

**RESOURCES**  
**FINANCIAL INSTITUTION ACCOUNTS**

**Description:** Financial institution accounts include checking accounts, saving accounts, money market accounts, time deposits (also known as Certificates of Deposit - CDs) and guardianship accounts. Financial Institution accounts do not include stocks, bonds and mutual funds.

**Policy:** All financial institution accounts are reviewed to determine their availability and value. The value of the account is the amount of monies that the A/R can currently withdraw. If there is a penalty for early withdrawal the value of the account is the amount available after the penalty deduction. Any income taxes due are not deductible in determining the account's value. It is important that local districts evaluate potential unearned income from interest earned from such accounts. (See **INCOME DIVIDENDS AND INTEREST** for a more complete description of income from dividends and interest.)

**References:**

SSL Sect.	366 366.2(b) 366-ee
Dept. Reg.	360-2.3 360-4.4 360-4.6(b)(5)
ADMs	10 OHIP/ADM-01 96 ADM-8 92 ADM-11
GIS	09 MA/027

**Interpretation:** As long as the A/R is designated as the sole owner by the account's title, and can withdraw funds and use them for his or her support and maintenance, the A/R is presumed to own all of the funds in the account, regardless of their source. The presumption cannot be rebutted.

**NOTE:** When the letters ITF (In Trust For) appear on an account, the account is owned by the person(s) whose name(s) appears before the ITF. The person named after the ITF will receive the proceeds of the account upon the death of the owner(s).

When investigating financial institution accounts, note all major transactions. If large amounts of money have been deposited or withdrawn, the A/R is questioned as to the reason for the transaction, i.e., how the money was acquired or disposed of.

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An SSI-related child's savings account of less than \$500 is disregarded when determining Medicaid eligibility. The funds must be accumulated from gifts from non-legally responsible relatives and/or from the child's own earned income. Each SSI-related child is allowed one account; when the child has more than one savings account, the A/R is allowed up to 30 days to consolidate the funds into one account.

When an SSI-related A/R and one or more persons jointly own a savings account, the SSI-related A/R is presumed to have a 100% interest in the account. The presumption can be rebutted. Evidence that the account is, in fact, the property of only one of the persons named as an owner or that the ownership is not divided equally is documented in the case record. It is not uncommon for additional names to be listed on savings accounts for tax advantages, convenience in obtaining proceeds or inheritance purposes.

**NOTE:** In addition when an SSI-related A/R converts his/her resource to a joint account, transfer of assets implications are evaluated.

**NOTE:** An A/R may deposit recurring income, such as wages or a pension into his/her checking account each month. The A/R may draw on this money during the month to pay rent, utilities and other bills. Care is taken not to count this recurring income as a resource and income in the same month. However, if a balance is carried forward to the next month, it may be considered a countable resource in that month.

- When to Verify:**
- (a) When the SSI-related A/R declares s/he has a financial institution account;
  - (b) When the SSI-related A/R declares ownership of a money market fund or certificate of deposit;
  - (c) When the SSI-related A/R declares membership in a credit union;

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- (d) When current or past maintenance indicates the probability of an existing savings account.

**Verification:**

Verification of financial institution accounts may be accomplished in several ways:

- (a) Bank accounts: seeing the bankbook or most recent statement;
- (b) Certificates of deposit: seeing the most recent statement including the maturity date of the certificate or account;
- (c) Checking accounts: seeing the most recent statement. Seeing the checkbook is not sufficient for verification; however, it may provide information concerning the type and amount of major transactions;
- (d) Credit union accounts: seeing the most recent statement.
- (e) When the Resource File Integration (RFI) reports indicate that the A/R has income from financial institution accounts.

If the A/R is unable to provide statements, the local district contacts the institution directly.

**Documentation:**

Sufficient to establish an audit trail:

Copy of account statement; the name and address of the institution, account number, amount of current balance, date and amount of highest balance plus the date and amount of all major withdrawals and deposits.