STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

TRANSFER OF RESOURCES

1902(f) and 1917 of the Act

The agency provides for the denial of eligibility by reason of disposal of resources for less than fair market value.

A. Except as noted below, the criteria for determining the period of ineligibility are the same as criteria specified in section 1613(c) of the Social Security Act (Act).

1. Transfer of resources other than the home of an individual who is an inpatient in a medical institution.

a. /X/ The agency uses a procedure which provides for a total period of ineligibility greater than 24 months for individuals who have transferred resources for less than fair market value when the uncompensated value of disposed of resources exceeds $12,000. This period bears a reasonable relationship to the uncompensated value of the transfer. The computation of the period and the reasonable relationship of this period to the uncompensated value is described as follows:

The disqualification period is based on a reasonable relationship to cost of care of a person not eligible for Title XIX.

(1) Disposal of resources for less than fair market value prior to July 1, 1989, or October 1, 1989, between spouses.

In determining eligibility for Medicaid for persons described in Iowa Administrative Code 441--75.1(3), 75.1(4), 75.1(6), 75.1(7), 75.1(9). 75.1(13), 75.1(17), 75.1(18), 75.1(23), 75.1(25), 75.1(27), 75.1(29), and 86.1, resources transferred (continued on pg. 1a)

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during or after the 24-month period prior to application which were not exempt at the time of transfer and which the person gave away or sold at less than fair market value prior to October 1, 1989, for transfers between spouses and prior to July 1, 1989, for transfers to others for the purpose of establishing eligibility for Medicaid shall be counted as resources still available to the person for the following period of time:

(a) For uncompensated value of $12,000 or less: 24 months from the date of transfer.

(b) For uncompensated value between $12,001 and $24,000: 36 months from the date of transfer.

(c) For uncompensated value between $24,001 and $36,000: 48 months from the date of transfer.

(d) For uncompensated value between $36,001 and $50,000: 60 months from the date of transfer.

(e) For uncompensated value over $50,000: 72 months from the date of transfer.

(2) Disposal of resources for less than fair market value on or after July 1, 1989, or on or after October 1, 1989, between spouses, and on or before August 10, 1993.

In determining Medicaid eligibility for persons described in Iowa Administrative Code 441--Chapters 75, 83, and 86, transfers of resources occurring on or after October 1, 1989, between spouses and on or after July 1, 1989, to others, and on or before August 10, 1993, will affect Medicaid eligibility as provided below. Resources transferred by an institutionalized person or an institutionalized person's spouse during or after the 30-month period before the date the person entered the medical institution (for persons eligible for Medicaid on that date), or (for persons not eligible on that date).

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the date application is made while a person is residing in a medical institution shall disqualify the institutionalized person for nursing facility services and for a level of care in a medical institution equivalent to that of nursing facility services and for home-and community-based waiver services with these exceptions:

a. The transfer of resources was between spouses or to another for the sole benefit of the institutionalized person's spouse on or after October 1, 1989.

b. The transfer of resources was pursuant to a court order against the institutionalized spouse for the support of a community spouse and the resources were transferred for the support of the community spouse, or for the support of a minor or dependent child, dependent parent, or dependent sibling of the institutionalized or community spouse residing with the community spouse.

c. The resource transferred was a home and the home was transferred to any of the following:

(1) The spouse of the institutionalized person.

(2) A child of the institutionalized person who is under age 21, or who is blind or disabled as defined under Section 1614 of the Social Security Act.

(3) A sibling of the institutionalized person who has an equity interest in the home and who was residing in the home for a period of at least one year immediately before the date the person became an "institutionalized person" or eligible for home-and community-based waiver.

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(4) A son or daughter of the institutionalized person who was residing in the person's home for a period of at least two years immediately before the date the person became an "institutionalized person" and who provided care to the person which permitted the person to reside at home rather than in a medical institution.

(d) The transfer of resources was to the person's blind or disabled child, as defined under section 1614 of the Social Security Act.

