

## 2304 - TREATMENT OF RESOURCES FOR ABD MEDICAID

<b>POLICY STATEMENT</b>	The treatment of resources is dependent upon several variables.
<b>BASIC CONSIDERATIONS</b>	
<b>Non-FBR COAs vs. FBR COAs</b>	<p>The following resources are treated differently for non-FBR and FBR A/Rs:</p> <ul style="list-style-type: none"> <li>• burial contracts and burial space items</li> <li>• cemetery lots (refer to <a href="#">Section 2311</a>, Burial Contracts/Burial Space Items)</li> <li>• funds set aside for burial</li> <li>• life insurance policies</li> <li>• accrued dividends earned on life insurance policies</li> <li>• life estate interests</li> <li>• income producing property</li> <li>• household goods and personal effects</li> <li>• promissory notes/loans/mortgages</li> <li>• Homeplace property</li> </ul> <p><b>NOTE:</b> The above resources may be excluded or treated differently under Non-FBR policy (refer to the Resource Chart in <a href="#">Section 2399</a>): The exclusion only applies <b>IF</b> the resources are owned by the A/R, or transferred by the A/R to a spouse or into a trust. <b>IF</b> a resource excluded under Non-FBR policy is transferred to someone or something other than a spouse or a trust, a transfer of assets penalty should be developed. Refer to <a href="#">Section 2342</a>, Transfer of Assets.</p> <p>All other resources are treated the same for all classes of assistance.</p> <p><b>EXCEPTION:</b> Refer to Absence from Homeplace in <a href="#">Section 2316</a>, Homeplace: ABD Medicaid.</p>
<b>Special Exclusions</b>	Certain non-liquid resources that would normally be counted may be totally or partially excluded if specific conditions are met.
<b>Income Producing Property</b>	Personal or real property which <i>currently</i> (or is expected to resume) produces earned income, unearned income, goods, or services, may be partially or totally excluded. Refer to <a href="#">Section 2327</a> , Property Essential to Self-Support.
<b>Undue Hardship Provision</b>	Refer to <a href="#">Section 2345</a> , Undue Hardship for ABD Medicaid, for policy on hardship to A/R or Co-Owner.

## PROCEDURES

**Bona Fide  
Effort to Sell**

Exclude personal or real property for any month in which the A/R is making a bona fide effort to sell the property.

Evidence of a *bona fide effort* to sell includes any of the following:

- listing the property with a realtor
- a *for sale* sign on the property
- advertisement in a newspaper
- has not refused a reasonable offer (2/3 of CMV).

If the real property for which a bona fide effort to sell is being made is non-homeplace, require the A/R to sign a statement that s/he has tried to sell, is trying to sell, or will try to sell the property within the next 30 days. Require the A/R to market the resource at current market value (CMV).

Verify/document that the A/R has not refused a reasonable offer on the property (2/3 of the CMV).

Verify/Document the A/R's past and continuous efforts to sell the property at the following intervals:

- prior to approval of the application
- 9 months after approval
- every three months thereafter.

**NOTE:** The A/R has 30 days to put the property on the market after signing a statement of intent to do so.

**Restricted Allotted  
Indian Lands**

Consider restricted allocated land owned by an individual who is of Indian descent from a federally recognized Indian tribe to be an excluded resource if the individual cannot sell, transfer or otherwise dispose of it without permission from other individuals, his or her tribe, or an agency of the Federal Government.

If an individual alleges owning land that meets the criteria above, complete the following procedures:

- obtain a copy of any document or documents that might identify it as such
- verify the allegation with the appropriate Indian agency.
- Document appropriately.