

**NC Division of Aging and Adult Services**  
**CHANGE NO. 02-09 - RESOURCES**

**DATE: November 25, 2009**

**Manual:** State/County Special Assistance for Adults  
**Subject:** Special Assistance for Adults Program Manual Updates - Resources  
**To:** County Directors of Social Services  
**Effective:** December 1, 2009

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**I. RATIONALE FOR POLICY CHANGES**

Special Assistance (SA) is an optional state supplement to the Federal Supplemental Security Income Program (SSI) and as such SA is required to follow SSI rules for resources. SA recipients must be eligible for SSI or ineligible solely due to excess income. SA-3200, Resources policy has been changed to align SA with SSI resource policy regarding countable cash value for life insurance policies, junked vehicles, and the countable value of burial plots, crypts, vaults, mausoleums, caskets and urns as available resources.

Clarification is provided regarding correct verification of the first moment of the first day of the month balance for SA recipients' resident accounts and special needs trusts.

Throughout SA-3200, general clarifications and links to other policy have been added. Policy has been reformatted as needed to make the section more user friendly for income maintenance case workers (IMCs).

**II. SPECIAL ASSISTANCE COUNTABLE RESOURCES**

**A.** SSI policy requires that when the original face value of all cash accruing life insurance policies owned by the applicant/recipient (a/r) exceeds \$1,500.00, the CV be assessed and counted toward the individual resource limit of \$2,000.00. SA policy is changed to count the CV of life insurance if the total FV of cash accruing policies exceeds \$1,500.00.

Eligibility for SA is not affected for recipients who were eligible for SA prior to December 1, 2009 and ongoing, who had life insurance policies purchased prior to December 1, 2009 with cash accruing FV over \$1,500.00 but less than \$10,000.00. The CV will not be counted as a resource for these recipients.

**B.** SSI does not exclude junked vehicles as a resource. SA policy is changed to count junked vehicles as a resource.

Eligibility for SA is not affected for recipients who were eligible for SA prior to December 1, 2009 and ongoing, who had junked vehicles in their name prior to December 1, 2009.

**C.** SSI excludes one burial space or agreement which represents the purchase of a burial space, crypt, vault, mausoleum, and casket or urn held for the burial of the a/r, his or her spouse, or any other member of his or her immediate family regardless of value.

SA policy in effect prior to December 1, 2009 excludes all burial spaces, crypts, vaults, mausoleums, caskets or urns in the a/r's name, regardless of the person for whom they are held. Eligibility for SA is not affected for recipients who were eligible for SA prior to December 1, 2009 and ongoing, who had uncounted burial plots, crypts, vaults, mausoleums, caskets or urns in their name prior to December 1, 2009.

### III. CONTENT AND IMPLEMENTATION OF CHANGES FOR SA-3200, RESOURCES

The changes below are found also in II, Resources Chart.

- A. II.M: If the original FV of all cash accruing life insurance policies exceeds \$1,500.00, the CV is a countable resource.
- B. III.M: Provides clarification of burial insurance using SSI definition.
- C. O.1: Removes junk vehicles as allowable personal property resource exclusion.
- D. V. C.: Changes policy from excluding all burial spaces, crypts, vaults, mausoleums to excluding only one each of burial spaces, crypts, vaults, mausoleums, caskets and urns, for the a/r and his/her immediate family members.
- E. VI. B: Revises the burial exclusion section to include the change in counting life insurance CV.
- F. Throughout this section enhanced guidance has been given regarding verification of resources including first moment balances.
- G. Clarification has been added regarding setting up special needs trusts.

