfather are \$4,000. The asset limit for 2 is \$3,000. Assets of \$1000 are deemed to the child whose total assets are now \$1500. The asset limit for one person is used to determine the child's asset eligibility.

2. Assets Of Ineligible Students

Student status has no bearing on asset eligibility.

3. Jointly Owned Assets

The treatment of jointly owned assets depends upon the relationship of the joint owners and whether or not all the joint owners are included in the AG. This is explained below.

There are 5 instances in which the full equity of a jointly owned asset is not counted for each owner.

These are detailed in items a-c and e below and in Section 11.2,D when joint ownership is indicated by use of the word "and" to connect all owners.

See Section 11.4 for information concerning joint ownership of Life Estates.

a. Joint Ownership by Spouses

For spouses, joint ownership is not the deciding factor.

(1) Spouses Who Live Together

For spouses who live together, the assets of one spouse are counted in their entirety for the other spouse, even when they are not actually available. The asset limit for two is used.

(2) Spouses Who Do Not Live Together

For spouses who do not live together, only the jointly owned assets that are accessible to the spouse are counted toward the asset limit. The asset limit for one is used. See Section 11.2.

Assets

When one spouse is institutionalized, assets are treated according to item (1) above, even if they lived apart prior to institutionalization. See Chapter 17.

b. Joint Ownership With An SSI Recipient

Treatment of assets jointly owned with an SSI recipient depends on the type of asset.

(1) Bank Accounts

When the joint owner, who is an SSI recipient, does not successfully rebut the presumption of ownership through SSA, all account funds are considered to belong totally to the SSI recipient. Otherwise, the portion that SSA determines not to be his due to his successful rebuttal is considered to belong to the other joint owner(s).

(2) Other Assets

For assets other than bank accounts, unless there is evidence to the contrary, assume that each owner owns only his fractional interest of the shared asset.

c. Joint Ownership with Other SSI-Related, **M-WIN**, CDCS, PAC, QDWI, QMB, SLIMB and QI-1 Medicaid Clients.

When the joint owners include more than one applicant or recipient of SSI-Related, **M-WIN**, CDCS, PAC, QDWI, QMB, SLIMB or QI-1 who are not spouses, the equity value of the asset is divided by the number of SSI-Related, **M-WIN**, CDCS, PAC, QDWI, QMB, SLIMB or QI-1 clients, regardless of the number of other joint owners. The result is counted as an asset for each client.

d. Joint Ownership by Others

When all of the following conditions apply, jointly owned assets are counted in their entirety for each owner.

- Joint ownership is indicated by use of the word "OR". See Section 11.2,D.
- The joint owners are not spouses. See item a above.
- One of the joint owners is not an SSI recipient. See item b above.

- The joint owners are not SSI-Related, **M-WIN**, CDCS, PAC, QDWI, QMB, SLIMB or QI-1 clients. See item c above.
- The client has not successfully rebutted the presumption of full ownership. See item e below.

e. Rebuttal When Client Denies Ownership of Assets

When the client has unrestricted access to assets, his ownership is presumed even though he does not consider himself an owner. He must be allowed to rebut the Department's presumption of ownership.

(1) Evidence Necessary For Rebuttal

The client must provide the following evidence to rebut the presumption of ownership:

- A statement written by the client giving his explanation of ownership of the asset and the reason the asset is not accessible to him. In addition, when the asset is a bank account or certificate of deposit, the Worker must document who made deposits to and withdrawals from the account and who benefited from the funds.
- Corroborating statements from the other owners. However, if the joint-owner is incompetent or a minor, it is not necessary to obtain a corroborating statement.
- Proof of change in the asset ownership designation which removes the client's name as an owner or restricts his access to the asset.

4. Special Considerations Depending On AG Composition

None.

5. Retroactive Payments

These are counted as an asset when retained as of the first moment of the month following the month of receipt, **with the exception of the following.**

a. RSDI and SSI Underpayments

The payments are excluded for 9 months following the month of receipt.

b. RSDI and SSI Restitution Payments for Misuse by a Representative Payee

The payments are excluded for 9 months following the month of receipt.

6. Low Profit From The Sale Of An Asset

The SNAP provision for low profit from the sale of an asset does not apply.

7. Burial Funds

Beginning with applications processed on 8/11/93, a client may retain a maximum of \$3,000 in burial funds for himself. He may also retain the same amount for his spouse. These funds may be in the form of money set aside for burial (maximum of \$1,500, not comingled with other funds), face value of life insurance policies, revocable or some irrevocable burial trusts or prepaid funeral contracts, etc.

Burial trusts are treated like any other trust funds, unless all of the following conditions are met:

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

- The client is expected to receive goods and services with a total FMV at least equal to the amount he paid.

When all of these conditions are met, burial funds are excluded in their entirety for the client and/or his spouse.

The exclusion is determined by the following method, with irrevocable burial funds being used for the exclusion before any other funds.

Step 1: \$3,000 Maximum Burial Exclusion

Step 2: Subtract irrevocable burial trusts, irrevocable burial contracts or any other irrevocable burial agreements.