

Policy Clarifications - Medicaid - Long Term Care PMN15842440

Submitted: 06/27/11

Agency: CAOs

Citations:

Subject: Transfer of Resident Property by the Community Spouse

Will the sale or transfer of the resident property affect the institutionalized spouse's (IS) eligibility for Medical Assistance (MA) and payment of Long Term Care (LTC) services? Is policy clarification SF No NC-4876-440 valid?

Response By: Division of Health Services

Date:06/27/11

Yes, the sale or transfer of the resident property by the CS could affect the IS's eligibility for MA LTC.

If the CS sells the property, the entire value of the property will be counted as a resource for the IS. It does not matter that the property was titled only in the name of the CS. When the property is sold, all of the proceeds are considered available to the IS except for the amount used to purchase a new residence. The purchase of the new residence should be within three months. Proceeds remaining after the purchase of the new residence may be transferred to the CS, but only up to the Community Spouse Resource Allowance figure.

If the residence was transferred, the entire uncompensated value is considered available to the IS (even if the name of the IS was never on title) and an applicable penalty period should be imposed.

No, policy clarification SF No NC-4876-440 (issued 3/21/95 via paper copy only prior to PC availability on the OIM Web) is not valid. It was obsolete upon issuance of OPS 030305.