

Document: Notice of Intent to Adopt a Rule, **Register Page Number:** 26 IR 3675

Source: August 1, 2003, Indiana Register, Volume 26, Number 11

Disclaimer: This document was created from the files used to produce the official CD-ROM Indiana Register. However, this document is unofficial.

**TITLE 405 OFFICE OF THE SECRETARY OF
FAMILY AND SOCIAL SERVICES**

LSA Document #03-205

Under IC 4-22-2-23, the Office of the Secretary of Family and Social Services intends to adopt a rule concerning the following:

OVERVIEW: Amends 405 IAC 2-3-1.1 to specify that a Medicaid penalty period for the transfer of assets for less than fair market value will begin in the month after which assets have been transferred for less than fair market value. Specifies that, if an individual is ineligible for medical assistance due to a transfer penalty, expenses for nursing home services incurred during the penalty period are not allowable medical expenses in calculating an individual's nursing home liability for any month of Medicaid eligibility. Specifies that in determining the total, cumulative uncompensated value of assets transferred, transfers made in consecutive months are added together. Specifies that the transfer of an asset that produces or is capable of producing income is a transfer of income as well as a transfer of the underlying resource and the values will be added together to determine the uncompensated value of the transfer. Specifies that for transfers of income-producing real property, \$6,000 of the equity value can be transferred without penalty if the transferred property produces at least \$360 a year in income. Specifies that if the equity value is less than \$6,000, the equity value can be transferred without penalty if the transferred property produces annual income of at least 6% of the equity. Specifies that, in order to establish that a transfer was made exclusively for purposes other than qualifying for medical assistance, the applicant or recipient must submit sufficient evidence to show that the transfer was made exclusively for reasons not related to Medicaid eligibility, estate recovery, or lien. Statutory authority: IC 12-8-6-5; IC 12-15-1-10; IC 12-15-21-2.