

CHANGE NOTICE FOR MANUAL NO 16-02, Motor Vehicle Exclusion

DATE: FEBRUARY 26, 2002

Manual: Aged, Blind, and Disabled Medicaid

Change No: 16 - 02

To: County Directors of Social Services

Effective: April 1, 2002

I. BACKGROUND

Federal regulations allow for the exclusion of one motor vehicle, regardless of its value, if it is deemed necessary for employment or medical treatment, modified for operation by a handicapped person or is essential for performing daily activities. Federal regulations also allow the exclusion of up to \$4,500 of the current market value (cmv) of an unlicensed motor vehicle that does not meet one of the above requirements.

Over a period of time, policy has been changed to simplify how motor vehicles are excluded. Instead of requiring that the motor vehicle meet one of the requirements above, the requirement was simplified to require that one licensed motor vehicle be excluded. However, since the current policy does not include the \$4,500 cmv exclusion, it does not comply with federal regulations.

II. CONTENT OF CHANGE

Current policy allows for the exclusion of one licensed motor vehicle. Policy is expanded to allow the exclusion of up to \$4,500 cmv of an unlicensed vehicle when there is no licensed vehicle to exclude.

If there is a licensed vehicle, that vehicle is excluded and the equity value of any other vehicles, whether licensed or unlicensed, is counted in reserve.

If there is no licensed vehicle, exclude up to \$4,500 cmv of one unlicensed motor vehicle. Count any amount over the \$4,500 cmv as reserve. Count the equity value of any remaining motor vehicles as reserve.

If there are two or more unlicensed motor vehicles, allow the \$4,500 cmv exclusion to the motor vehicle that will be most advantageous to the a/r. Count the equity value of any remaining motor vehicles as reserve.

III. EFFECTIVE DATE

This policy change is effective April 1, 2002. Apply this change to any pending applications and redeterminations in process as of April 1, 2002 and new applications taken on or after April 1, 2002.

IV. MAINTENANCE OF MANUAL

A. Remove MA-2230, pages 5-6, 39-50.

B. Insert MA-2230, pages 5-6, 39-50.

In the on-line manual these are II.D.3.c. - II.G.2.b. and VIII.A.2 - XI.E.7.

If you have any questions, please contact your Medicaid Program Representative.

Nina M. Yeager
Director

[This material was researched and written by Cinnamon Narron, Policy Consultant, Medicaid Eligibility Unit.]

[MA-2230](#)