

RESOURCES

RETIREMENT FUNDS

Description: Retirement funds are annuities or work-related plans for providing income when employment ends. They include but are not limited to: pensions; Individual Retirement Accounts (IRAs); 401(k) plans; and Keogh plans.

Policy: A retirement fund owned by an SSI-related individual is a countable resource if the SSI-related individual is not entitled to periodic payments, but is allowed to withdraw any of the funds. The value of the resource is the amount of money that s/he can currently withdraw. If there is a penalty for early withdrawal, the value of the resource is the amount available after the penalty deduction. Any ordinary income taxes due are not deductible in determining the value of the resources.

References:

Dept. Reg.	360-4.4 360-4.6(b)(2)(iii) 366 366-ee
ADMs	11 OHIP/ADM-07 10 OHIP/ADM-01 90 ADM-36 88 ADM-30
GISs	09 MA/027 06 MA/004 98 MA/024

Interpretation: A retirement fund is not a countable resource if an individual must terminate employment in order to obtain any payment. If the SSI-related individual is in receipt of or has elected to receive periodic payments, the retirement fund is not a countable resource. Effective October 1, 2011 retirement funds of a participating MBI-WPD A/R or his/her spouse are disregarded.

NOTE: That the SSI-related individual may choose to take money out of a retirement account on a non uniform and/or inconsistent basis. An example would be an individual electing to withdraw \$350 from a retirement fund in February and \$600 in October. These irregular withdrawals are not treated as periodic payments. The non-periodic distributions are considered a conversion of a resource and not countable income. In this situation, the retirement fund is treated as an available, countable resource.

Effective January 1, 2006, if a Community Spouse (CS) is NOT