



STATE OF NEW YORK DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Antonia C. Novello, M.D., M.P.H., Dr.P.H.
Commissioner

Dennis P. Whalen
Executive Deputy Commissioner

DATE: August 22, 2002

RE: Department Release – Transmittal No. 96 ADM-8

SUBJECT: OBRA '93 Provisions on Transfers and Trusts

Dear Sir or Madam:

Due to clarification regarding the responsibility of a life estate holder to pay taxes and maintenance on rented life estate property, provided the life estate agreement does not specify otherwise, please make the following revision to the above mentioned transmittal:

On page 21, under Availability, third paragraph, replace the second sentence with the following:

“The life estate holder is responsible for payment of taxes and maintenance unless the life estate agreement states otherwise. If the life estate holder pays taxes and maintenance, these costs can be deducted from the rental income.”

Thank you.

Sincerely,

Kathryn Kuhmerker
Deputy Commissioner
Office of Medicaid Management