

Policy Clarifications - Medicaid - Long Term Care PMN15789440

Submitted: 05/18/11

Agency: CAOs

Citations:

Subject: Transfer of Assets to a Disabled Child

1. Can assets be transferred to an individual's disabled child?
2. Is there an age limit for the individual's disabled child?
3. If assets are transferred will a penalty period be imposed?
4. Could the asset transfer affect the eligibility begin date?

Response By: Division of Health Services

Date:05/18/11

1. Yes, assets (income and resources) may be transferred to an individual's child, who is disabled per Social Security (SS) standards for the sole benefit of the child. The disability must be documented.
2. No, there is no age limit for the individual's disabled child, including an adult child.
3. No, a penalty period will not be imposed if the asset is transferred to an individual's child who is documented as disabled per SS standards.
4. Yes, if an individual applying for Medical Assistance (MA) and payment of Long Term Care (LTC) services must reduce resources to be eligible, it could affect the begin date of eligibility, if the assets are transferred to an individual's disabled child. I.E. Mr. B is requesting MA LTC effective 2/15/11 and has resources totaling \$15,000. He has a child, who is documented as disabled per SS standards. On 2/28/11, he transfers \$8,000 to his child for the child's benefit. Mr. B would be eligible for MA LTC on 3/01/11 if all other conditions of eligibility are met.