EFFECTIVE

November 1, 2019.

Subject(s)

1. Asset limits.
2. Verification requirements.
3. Lottery Match.
   Miscellaneous.

1) Asset Limits

FIP, SDA, RCA

BEM 400

There is a $15,000 or less asset limit for cash, investments and retirement plans. The real property asset limit for the cash programs remains $200,000.

FAP

There is a $15,000 or less asset limit. Vehicles are now an excluded asset.

Reason: MDHHS executive directive.

2) Verification Requirements

FIP, SDA, RCA and FAP

If questionable, verify countable assets at application, semi-annual, mid-certification, redetermination and when a change is reported. Examples include, but are not limited to, recent program closure or denial due to excess assets and a new application is received with an asset balance now under the asset limit, or the client is reporting that they are close to the asset limit.

Example: Aaron applies for cash and FAP. Aaron's total liquid assets are close to the asset limit. The specialist determines during a conversation with the client the amount reported is questionable. Verification of the assets is requested.

Exception 1: Client statement is not an acceptable verification for trusts and annuities.

Exception 2: Client statement is not an acceptable verification for asset detection unless previously reported.
Exception 3: For FAP, client statement is not an acceptable verification for asset transfers/divestment.

If questionable, verify the following factors affecting exclusion of an asset at application, redetermination, and when a change is reported:

- An asset is not available.
- Joint ownership prevents sale (other owner refuses to sell).
- There is a written agreement to repair/replace a damaged or destroyed homestead (cash exclusion for FIP, SDA and RCA).
- There is a written agreement to purchase another homestead.
- The asset is a bona fide loan.


3) Lottery Match

FIP and SDA

BAM 809

If winnings are $15,000 or less, send a verification request to determine if the client is over the asset level.

If winnings are over $15,000, take appropriate action to close the case; clients are allowed timely notice.

FAP

Change Reporters and Simplified Reporters.

If winnings are $15,000 or less, send a verification checklist request to determine if the client is over the asset level.

If winnings are over $15,000, take appropriate action to close the case; clients must be given timely notice.

Reason: Change in asset limit.
4) Miscellaneous

FAP

BEM 406

Divestment examples were updated to accommodate the new asset limit.
MANUAL MAINTENANCE INSTRUCTIONS

Changed Items ...

BAM 809
BEM 400
BEM 406