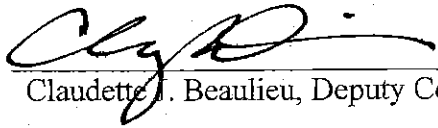


**STATE OF CONNECTICUT**  
 DEPARTMENT OF SOCIAL SERVICES  
**PROGRAM INFORMATION BULLETIN**



Claudette J. Beaulieu, Deputy Commissioner

Effective Immediately  
Date

INFORMATION BULLETIN NO: 13-03

PROGRAM: Long-Term Care Medicaid

**Subject: Asset Review Procedures for Long-Term Care Medicaid Applications - REVISED**

<b>Overview</b>	<p>Program Information Bulletin 12-02, issued in May 2012, provided new asset review procedures for long-term care Medicaid applicants. This bulletin <b>revises</b> these procedures to make them simpler for workers to administer and for applicants to understand. These <b>revised</b> procedures are effective immediately and can be applied to all new and currently pending applications.</p> <p>Program Information Bulletin 12-02 provides a detailed description of transfers of assets and imposition of penalty periods. As discussed in the bulletin, transfers made to qualify for Medicaid payment of long-term care are much less likely to have occurred earlier in the look-back period. Since most improper transfers will likely be discovered by focusing on the 24 month period immediately preceding the application, we will continue to focus detailed asset reviews of transactions greater than \$5,000.00 in that 24 month period.</p> <p>However, instead of requesting “<b>anniversary</b>” statements , workers <b>should now request asset records for the month of December in the earlier 3 “outlying” years.</b> Additional records may still be requested if it appears that the overall amount of assets changed in these “outlying” years, indicating a potentially improper transfer. Please note that if an applicant has already provided anniversary statements there is no need to request December statements as additional verification. This new procedure applies to current and future applications where asset documents are still needed.</p>
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<b>Revised Long-term Care Application Processing Procedures.</b>	<ol style="list-style-type: none"> <li>1. Request 24 months of financial/bank statements from the date of application instead of 60 months.</li> <li>2. Request December financial/bank statements for the 3 outlying years for each account. For example, if the applicant filed for LTC Medicaid in 5/2013, then ask for copies of their bank statements for the months of 12/2010, 12/2009, 12/2008, in addition to statements for the first 24 months.</li> </ol>
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3. In lieu of year-end bank statements, allow applicants to provide their federal tax returns for the 3 outlying years, which will denote interest earned on accounts.
4. If the account was closed during the 3 outlying years, request the closing statement issued on the account.
5. Only request the above information unless there appears to be questionable financial activity, i.e. the overall amount of the assets changes significantly, indicating transfer activity, the department reserves the right to request additional records.
6. Rely on the IRS IEVS match to uncover any unreported bank accounts.
7. As always, workers must evaluate the information for any withdrawals or deposits that are outside of the applicant's normal pattern of spending to determine if there have been potentially improper transfers.
8. Workers should request verification of any transactions in the amount of \$5,000 or more that are not part of a normal pattern of spending. Workers should request further information about any withdrawals, however, that are not part of the normal pattern or appear questionable, regardless of when they occurred. For example, the worker should request clarification of withdrawals of \$1,000.00 per week every month.
9. Workers should use prudent judgment in determining whether a withdrawal requires further verification, especially if the withdrawal occurred more than 24 months prior to the date of application.
10. Any potential transfers thought to be for the purpose of establishing Medicaid eligibility should be reviewed by the Supervisor for approval.
11. This change is effective immediately. Workers should follow these new procedures for currently-pending as well as new applications where documentation of the asset history is still need.

<p><b>Examples</b></p>	<ol style="list-style-type: none"> <li>1. An individual applies for assistance and provides 24 most recent months of bank statements that show monthly balances and interest accruals. The December year-end statements for the 3 outlying years denote an overall amount of assets that is consistent with balance and interest of the complete 24 months of statements. The worker can assume that no transfers were made in this situation.</li> <li>2. An individual applies for assistance and provides 24 most recent months of bank statements that show monthly balances and interest accruals. The individual provides their tax returns for the 3 outlying years. The interest income reported on the tax return is consistent with the annual interest on the full 24 months of bank statements. The worker can assume that no transfers were made in this situation.</li> <li>3. An individual applies for assistance and provides 24 most recent months of bank statements that show monthly balances and interest accruals. The individual provides his year-end statements for the 3 outlying years. The year-to-date interest income reported is noticeably different from the other statements. The worker should request additional asset verifications as the reduction in interest suggests a higher amount of assets in the outlying years that are unaccounted for.</li> <li>4. An individual applies for assistance and provides 24 most recent months of bank statements that show numerous transfers made throughout this period. The worker should request additional information, namely additional bank statements on the outlying years.</li> </ol>
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Disposition: Please retain this bulletin for future use  
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