
NONFINANCIAL ELIGIBILITY FACTORS

UTILIZATION OF OTHER BENEFITS

**A. REQUIREMENT
TO APPLY
(42 CFR
435.603)**

As a condition of eligibility, an applicant or recipient must take all necessary steps to obtain any annuities, pensions, retirement and disability benefits to which they are entitled, as explained below:

**1. Other
Program
Benefits**

An individual must apply for another benefit if the other benefit is classified as:

- an annuity or pension, such as private employer pensions, Civil Service pensions, union pensions, Railroad Retirement annuities and pensions, municipal, county or State retirement benefits;
- Social Security retirement, survivors and disability insurance benefits, early retirement at age 62;
- retirement or disability benefits, including veterans' pensions and compensation (VA Aid & Attendance benefits are not a required benefit under this provision);
- Worker's Compensation payments;
- Unemployment Insurance benefits.

An individual potentially eligible for the types of benefits listed above must take all appropriate steps to apply for the benefit(s), and if eligible, accept payment regardless of the impact acceptance will have on Medicaid eligibility. The exception to this rule is that an individual is not required to accept another benefit if the resulting payment would be a reduction in current benefits payable (excluding Medicaid benefits). Election of a lower benefit when the individual has an option between a high or low benefit will result in denial or less of eligibility.

NONFINANCIAL ELIGIBILITY FACTORS

UTILIZATION OF OTHER BENEFITS

- | | |
|---|---|
| 2. Exempt Other Program Benefits | <p>Types of other benefits exempt from the filing requirements are:</p> <ul style="list-style-type: none">- Aid to Families With Dependent Children (AFDC),- General Public Assistance- Bureau of Indian Affairs General Assistance,- Victims' Compensation payments,- Other Federal, State, local or private programs which make payments based on need,- Earned Income Tax Credits. |
| 3. Applying the Provision | <p>The utilization of other benefits requirement is applicable at the time of application as well as throughout the time a client receives Medicaid. Applicants, recipients, and the Medicaid agency assume responsibilities in connection with this provision of the law. It is the client's responsibility to supply information about possible eligibility for some other benefit, to file for such benefits when informed by the Medicaid Regional Office of potential eligibility for these benefits, and pursue such benefits. It is the Regional Office's responsibility to judge the likelihood of such eligibility and inform the client in writing of the possible eligibility for other benefits. The client's pursuit of other benefits to award or denial must be documented in the case record.</p> |
| 4. Ineligible and Community Spouses Exempt | <p>The requirement to apply for other benefits applies only to the eligible individual (applicant or recipient). It does not apply to an ineligible spouse or a community spouse (who is ineligible).</p> |

NONFINANCIAL ELIGIBILITY FACTORS

UTILIZATION OF OTHER BENEFITS

**5. Lump Sum
or Annuity**

When a client can choose payment of an "other benefit" as a lump sum or an annuity, advise him/her that he/she must choose the annuity. A one-time total withdrawal of pension plan funds in this situation does not comply with the statutory requirements that mandate application for the annuity or pension (i.e., money payment at some regular interval)

With the focus on maximizing the use of other benefits to provide ongoing benefits, recommend conversion of lump-sum applications in appropriate situations.