

2319 - HOUSEHOLD GOODS AND PERSONAL EFFECTS

POLICY STATEMENT	<p>The countable value of household goods and personal effects is dependent on whether the ABD Medicaid class of assistance is Non-FBR or FBR.</p> <p>All household goods and personal effects are excluded in Family Medicaid.</p>
BASIC CONSIDERATIONS	
Household Goods	Household goods are items of personal property customarily found in the home and used in connection with the maintenance, use, and occupancy of the premises as a home. They include furniture, appliances, television sets, carpets, cooking and eating utensils, dishes, etc.
Personal Effects	Personal effects are items of personal property that are worn or carried by an individual or that have an intimate relation to him/her. They include clothing, jewelry, personal care items, prosthetic devices, and educational or recreational items such as books, musical instruments or hobby materials.
Items of Unusual Value	An item of unusual value is one whose CMV exceeds \$500.
Durable Items	<p>Durable household goods and personal effects include furniture, major appliances, expensive carpets and jewelry, and other items that retain a significant resale value over time but whose CMV does not exceed \$500.</p> <p>Durable items do not include the following:</p> <ul style="list-style-type: none"> • anything treated as an item of unusual value • ordinary cooking and eating utensils • small appliances • linens • clothing • household furnishings of little value.
Non-FBR COAs	All household goods and personal effects owned by non-FBR A/Rs and deemors are excluded as resources, regardless of value.

**BASIC
CONSIDERATIONS
(cont.)**

FBR COAs A general exclusion of up to \$2,000 applies to the total equity value of household goods and personal effects other than those excluded regardless of value. Any portion of the total equity in excess of \$2,000 is not excluded under this provision.

One wedding ring and one engagement ring per individual are excluded regardless of value. Additional rings are treated in accordance with the instructions below on items of unusual value.

Prosthetic devices, wheelchairs, hospital beds, dialysis machines and other items required by a person's physical condition are excluded regardless of value if they are not used extensively and primarily by other members of the household.

PROCEDURES

Non-FBR COAs If a non-FBR alleges to own any item with a CMV in excess of \$500, document his statement and exclude the item as a resource.

FBR COAs Ask if the applicant or deemor(s) own an item(s) valued over \$500. If the applicant says there are none, accept the allegation in the absence of evidence to the contrary.

Assume that the total equity value of all other household goods and personal effects is \$2,000 or less. No further development is required.

If the applicant or deemor(s) allege to own any items with values in excess of \$500, continue development.

Ask if the individual's physical condition require any of the items. If the answer is NO, continue development. If the answer is YES, document the following:

- what the condition is
- why the item is required for that condition (unless the reason is obvious)
- the extent to which the individual uses the item
- the extent to which any other member of the household uses them.

PROCEDURES

**FBR COAs
(cont.)**

Determine, based on allegations, whether any of these items are excluded. If, after excluding appropriate items, the alleged total CMV of the remaining items of unusual value does not exceed \$1,000, discontinue development. Otherwise, continue development.

Have the individual list all durable items and the estimated value of each. If the sum of their alleged value and the alleged value of the non-excluded items of unusual values does not exceed \$2,000, cease development. If it does exceed \$2,000, continue development.

Verify the CMV of any item of unusual value not excluded. Use any reliable evidence of the CMV that the individual can submit, such as a recent sales slip or appraisal, or insurance coverage, or obtain an estimate from a knowledgeable source, such as a local merchant.

NOTE: Insurance appraisals and amounts of insurance coverage often reflect replacement value rather than CMV. Do not use replacement value in lieu of CMV.

If the verified CMV of all non-excluded items of unusual value and the alleged CMV of all durable items totals \$2,000 or less, cease development. Otherwise, continue development.

Determine whether any of the durable items can be excluded. If some are excluded and if the verified CMV of all non-excluded items of unusual value and the alleged CMV of the remaining durable items then totals \$2,000 or less, cease development. Otherwise, continue development.

Verify the CMV of the non-excluded durable items. If the verified total CMV of all non-excluded items of unusual value and non-excluded durable items is \$2,000 or less, cease development. Otherwise, continue development. If the portion of the total CMV that exceeds \$2,000 affects eligibility, determine the equity value of any item on which the individual alleges there is an encumbrance. If total equity value then exceeds \$2,000, that portion of the equity in excess of \$2,000 cannot be excluded under this provision.