

## RESOURCES

### ADC-RELATED RESOURCE DISREGARDS

**Policy:**

Not all of the resources available to an A/R are counted when determining his/her financial eligibility for Medicaid. Certain types and amounts of resources are disregarded. After these resources are disregarded, what remain are the A/R's countable resources. All countable resources are compared to the appropriate resource level. (See **REFERENCE MEDICAID RESOURCE LEVEL**)

The following is a list of disregarded resources:

*AUTOMOBILE* – One automobile of any value is exempt as long as it is being used by the household. A second vehicle may be exempt if there is a medical need for it or it is being used for employment related activities. A third vehicle is also exempt if there is a child under 21 years of age in the household, and they are using this vehicle for school attendance and/or employment/medical purposes.

*BLOOD PLASMA SETTLEMENTS* – Payments received as a result of a federal class action settlement with four manufacturers of blood plasma products on behalf of hemophilia patients who are infected with human immunodeficiency virus (HIV).

*BONA FIDE LOAN* – A bona fide loan received by the A/R from an institution or person not legally liable for the support of the A/R. The loan must be a written agreement, signed by the A/R and the lender. The written agreement must indicate: the A/R's intent to repay the loan within a specific time; and how the loan is to be repaid, by specific real or personal property held as collateral, or from future income. The loan remains an exempt resource as long as it retains the characteristics of a bona fide loan. Any interest accrued is considered unearned income in the month received.

*BURIAL SPACES* – Items customarily and traditionally used for the remains of deceased persons. (See **RESOURCES BURIAL SPACES**) Burial space items included in the A/R's irrevocable pre-need funeral agreement are exempt. Certain