

**9515.2500 PROPERTY OF CLIENT.**

Subpart 1. **In general.** Property shall be available to pay for the cost of the client's care to the extent owned by the client, subject to the exclusions in subparts 2 to 7.

Subp. 2. **Real property.** The value of the client's homestead is excluded from consideration as a resource.

The value of real property owned by the client which produces a net income is excluded from consideration as a resource. Real property which the client is selling on a contract for deed and for which the client receives payments is considered income producing property.

Subp. 3. **Personal property.** The value of the following personal property is excluded from consideration as a resource:

A. the value of personal property other than stocks, bonds, and other investment instruments which is owned by the client and which yields or contributes to the production of a net income, such as tools, farm implements, livestock, and business inventory and fixtures acquired prior to hospitalization;

B. the cash or liquid assets for a single client and the cash or liquid assets for a married couple shall be the standard for medical assistance recipients as provided in Minnesota Statutes, section 256B.056, subdivision 3, as from time to time amended;

C. Indian claim payments made by Congress to compensate for tribal land taken by the federal government;

D. Minnesota Housing Finance Agency loans for nine months after issuance;

E. one vehicle;

F. household goods and furniture;

G. clothing;

H. manufactured home used as a home by the client or the client's dependents;

I. personal jewelry;

J. bicycles;

K. cameras;

L. life insurance owned by the client is the standard for medical assistance recipients as provided in Minnesota Statutes, section 256B.056, subdivision 3, as from time to time amended;

M. trust funds, however trust funds are not excluded from consideration if the trustee is required or has discretion to use the funds for paying the cost of care or the funds are designated for care, support, maintenance, or medical care even if the trust requires that public funds must first be exhausted; and

N. burial expenses, including a burial lot and a prepaid burial account, shall be the standard for medical assistance recipients as provided in Minnesota Statutes, section 256B.056, subdivision 3, as from time to time amended.

Subp. 4. **Waiver of property as a resource.** The department shall waive consideration of property in excess of the exemptions when the client's equity cannot be liquidated, the offered price is less than 80 percent of the market value given by two appraisers agreeable to both parties, or the cost of repairs necessary to meet the conditions of sale exceeds 35 percent of the offered price.

Each case shall be referred to the department's reimbursement division central office and decided on the merits of the facts recorded in the client's financial file to substantiate the circumstances.

The decision to waive the consideration shall be examined at least annually for changes in market value, opportunity for sale or mortgage, and other pertinent factors.

Subp. 5. **Transfer of property.** The market value of any property transferred, less any value received, shall be treated as an available resource if the property is valued at more than \$1,000 and if the transfer is for less than the market value and if the transfer is made:

- A. during or after hospitalization in a state facility; or
- B. prior to hospitalization in a state facility, but with intent to avoid the use of the property to pay for facility care or in determining ability to pay for care; or
- C. prior to hospitalization in a state facility but within 24 months of admission.

Subp. 6. **Documentation required.** When property described in subpart 5 is transferred during the period between two years prior to admission to a state facility and six years following discharge, the client or the representative shall provide documentation of the circumstances of the transfer.

Subp. 7. **Exemption.** The provisions of subparts 5 and 6 do not apply when the client is not continuing to accrue charges and the full cost of care has been paid. The provisions of subparts 5 and 6 do not apply to property excluded from consideration under other provisions of parts 9515.1000 to 9515.2600.

**Statutory Authority:** *MS s 246.01; 246.23; 246.50 to 246.55*

**History:** *8 SR 172; 10 SR 1589; 12 SR 2252; 16 SR 1797*

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