### IV. APPLICATIONS

- A. For applications **taken prior to December 1, 2009, and still pending December 1, 2009, if the applicant is eligible prior to December 1, 2009**, exclude up to \$10,000.00 FV in cash accruing life insurance. Continue to allow a resource exclusion for junked vehicles. Exclude all **burial spaces, crypts, vaults, mausoleums, caskets and urns**.
- B. For applications **taken on or after December 1, 2009**, apply the revised resources policy. Count the CV of cash accruing life insurance policies if the FV of those policies exceeds \$1,500.00. Count the value of junked vehicles. Count the equity value of all **burial spaces, crypts, vaults, mausoleums, caskets and urns** beyond one each for the use of the a/r, his/her spouse or an immediate family member.

## V. ONGOING CASES

### A. Life Insurance

Ongoing recipients who applied for SA and were eligible prior to December 1, 2009, will continue to maintain their SA eligibility due to application of policy that was in place prior to that date.

A new Case Level Special Use code 'LI' (Life Insurance Face Value Over \$1500) was created in EIS for the SAA and SAD programs only and is valid with ambulation capacity codes 'B', 'C', 'E', and 'H'. The 'LI' code is used to identify recipients exempt from the new policy change to count the cash value (CV) of cash accruing life insurance with combined face values (FV) over \$1,500.00 as an available resource. The new code will enable IMCs to track these recipients and make them identifiable for annual redeterminations and for State reporting and tracking purposes.

**For redeterminations**, if a recipient is eligible for, or receiving SA prior to December 1, 2009 and ongoing, continue to exclude up to \$10,000.00 FV in cash accruing life insurance purchased prior to December 1, 2009.

Key in EIS the new Case Level Special Use code 'LI', identifying this person as an SA recipient who was eligible for SA prior to December 1, 2009, with cash accruing life insurance purchased prior to December 1, 2009, with a FV over \$1,500.00, but less than \$10,000.00.

1. Beginning December 1, 2009, if an ongoing recipient buys cash accruing life insurance with a total FV that exceeds \$1,500.00, **treat it as a change in situation**. Verify the available cash value and count toward the individual resource limit of \$2,000.00.
2. If SA terminates, and the client later reapplies for SA, beginning December 1, 2009 the applicant will be subject to the new resources policy, counting the CV of all cash accruing life insurance policies if the FV exceeds \$1,500.00.

### B. Junked Vehicles

**For redeterminations**, if a recipient is eligible for, or receiving SA prior to December 1, 2009 and ongoing, continue to allow a resource exclusion for junked vehicles verified as in the recipient's name prior to December 1, 2009.

1. Beginning December 1, 2009, if an ongoing recipient changes a vehicle title to junked, or acquires a title to a junked vehicle, **treat it as a change in situation**. Count the value toward the individual resource limit of \$2,000.00.
2. If SA terminates, and the client later reapplies for SA, the applicant will be subject to the new resources policy, counting the value of junked vehicles.

**C. Burial Spaces, Crypts, Vaults, Mausoleums, Caskets and Urns**

**For redeterminations**, if a recipient is eligible for, or receiving SA prior to December 1, 2009 and ongoing, continue to allow a resource exclusion for burial spaces, crypts, vaults, mausoleums, caskets and urns verified as in the recipient's name prior to December 1, 2009.

1. Beginning December 1, 2009, if an ongoing recipient purchases a burial space, crypt, vault, mausoleum, casket or urn that is not designated for an immediate family member, **treat it as a change in situation**. Count the value toward the individual resource limit of \$2,000.00.
2. If SA terminates, and the client later reapplies for SA, the applicant will be subject to the new resources policy, which requires the county to count the equity value of all burial property that is not designated for the use of the a/r, his or her spouse, or an immediate family member as an available resource.

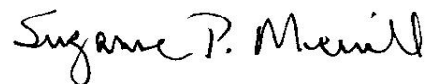
**VI. MAINTENANCE OF THE MANUAL**

The following manual sections are reissued to reflect the mandated requirements:

[SA-3200 Resources](#)

If you have any questions regarding this information, please contact your [Adult Programs Representative](#), or Brenda Porter, SA Program Coordinator at 919-733-3818.

Sincerely,



Suzanne P. Merrill, Chief  
Adult Services Section