

RESOURCES TRANSFER OF ASSETS

ALL CATEGORIES EXCEPT S/CC

Description: Sometimes an A/R, the A/R's spouse, or someone acting on his/her behalf, makes a voluntary assignment or transfer of non-exempt assets for less than its fair market value. Under certain circumstances, an A/R may be subject to a period of restricted Medicaid coverage or penalty period, when a transfer of assets for less than the fair market value has occurred.

Policy: At the initial application and at all subsequent recertifications, A/Rs are evaluated to determine if they and/or their spouse transferred assets for less than fair market value, unless the local district and the A/R have opted for the community coverage option (see 95 ADM-17). A voluntary transfer of assets for less than fair market value made within, or after, the 36 month period (60 month period for *transfers to and from* trusts) prior to the date of the A/R's application or the date of his/her institutionalization, whichever is later, may render the A/R ineligible for Medicaid coverage of: nursing facility services; level of care equivalent to that of nursing facility services provided in a hospital; or care, services or supplies for which a waiver has been obtained under Section 1915 (c) or (d) of the Social Security Act.

Once eligibility is established for an institutional spouse, any transfers made by the community spouse do not affect the institutionalized spouse's Medicaid eligibility.

The transfer of assets rules do not apply to persons whose eligibility is determined without a resource test. Such persons include pregnant women, infants under age 1, children under 19 whose household income is compared to a federal poverty level, and policy holders who have utilized the minimum required benefits under a Partnership for Long-Term Care policy.

References:

SSL Sect.	104-a 366.5
Dept. Reg.	360-1.4 360-4.4(b)(2) 360-4.4(c) 360-4.7(a)(1)
ADMs	96 ADM-8 91 ADM-37 91 ADM-31 90 ADM-36