STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

MORE LIBERAL METHODS OF TREATING RESOURCES UNDER SECTION 1902 (r) (2) of the Act

____ Section 1902(f) State

_X_ Non-section 1902(f) State

I. CONSIDERATION OF REAL PROPERTY AND LIFE INTEREST IN REAL PROPERTY

Eligibility groups covered:

[8-1-89, SPA 89-3]

Aged, Blind, and Disabled 1902(a)(10)(ii)(X) and 1902(m)(1) and (3) of the Act

Qualified Medicare Beneficiary—Section 1902 (A)(10)(E) of the Social Security Act.

Specified Low-Income Medicare Beneficiary—Section 1902 (a)(10)(E)(iii) and 1905 (p)(3)(A)(ii)

[SPA 02-003]

Workers with Disabilities—Sections 1902 (a)(10)(A)(ii)(XV) and 1902 (a)(10)(A)(ii)(XVI) of the Social Security Act.

A. Non-Exempt real property (including equity value) which would otherwise render an applicant/recipient ineligible is excluded from eligibility purposes if the applicant/recipient signs an agreement to sell or rent property and offers the property for sale or rent at current market value within 30 days of notification of eligibility in case of an applicant and 30 days from the signing of agreements by recipients.

B. Income-producing property is exempt if the income is greater than the expenses of ownership.

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II. Consideration of Resources Invested in Qualified Term Care Insurance

Eligibility Groups covered:

Aged, Blind, and Disabled 1902(a)(10)(ii)(X) and 1902(m)(1) and (3) of the Act

Qualified Medicare Beneficiary-Section 1902 (a) (10) (E) of the Social Security Act

A. A resource disregard in the amount specified in Item B below is given to an individual who has purchased a qualified long term care insurance policy as defined in Indiana Code 12-15-39.6, or a long term care insurance policy issued in another state including both original partnership states that have entered into a reciprocal agreement with Indiana pursuant to Indiana Code 12-15-39.6-13 and Section 1917(b)(1)(c) of the Social Security Act and New Partnership States authorized under Section 6021 of Public Law 109-171, is such long term Care insurance policy is covered under the reciprocity agreement and has used such policy to pay long term care services in a setting other than an acute wing of a hospital.

Effective April 1, 2009, Indiana shall accept all of the reciprocity standards promulgated pursuant to Section 6021(b) of Public Law 109-171 with respect to all other states agreeing to participate under such reciprocity standards.

If an individual is entitled to a resource disregard under this provision, the individual's resources that are subject to the disregard are also disregarded in determining the eligibility of the individual's spouse or minor child, if the individual's resources would otherwise be considered in determining eligibility for the spouse or child. In determining eligibility for the spouse or child, the disregard applies to the following:

(1) All resources in the sole name of the individual;
(2) All ownership interest in resources held jointly with someone other than the Medicaid applicant; and
(3) Fifty percent (50%) of all resources jointly held with the Medicaid applicant.

B. The amount of the disregard is equal to the following:

(1) For individuals who purchase less than the State set dollar amount* of qualified insurance policy benefits, the amount of the disregard is equal to the amount of payments made under the insurance policy.
(2) For individuals who purchase the State Set dollar amount* or more of qualified insurance policy benefits, the amount of the disregard is equal to all of the individual's resources once the insurance policy benefits have been exhausted.

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(3) For individuals who purchase a long term care insurance policy in another state and such policy is covered under a reciprocal agreement defined in Item A above, the amount of the disregard is equal to the amount of payments made under the insurance policy.

C. The phrase "State set dollar amount" used in Item B above is equal to $305,603 in calendar year 2014 and increases by 5% compounded each calendar year, rounded to the nearest one dollar (i.e. year 2015 = 320,883; year 2016 = $336,927; year 2017 = $353,773)

D. Such disregard is in effect for the lifetime of the individual who has purchased the long term care insurance policy and used the policy to pay for long term care services.

E. Resources disregarded under this provision are not subject to recovery of medical payments made on behalf of the individual.

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MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902 (r) (2) of the Act

____ Section 1902(f) State

_X_ Non-section 1902(f) State

III. CONSIDERATION OF IRREVOCABLE TRUSTS, FUNERAL AGREEMENTS, AND LIFE INSURANCE POLICIES FOR FUNERAL AND BURIAL EXPENSES

[4/1/14; SPA 13-012] Eligibility groups covered:
Aged, Blind, and Disabled 1902(a)(10)(ii)(X) and 1902(m)(1) and (3) of the Act

A. One (1) irrevocable trust that has a value of not more than ten thousand dollars ($10,000), exclusive of interest, and is established for the sole purpose of providing money for the burial of the applicant or recipient is exempt.
    (1) The entire amount of an irrevocable funeral trust or escrow established under Indiana state law, Ind. Code § 30-2-13 is exempt.

B. An irrevocable prepaid funeral agreement having a value of not more than ten thousand dollars ($10,000) is exempt.

C. A life insurance policy with a face value of not more than ten thousand dollars ($10,000) to which provision is made to pay not more than ten thousand dollars ($10,000) toward the applicant or recipient's funeral expenses is exempt.

An applicant or recipient who owns resources described by A, B, or C and the total value of those resources is more than ten thousand dollars ($10,000), the value of those resources that is more than ten thousand dollars ($10,000) is not considered an exempt resource in determining the applicant's or recipient's eligibility for Medicaid.

IV. WORK INCENTIVE METHODOLOGIES

Eligibility groups covered:
Workers with Disabilities- Sections 1902 (a) (10) (A) (ii) (XV) and 1902 (a)(10)(A)(ii)(XVI) of the Social Security Act.

A. Resources of the parents of applicants/recipients are exempt.

B. Up to $20,000 of funds owned by the applicant/recipient that are approved by the central office of the Division of Family and Children as an "independence and self-sufficiency account" are exempt. Funds set aside for this purpose must be for the intention of purchasing goods or services that will increase or maintain the individual's employability.

C. All retirement accounts owned by the applicant/recipient and spouse are exempt.