

## 11.7 TRANSFER OF ASSETS

### A. **SNAP** BENEFITS

There is a penalty when an AG member, an individual excluded by law or disqualified, knowingly transfers assets for the purpose of qualifying for **SNAP**. Supervisory approval is required before notification of disqualification is sent to the client.

#### 1. Applicants

If the applicant has transferred assets within the 3-month period immediately preceding the date of application, the AG is disqualified from participation in the Program for up to one year from the date the transfer is discovered.

#### 2. Recipients

If a recipient transfers an asset, the AG is disqualified from participation for up to one year from the date the transfer is discovered.

#### 3. Permissible Transfers

Eligibility is not affected by transfers of assets which:

- Would otherwise not affect eligibility, such as personal effects, any item excluded in Section 11.4, etc.; or
- Are sold or traded at or near the CMV; or
- Are transferred between members of the **SNAP** AG.

**EXCEPTION:** The assets of an SSI recipient are excluded in a mixed **SNAP** AG. See Section 11.5,A,4. Therefore, a transfer from a non-SSI recipient to an SSI recipient could be a transfer of assets and any such transfer must be explored.

- Are transferred for other purposes.

**EXAMPLE:** Placing funds in an irrevocable burial trust fund.

#### 4. Length Of Disqualification

The length of the disqualification period is based on the amount by which the client's total retained assets and those transferred exceed the appropriate asset limit.

## Assets

**EXAMPLE:** If a one-person AG, with a bank account of \$1,500, transfers bonds with a cash value of \$1,000, the amount transferred is \$500. The \$1,500 bank account plus \$1,000 in bonds equals \$2,500. Subtract the \$2,000 asset limit from this amount to arrive at the \$500.

The chart below is used to determine the disqualification period:

Amount in Excess of the Asset Limit	Disqualification Period
0 - 249.99	1 month
250 - 999.99	3 months
1,000 - 2,999.99	6 months
3,000 - 4,999.99	9 months
5,000 - and up	12 months

The disqualification period begins as follows:

- Application: The month of application.
- Active Case: With the first issuance after discovery, when the adverse action notice period permits. Otherwise, the following month.
- Closed Case: If the transfer occurs prior to closure, disqualification begins when the AG reapplies and is found otherwise eligible. If the transfer occurs after closure, the client is treated the same as any other applicant upon reapplication.

**EXAMPLE:** A one-person AG has \$2,150 in a savings account. He transfers \$400 to qualify for **SNAP** benefits. To determine his disqualification period, consider the total asset value of \$2,150. The countable asset of \$2,150, less the \$2,000 asset limit, equals the amount in excess of the asset limit or \$150. The disqualification period is one month.

## B. MEDICAID

There is no transfer of assets penalty for Medicaid, except when a Medicaid recipient, who receives Medicaid under a coverage group that requires an asset test, applies for or receives long-term care services. See Chapter 17.