

**MORE LIBERAL METHODS OF TREATING RESOURCES  
UNDER SECTION 1902 (r)(2) OF THE ACT\***

Section 1902(f) State

Non-Section 1902(f) State

1. The following resource methodology applies to individuals covered in Section 1905(p) (QMB, SLMB, and QI-1) and, except for ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(A)(ii)(I) of the Act, aged, blind or disabled individuals covered in Section 1902(a)(10)(A)(ii)(I) of the Act:

All resources shall be excluded.

2. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(V):
  - a. Rather than the disregards described at section 1613(d) of the Social Security Act, the following disregards are used:
    - Term insurance;
    - Burial insurance;
    - Assets that an individual has irrevocably assigned to fund the expenses of a burial;
    - The value of all life insurance when the face value does not exceed \$1,500 (total per insured individual) and the policy has not been assigned to fund a pre-need burial plan or declaratively designated as a burial fund;
    - Burial plot items as defined in 1613(a)(2)(B) of the Social Security Act;
    - At the time of the eligibility determination, \$1,500 of the equity value of an asset declaratively designated as a burial fund or a revocable burial arrangement when there is no irrevocable burial arrangement, and
    - If an individual remains continuously eligible, all appreciation in value of his assets will also be disregarded.
  - b. Disregard up to \$4,500 of the equity value of one automobile that is not excluded under 1613(a)(2)(A) in the resource eligibility determination.
  - c. Disregard the value of oil, mineral and timber rights in the resource eligibility determination.

TN No. 05-002  
Supersedes  
TN No. 03-002

Approval Date MAY 05 2005 Effective Date MAR 09 2005

3. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(IV) and (V).

Rather than performing resource determinations as of the first moment of the month, resource determinations may be made at any time during the month. If the individual's resources are within the resource limit at any time during the month, the individual will be eligible for the entire calendar month.

4. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(IV) and (V).

Disregard the value of payments refunded by a nursing facility as required by Section 1919(c)(5) of the Social Security Act for a period of six months beginning the month the refund is received. However, transfer penalties will apply if a refund is transferred without receipt of adequate compensation.

5. The following resource methodology applies to individuals covered in Section 1902(a)(10)(ii)(IV) and (V):

Disregard the value of payments refunded by a provider of home and community based services for a period of six months beginning the month the refund is received. However, transfer penalties will apply if a refund is transferred without receipt of adequate compensation.

6. Except for ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(A)(ii)(I) of the Act, the following resource methodology applies to individuals described in 1902(a)(i) and (ii) who are covered under 1902(a)(10)(A)(ii)(1) i.e. Ribicoff children, 18 year old students and caretaker relatives.

All resources shall be excluded.

7. The following resource methodology applies to TWWIA individuals covered in Sections #23 and #25 on ATTACHMENT 2.2-A, Page 23d under 1902(a)(10)(A)(ii)(XV) and (XVI) of the Act:

All resources shall be excluded.