MEDICAID POLICY INFORMATION SHEET

Policy Analyst: Bridget Heffron						
Phone Number: 517-284-1210						
Initial ☐ Public Comment ⊠ Final ☐]					
Brief description of policy:						
A transfer of assets by the applicant or the applicant's spouse to an in the benefit of should be evaluated as a divestment.	rrevocable trust "solely for					
Reason for policy (problem being addressed):						
To align Michigan Department of Health and Human Services (MDH the United States Code (42 USC 1396p[c][2]). Current policy does trust established solely for the benefit of a spouse and trusts establish a disabled child or indiviudal.	not distinguish between a					
Budget implication:						
Is this policy change mandated per federal requirements?						
Yes - 42 USC 1396p(c)(2).						
Does policy have operational implications on other parts of MDHHS?						
Yes, the Trust and Annuity Unit within the Bureau of Legal Affairs will need to review trusts using correct standards.						
Does policy have operational implications on other departments?						
No						
Summary of input: controversial acceptable to most/all groups limited public interest/comment						
Supporting Documentation:						
State Plan Amendment Required: Yes No Public Notice Red If Yes, please provide status: Approved Pending Denied If yes, Submission Date:	. – –					

1/18 Policy Info Sheet

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Ministra Baradanada						
Michigan Department of Health and Human Service		Drainat Number	201	1 Fligibility	Deta: June 24, 2020	
Comments Due:		Project Number: 29, 2020	20 i	1-Eligibility	Date: June 24, 2020	
Proposed Effective Date:	,	ober 1, 2020				
Direct Comments To:		get Heffron				
Address:		_				
		ronb@michigan.gov				
Phone:	517-	-284-1210		Fax	x:	
Policy Subject: Supplemental Security Income (SSI)-Related Medicaid Asset Policy Trusts						
Affected Programs: SSI-Related Medicaid Programs						
Distribution: Bridges Eligibility Manual (BEM) Holders						
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Summary: A transfer of as		, , , , , , , , , , , , , , , , , , , ,			•	
irrevocable trust "solely for t	ne be	enetit of snould be	eva	uated as a div	estment.	
Purpose: To bring into alignment the Michigan Department of Health and Human Services						
(MDHHS) BEM policy and the United States Code (42 USC 1396p[c][2]).						
Cost Implications: Budget neutral						
Potential Hearings & Appeal Issues: Limited						
State Plan Amendment Re If yes, date submitted:	quire	ed: Yes 🗌 No 🖂		blic Notice Robbits	equired: Yes 🗌 No 🖂	
Tribal Notification: Yes 🗌 No 🗵 - Date:						
THIS SECTION COMPLETED BY RECEIVER						
Approved		☐ No Comments				
		See Comments Below				
☐ Disapproved		See Comments in Text				
Signature:				Phone Num	ber	
Signature Printed:				<u> </u>		

Comment001 Revised 6/16

Date

Bureau/Administration (please print)

Proposed Policy Draft

Michigan Department of Health and Human Services Medical Services Administration

Distribution: Bridges Eligibility Manual (BEM) Holders

Issued: September 1, 2020 (Proposed)

Subject: Supplemental Security Income (SSI)-Related Medicaid Asset Policy

Trusts

Effective: October 1, 2020 (Proposed)

Programs Affected: SSI-Related Medicaid Programs

This bulletin will align the Michigan Department of Health and Human Services (MDHHS) BEM with the United States Code (42 USC 1396p[c][2]). Current MDHHS policy does not distinguish between a trust established "solely for the benefit of" a spouse and a trust established "solely for the benefit of" a blind or disabled child, or a disabled individual under age 65.

All SSI-related Medicaid categories incorporate an asset limit into the needs test for eligibility. When an applicant gives away assets in order to become eligible for Medicaid it is called divestment or divesting of resources. When the applicant has given away the resources within the 60 months prior to applying for and being found eligible for home help, home health, waiver services, or long-term care, the divestment triggers a period of time during which the Medicaid program will not pay for the covered services (i.e., a divestment penalty period). Certain transfers involving the client's spouse, blind or disabled child, or disabled individual under age 65 are not divestment. It is not a divestment to transfer resources directly to a blind or disabled child, to a trust solely for the benefit of a child who is blind or disabled, or to a trust solely for the benefit of a disabled person under age 65. Transfers from the client directly to the client's spouse, or to another solely for the benefit of the client's spouse, are also not divestment.

Effective October 1, 2020, all transfers by the applicant or the applicant's spouse to a trust established solely for the benefit of the client's spouse will be evaluated for divestment, which will bring the MDHHS BEM 405 policy in alignment with 42 CFR 1396p(c)(2).