

## 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.

## EXCESSIVE HOME EQUITY

This definition is used in the determination of eligibility for Long-term-care Services for Medicaid. Excessive home equity can result in a denial of payment for LTC or waiver services when the equity in the homestead exceeds the current allowable maximum, currently \$525,000.00. This amount changes every year and is updated in this Section.

A denial for excessive home equity is subject to the Undue Hardship Provision. See 11.1 and 17.10 for details.

## 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.

## INSTITUTIONALIZED SPOUSE

A spouse who is an institutionalized individual. See Section 17.10. This individual has a spouse living in the community who is not receiving long-term-care benefits. This definition is used when one spouse is applying for long-term-care benefits and the other spouse is not, and is used in conjunction with the definition of community spouse.

## IRREVOCABLE

Impossible to retract, revoke or annul.

## JOINTLY OWNED PROPERTY

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

## LAND SALE CONTRACT

A contract whereby a land owner enters into a legal agreement to sell property to another person by installment payments. The buyer is entitled to possession and equitable title to the property. The seller or creditor holds legal title until the buyer completes the required payments to fulfill the contract.

## 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.

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Assets

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## FACE VALUE

The specified amount payable on death of the insured, usually listed on the front of the policy, is the amount guaranteed and premium terms agreed upon via contract at the time of purchase. When the premium payment specified in the contract has been fulfilled and premium payments continued to be made resulting in additional paid-up insurance, the policy's death benefit, i.e., face value, has increased and the current amount counted.

## TERM INSURANCE

Policies which do not have a cash surrender value.

## WHOLE LIFE INSURANCE

Insurance policies which have a cash surrender value.

## LONG-TERM-CARE INSURANCE PARTNERSHIP (LTCIP) ASSET DISREGARD

An asset disregard available to certain institutionalized aged, blind or disabled individuals with income equal to or less than 300% of the SSI payment for 1 but whose resources exceed the allowable asset limit. Eligible individuals must have a Qualified LTCIP Policy issued by a Partnership State while residing in a Partnership State with insurance payments made as of the date of the State's State Plan Amendment (SPA) that implemented the LTCIP. See Chapter 17, Appendix J. Assets are disregarded dollar-for-dollar in the amount of insurance payments made. Assets are protected at Estate Recovery in this same amount. See Chapter 17, Section 17.10.

## 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.

## NEGOTIABLE AGREEMENT

An agreement whereby the ownership of the instrument itself and its face value can be transferred, e.g., sold, from one person to another.

## NON-HOMESTEAD PROPERTY

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

## PERSONAL CARE CONTRACT (PCC)

A legal, written contract, also referred to as a personal care agreement or personal service contract, executed between an individual or his authorized representative and the caregiver, often an adult child, relative or friend, in which the caregiver agrees to render services at fair market value (FMV) in exchange for reasonable payment. See Fair Market Value.

Reasonable payment is determined by comparing compensation paid by home-care agencies or other independent caregivers for similar services in the same locale at the specific time period when services were rendered.

The amount of any resource transferred to pay for personal care services is compared to the value of the personal care services after FMV is determined. A transfer for FMV incurs no penalty. When the value of the transfer exceeds the FMV of the services, the excessive amount is subject to a transfer penalty.

## 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.

## PROMISSORY NOTE

A written, unconditional agreement whereby one party promises to pay a specified sum of money at a specified time or on demand to another party. It may be given in return for goods, money loaned or services rendered. See BONA FIDE LOAN in Section 10.1.

## 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

This condition exists when the application of one of more of the following asset policies, (1) excessive home equity, (2) transfer to a non-permissible trust, and/or (3) a transfer of assets penalty results in the denial of payment of Long-term-care Services, and causes the individual to be deprived of medical care to the extent that the individual's health or life would be endangered or his food, clothing, shelter or other necessities of life are at severe risk.

When there has been a transferred asset, in order to meet Undue Hardship requirements, the individual must have exhausted all means, legal and otherwise, to receive fair market value for and/or to regain the transferred asset. All means, legal or otherwise, refers to action through the court system and/or the voluntary return or recovery of the asset or item. Undue hardship does not exist when the denial causes the individual inconvenience or might restrict his lifestyle, but would not put him at risk of serious deprivation.

## UNDUE HARDSHIP COMMITTEE

A standing committee comprised of representatives from BMS and DFA, that determines if an individual's denial for Medicaid LTC Services should be waived due to the individual's undue hardship condition as defined above.

## UNDUE HARDSHIP PROVISION

This provision only applies to individuals who are denied Medicaid LTC Services due to the application of the excessive home equity, transfer of asset to a non-permissible trust and/or a transfer of assets penalty. The individual must be *otherwise* eligible for LTC Services.

## 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.