STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: __________VERMONT__________

MORE LIBERAL METHODS OF TREATING RESOURCES UNDER SECTION 1902(r)(2) OF THE ACT

* SSI-related Medicaid. (aged, blind and disabled individuals including individuals who are described at 1902(a)(10)(A)(ii), 1902(a)(10)(C)(i)(III) and 1905(p) of the Social Security Act who are not receiving SSI/AABD cash assistance or deemed to be cash assistance recipients.

1. Non exempt real property which is up for sale is excluded as long as owners verify that they are making reasonable efforts to sell it.
2. Automobiles of any value are excluded.
3. No limit is placed on the equity value of property used to produce goods for home consumption.
4. Life estates in real property are excluded when the owner does not retain the power to sell the real property.
5. Separately identifiable burial funds designated for burial expenses, either singly or in combination, are exempt in an amount not to exceed $10,000. The burial funds must be designated by the title of the fund or by sworn statement provided to the department. The burial funds in conjunction with the irrevocable burial trust referenced in Supplement 10 to Attachment 2.6-A, page 1, last paragraph, cannot exceed $10,000 in total.
6. Annuities, promissory notes, and similar resources that produce income are exempt resources if they would otherwise be countable by SSI as long as they meet the following criteria.

   (i) Annuities are not a countable resource if they: have no beneficiary other than an individual requesting Medicaid or his or her spouse; and provide for payments to applicants or their spouses in equal intervals and equal amounts; and do not exceed the life expectancy of the applicants or their spouses, as determined by the department; and return to the beneficiary at least the amount used to establish the contract and any additional payments plus any earnings, as specified in the contract; and do not pay anyone other than the applicant, the applicant's spouse, even if the applicant or spouse dies before the payment period ends. The department will also consider an annuity to meet the requirements above, if the owner of the annuity elects to designate Vermont Medicaid as the primary beneficiary up to the amount of long-term care payments it made, and names a contingent beneficiary other than the applicant or spouse to receive any surplus after Vermont Medicaid is paid.

   (ii) Promissory notes and similar resources that produce income are not a countable resource if: (1) they meet the requirements in subsection (i) above, or (2) the individual owned a nonnegotiable or nonassignable promissory note executed before September 1, 2005 and the individual or spouse can expect to receive the full fair market value of the resource within the expected lifetime of the individual or spouse, as determined by the department.
7. Resources set aside in a separate bank account in the name of the Medicaid beneficiary are exempt in an amount not to exceed $30,000. The funds may only be spent on medical care, assistive technology devices or home modifications not covered by Medicare, private insurance or Medicaid. They must be found to be reasonable and necessary to assist an individual in achieving or maintaining independent living. Up to $500 per month of these resources may be spent for medical care and assistive technology devices. A one time expenditure of up to $7,500 of these resources may be spent for home modifications.

*For qualified children eligible (using AFDC income and asset requirements) under 1902(a)(10)(A)(i)(III)
1. Disregard all assets.

*BBA Work Incentive Eligibility Group (1902(a)(10)(A)(ii)(XIII)):
1. Savings from excluded income are excluded.
2. An additional ~~$3,000~~$8,000 in resources is disregarded for individuals; ~~$4,000~~$12,000 for couples.