

Service Chapter: Medicaid 510-05

Effective Date: See Description of Changes for the effective date of each change.

Overview

Add to the Excluded Assets policy to align with the Code of Federal Regulations (CFR) to include that lump sum payments of Title II or SSI benefits are excluded for nine consecutive months following the month of receipt.

Updating 510-05-70-60 Providing reliable asset value information to determine eligibility and describe useful verification sources.

Description of Changes

1. Excluded Assets 510-05-70-30-Change – Effective January 1, 2025

Adds lump sum payments for Title II or SSI Benefits to the list of Excluded Asset for nine consecutive months following the month of receipt.

2. Valuation of Asset - 510-05-70-60-Change – Effective July 1, 2025

Rewrite current policy to better describe the exact value of assets and provide useful verification sources to determine asset value and eligibility.

Policy Section Updates

1. Excluded Assets 510-05-70-30- Change

20 CFR 416.1210 / 20 CFR 416.1233

26. Lump sum payments of Title II or SSI benefits are excluded for nine consecutive months following the month of receipt.

In determining the resources of an eligible individual (and spouse, if any), we will exclude, for 9 months following the month of receipt, the unspent portion of any title II or title XVI retroactive payment received on or after March 2, 2004.

2. Valuation of Asset - 510-05-70-60-Change

(N.D.A.C. Section 75-02-02.1-32)

~~It is not always possible to determine the value of assets with absolute certainty, but it is necessary to determine a value in order to determine eligibility. The valuation must be based on reasonably reliable information. It is the responsibility of the applicant or recipient, or the persons acting on behalf of the applicant or recipient, to furnish reasonably reliable information. However, because an applicant or recipient may not be knowledgeable of asset values, and particularly because that person may have a strong interest in the establishment of a particular value, whether or not that value is accurate, some verification of value must be obtained. If a valuation from a source offered by an applicant or recipient is greatly different from generally available or published sources, the applicant or recipient must provide a convincing explanation for the differences particularly if the applicant or recipient may be able to influence the person providing the valuation. If reasonably reliable information concerning the value of assets is not made available, eligibility may not be determined. Useful sources of verification include, but are not limited to:~~

Determining the exact value of assets can be challenging, but establishing a value is necessary for eligibility purposes. The applicant or recipient must provide a reliable valuation for each asset needed to determine eligibility. Since they may not know asset values or may have a strong interest in a specific value, these amounts must be verified. If the provided valuation differs significantly from common sources, the reason for the difference must be explained. Without reliable asset value information, eligibility cannot be determined. Useful verification sources include:

1. With respect to liquid assets: ~~account records maintained by banking facilities~~ reliable account records.

a. Accounts maintained by banking facilities

- i. When establishing eligibility, the value of liquid assets is determined using the account records provided. If the verification includes more than one balance for the month for which eligibility is being determined, the lowest balance is used. If the applicant or recipient has excess assets, subtract any monthly income that was deposited into the account. Income subtracted from the account, however, cannot be deducted from a balance prior to the date the income was deposited.

For Example: The low balance in an account is on May 2. The monthly income is deposited on May 7. The next low balance is on May 30. The monthly income cannot be subtracted from May 2 low balance, but it can be subtracted from the May 30 balance.

- ii. If an applicant or recipient provides verification of checks that were recently written, but that have not cleared the account by the end of the month, those expenditures can be used to further reduce the value of the account.

b. Publicly traded stocks, bonds, and securities: Stockbrokers.

2. With respect to personal property other than liquid assets:

a. ~~Publicly traded stocks, bonds and securities: stock brokers.~~

- a. ~~Autos, trucks~~ Motor vehicles, mobile homes, boats, or any other property listed in published valuation guides accepted in the trade: Kelly Blue Book, NADA, etc.

i. Use the "average trade-in" value for the vehicle without using any additions or deductions. The applicant or recipient may also provide verification of the true value from a reliable source if the vehicle is no longer listed in the valuation guide or if the applicant or recipient has reason to believe that the estimate is inaccurate.

- b. ~~With respect to h~~Harvested grains or produce: grain buyers, grain elevator operators, produce buyers; and, for crops grown on contract: the

contract.

- c. ~~With respect to s~~Stock in corporations not publicly traded: appraisers, accountants.
- d. ~~With respect to c~~Contractual rights to receive money payments: If payments are current, the contract, and if payments are not current, see [05-70-40](#).
- e. ~~With respect to o~~Other personal property: dealers and buyers of that property.
- f. ~~With respect to l~~Life insurance policies: the insurance company.