

**2326 - PREPAYMENTS AND DEPOSITS (NH)**

<b>POLICY STATEMENT</b>	<p>If a nursing home refunds a prepayment or deposit to an A/R, the amount of the refund is a countable resource at application and is treated as a savings account.</p> <p>This is not applicable to Family Medicaid with the exception of a LIM individual in a nursing home.</p>
<b>BASIC CONSIDERATIONS</b>	<p>Prepayments or deposits are collected by NHs in the event an applicant's ABD Medicaid application is denied. These prepayments/deposits are usually refunded if the application is approved.</p> <p>If a prepayment/deposit was made by someone other than the A/R and will be refunded to the other individual, the refund has no effect on the A/R's eligibility.</p>
<b>PROCEDURES</b>	<p>On every applicant in a NH, verify whether a prepayment or deposit was made to the NH, to whom a refund will be made and the amount of the expected refund. Verify by telephone or Form 958. Document the system appropriately.</p>