



State of New Jersey

DEPARTMENT OF HUMAN SERVICES DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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ADDRESS REPLY TO:
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Medicaid Communication No. 88-15

Date: May 4, 1988

To: County Welfare Agency Directors

Subject: Transfer of Jointly Held Funds to Qualify for Medicaid Benefits

Based on information that has come to my attention, it is apparent that there is a need for a restatement of the policy regarding the transfer of jointly held assets prior to application for Medicaid benefits. This communication applies to all aged, blind, and disabled individuals applying for Medicaid Only or JerseyCare (including Medically Needy).

As specified in N.J.A.C. 10:71-4.7(b), the issue of resource transfer must be developed if an individual has sold, given away, or otherwise transferred any nonexcluded resources within the 24 months preceding the date of Medicaid application. For purposes of this determination, an individual will include: the eligible individual (or his or her eligible spouse) or any person acting for and legally authorized to execute a contract for the eligible individual (or eligible spouse). Such persons include a legal representative, the parent of a minor child, a holder of power of attorney, etc. No transfer of resource development shall be pursued when a resource has been transferred by any other individual.


Therefore, in the case of jointly held financial accounts, the county welfare agency shall not develop any transfer issue when a person other than the eligible individual (or eligible spouse) has withdrawn funds from a jointly held account. There shall be no development of resource transfer in cases in which the withdrawal of jointly held funds was made by an ineligible spouse or a parent unless that person was legally authorized to make the withdrawal on behalf of the eligible individual.

This statement of policy intent relative to the transfer of resources does not alter in any manner the application of policy relating to the ownership of such resources as found at N.J.A.C. 10:71-4.1(d)2. When an applicant has funds held jointly with others and he or she has unrestricted access to those funds (i.e., an "or" account), the full value of those funds will be counted in the resource eligibility determination. When an individual's access to the funds in the account are restricted (i.e., an "and" account), that individual's prorata share of the funds shall be counted in the resource determination unless it can be demonstrated that the actual ownership of the funds is in a different proportion.

Medicaid Communication No. 88-15
Page 2

Questions regarding this communication may be directed to the field service supervisor assigned to your county.

Sincerely,


Thomas M. Russo, Director
Division of Medical Assistance
and Health Services

TMR:Hh

cc: Odella T. Welch
Deputy Commissioner

Marion Reitz, Director
Division of Public Welfare

William Waldman, Director
Division of Youth and Family Services