(e) The transferor makes a satisfactory showing that the transferor intended to dispose of the resource either at fair market value or for other valuable consideration, or that the resource was transferred exclusively for a purpose other than to establish eligibility for Medicaid.

(f) It is determined that denial of eligibility would work an undue hardship under 75.15(3).

Unless exempt, the transfer of resources will result in 30 months of ineligibility beginning with the month of transfer, or a lesser period determined by dividing the total uncompensated value of resources transferred by the average statewide cost of nursing facility services to a private-pay resident at the time of application.

The Department redetermines the average statewide private-pay cost of nursing facility services annually.

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Undue hardship in denying eligibility will exist only where both of the following conditions are met:

a. The person who transferred the resource or the person's spouse has exhausted all means including legal remedies and consultation with an attorney to recover the resource.

b. The person's remaining available resources (after the attribution for the community spouse) are less than the monthly statewide average cost of nursing facility services to a private pay resident. The value of all resources is counted except for:

(1) The home if occupied by a dependent relative, or a doctor verifies that the person is expected to return home.

(2) Household goods.

(3) A vehicle required by the client for transportation.

(4) Funds for burial of $4,000 or less.

Hardship will not be found if the resource was transferred to a person who was handling the financial affairs of the client or to the spouse or children of a person handling the financial affairs of the client unless the client demonstrates the payments cannot be obtained from the funds of the person who handled the financial affairs to pay for nursing facility services.

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b. /_/ The period of ineligibility is less than 24 months, as specified below:

c. /_/ The agency has provisions for waiver of denial of eligibility in any instance where the State determines that a denial would work an undue hardship.

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2. Transfer of the home of an individual who is an inpatient in a medical institution.

/_/ A period of ineligibility applies to inpatient in an SNF, ICF or other medical institution as permitted under section 1917(c)(2)(B)(i).

a. Subject to the exceptions on page 2 of this supplement, an individual is ineligible for 24 months after the date on which he disposed of the home. However, if the uncompensated value of the home is less than the average amount payable under this plan for 24 months of care in an SNF, the period of ineligibility is a shorter time, bearing a reasonable relationship (based on the average amount payable under this plan as medical assistance for care in an SNF) to the uncompensated value of the home as follows:

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b. /_/ Subject to the exceptions on page 2 of this supplement, if the uncompensated value of the home is more than the average amount payable under this plan a medical assistance for 24 months of care in an SNF, the period of ineligibility i more than 24 months after the date on which he disposed of the home. The period of ineligibility bears a reasonable relationship (based upon the average amount payable under this plan a medical assistance for care in an SNF) t the uncompensated value of the home as follows:

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No individual is ineligible by reason of item A.2 if--

(i) A satisfactory showing is made to the agency (in accordance with any regulations of the Secretary of Health and Human Services) that the individual can reasonably be expected to b discharged from the medical institution and to return to that home;

(ii) Title to the home was transferred to the individual's spouse or child who is under age 21, or (for States eligible to participate in the State program under title XVI of the Socia Security Act) is blind or permanently and totally disabled or (for States not eligible t participate in the State program under title XVI of the Social Security Act) is blind or disabled as defined in section 1614 of the Act

(iii) A satisfactory showing is made to the agency (in accordance with any regulations of the Secretary of Health and Human Services) that the individual intended to dispose of the home either at fair market value or for other valuable consideration; or

(iv) The agency determines that denial of eligibility would work an undue hardship.

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3. 1902(f) States

/_/ Under the provisions of section 1902(f) of the Social Security Act, the following transfer or resource criteria more restrictive than those established under section 1917(c) of the Act, apply:

B. Other than those procedures specified elsewhere in the supplement, the procedures for implementing denial of eligibility by reason of disposal of resources for less than fair market value are as follows:

1. If the uncompensated value of the transfer is $12,0 or less:

2. If the uncompensated value of the transfer is more than $12,000:

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3. If the agency sets a period of ineligibility of less than 24 months and applies it to all transfers of resources (regardless of uncompensated value):

4. Other procedures: