

## 2334 – SAVINGS AND CHECKING ACCOUNTS

<b>POLICY STATEMENT</b>	The resource value of a savings instrument with a financial institution or NH is the balance of the account, <i>less</i> any early withdrawal penalty.
<b>BASIC CONSIDERATIONS</b>	<p>The term savings encompasses the following:</p> <ul style="list-style-type: none"> <li>• cash savings on hand</li> <li>• checking and savings accounts</li> <li>• certificates of deposit (CDs)</li> <li>• credit union accounts</li> <li>• time deposits</li> <li>• NH patient fund accounts</li> <li>• NH prepayments/deposits if to be returned to A/R</li> <li>• individual retirement accounts (IRAs)</li> <li>• Keoghs.</li> </ul> <p>Any cash on hand received in a prior month and retained after the month of receipt is a resource.</p> <p><b>NOTE:</b> For the treatment of retirement funds, including IRAs and Keoghs, see <a href="#">Section 2332</a>, Retirement Funds.</p>
<b>Verification and Documentation</b>	
<b>Family Medicaid</b>	Accept the A/R's statement of account balance(s) unless questionable. If the total of all liquid and non liquid resources exceeds 75% of the resource limit, the account balances must be verified. Refer to <a href="#">Section 2301</a> , Family Medicaid Resources Overview.
<b>ABD Medicaid</b>	<p>At application obtain financial statements that will verify account balance(s) as of the first moment of the first day of each month Medicaid eligibility is requested. For A/Rs alleging to have accounts with financial institutions, obtain copies of statements and/or updated passbooks.</p> <p><i>If the A/R's past financial history is questionable, it is reasonable at initial application to request financial statements for a minimum of three months prior to the first month that Medicaid eligibility is requested in order to establish a history of financial transactions</i></p>

**PROCEDURES****Verification and  
Documentation****ABD Medicaid  
(cont.)**

For NH A/Rs, verify ownership and balance of patient fund accounts by telephone or Form 958 on every application and redetermination, regardless of whether the A/R alleges having a patient fund account.

If the above records are available, and if they appear accurate and complete, calculate the balance(s) as of the first moment of the first day of the verification month. Take into consideration any deposits, withdrawals or checks that have been written that are reflected on check stubs/passbooks that are not reflected on the account statement.

If the accuracy, reliability or completeness of the account statement and the A/R's personal records is questionable, a Form 957, MAO Resource Clearance Form, must be completed by the institution. Form 957 must indicate the balance as of the first moment of the first day of the month.

Inquire as to the disposition of previously owned accounts and develop as necessary.

Check available IEVS IRS matches on each review for unreported accounts.

**SPECIAL  
CONSIDERATIONS****Joint Accounts  
ABD Medicaid**

If an A/R's or deemor's name appears on any checking or savings account, including an account under several names, assume that the A/R is an owner of the account unless the A/R verifies otherwise through the rebuttal process. Refer to *Joint Account Ownership Rebuttal* in this section for rebuttal procedures.

If an account is owned jointly by one or more Medicaid A/Rs and one or more non-Medicaid individuals, count all of the funds in the account as a resource to the Medicaid A/Rs in equal shares. Do *not* allow a share of the funds to the non-Medicaid individuals.

**SPECIAL  
CONSIDERATIONS****Joint Accounts  
ABD Medicaid  
(cont.)**

Assume that an A/R with ownership interest in a checking or savings account has unrestricted access to the account unless the A/R verifies restricted access through the rebuttal process. Refer to *Unrestricted Access Rebuttal* in this section for rebuttal procedures.

**Joint Accounts  
Family Medicaid**

When an AU of Family Medicaid Budget Group member is named on a joint bank account with a non-AU or BG individual solely for the convenience or emergency, exclude the joint account as a resource to the Family Medicaid AU or BG member if the other individual, or someone who is in a position to know, verifies that s/he has deposited all the money in the account and all withdrawals are used for the non-AU or non-BG individual's benefit.

**Joint Account  
Ownership Rebuttal**

If an individual wishes to rebut the applicable ownership assumption, obtain his or her statement regarding the following:

- who owns the funds
- why there is a joint account
- who has made deposits to and withdrawals from the account
- how withdrawals have been spent.

In addition, inform the individual that he or she must submit the following evidence within 30 days:

- a corroborating statement from each other account holder

**NOTE:** If the only other account holder is incompetent or a minor, have the individual submit a corroborating statement from anyone aware of the circumstances surrounding establishment of the account.

**SPECIAL  
CONSIDERATIONS****Joint Account  
Ownership Rebuttal  
(cont.)**

- account records showing a history of deposits, withdrawals and interest payments.
- if the individual owns none of the funds, evidence showing that he or she can no longer withdraw funds from the account, such as removal of the individual's name from the account.
- if the individual owns only a portion of the funds, evidence showing removal from the account of such funds, or removal of the funds owned by the other account of such funds, or removal of the funds owned by the other account holder(s) and re-designation of the account.

Exclude from the A/R's resources any funds that the evidence establishes were owned by the other account holder(s) and can no longer be withdrawn from the account by the A/R.

**EXCEPTION:** Such funds are a countable resource in determining the A/R's resource eligibility if the account holder to whom they belong is a deemor.

**Withdrawals by other  
Account Holder(s)**

Develop a transfer of resources penalty for any withdrawals made on or after 8-11-93 by the other account holder if the A/R has not successfully rebutted ownership. Refer to [Section 2342](#), Transfer of Resources.

**EXCEPTION:** In Family Medicaid there is no penalty for transferring resources. Consider only resources owned by the AU at the time of the eligibility determination.

**Unrestricted Access  
Rebuttal**

If an A/R verifies through the financial institution that s/he cannot withdraw funds from a checking or savings account without the signature of the other joint owner(s), consider the A/R to have restricted access to the account, and exclude the account from the A/R's countable resources.

**EXCEPTION:** If a *restricted* account is owned jointly by an A/R and deemor only, the account is a countable resource.