
RESOURCES

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**C. REAL
PROPERTY-
HOME/
NON-HOME**

Real property is generally classified as either home property or non-home property. There are exclusions that apply only to property classified as "home" property and other real property exclusions that can apply to either home and/or non-home property.

**1. Home
Property**

An individual's home, regardless of value, is an excluded resource.

Note: The disqualification period means that the homeowner can qualify for Medicaid for all services other than payment of institutional care services either in a facility or HCBS waiver as long as the home equity exceeds the limit. Undue hardship can be found to exist if a lien or legal impediment exists whereby the homeowner is unable to access the equity.

An individual's home is property in which he or she has an ownership interest and that serves as his her principal place of residence. It can include:

- the shelter in which he or she lives;
- the land on which the shelter is located; and
- related buildings on such land, or the shelter in which he or she lives; or the land on which the shelter is located; and/or related buildings on such land.

An individual's principal place of residence is the dwelling the individual considers his or her established or principal home and to which, if absent, he or she intends to return. It can be real or personal property, fixed or mobile, and located on land or water.

For purposes of excluding "the land on which the shelter is located" it is not necessary that the individual own the shelter itself.

EXAMPLE: If an individual lives on his or her own land in someone else's trailer, the land meets the definition of

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a. Land

The home exclusion applies not only to the plot of land on which the home is located, but to any land that adjoins it.

Land adjoins the home plot if not completely separated from it by land in which neither the individual nor his or her spouse has an ownership interest.

Easements and public rights of way (utility lines, roads, etc.) do not separate other land from the home plot.

b. Buildings

The home exclusion applies to all buildings on land excluded per a. above.

c. Home Ceases to be Home

Property ceases to be the principal place of residence - and, therefore, to be excludable as the home - as of the date that the individual, having left it, does not intend to return to it.

Such property, if not excluded under another provision, will be included in determining countable resources as of the first of the following month.

d. Exceptions to Home Ceasing to be Home

Even if the individual leaves the home without the intent to return, the property remains an excluded resource for as long as:

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- (1) A spouse or dependent relative of the individual continues to live there while the individual is institutionalized. Dependency may be of any kind (financial, medical, etc.) Relative means:
- child, stepchild, or grandchild;
 - parent, stepparent, or grandparent;
 - aunt, uncle, niece, or nephew;
 - brother or sister, stepbrother or step-sister, half brother or half sister;
 - cousin; or
 - in-law
- (2) Sale of the home would cause undue hardship, due to loss of housing, to a co-owner of the property (Repeated in Real Property Exclusions).

Obtain a signed statement from the dependent relative or co-owner to apply either exclusion.

Only one residence can be excluded as home property. If there are multiple residences, obtain the client's statement concerning such points as:

- how much time is spent at each residence;
- where he or she is registered to vote; and
- which address he/she uses as a mailing address or for tax purposes.

Determine the principal place of residence accordingly and document the case record.

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Note: If an applicant's home property is located out of state, policy governing residency requires that a determination be made regarding the intent of the applicant to reside in Mississippi. It is not permissible for an individual to intend to return home to a principal place of residence located out of state for the purpose of the home exclusion and at the same time intend to reside permanently in Mississippi for the purpose of a residence determination. If an applicant intends to return home to property in another state, the he/she cannot be considered a Mississippi resident. If an applicant intends to reside in Mississippi, he/she cannot intend to return home to property located out of state.

**2. "Liberalized"
Home Property
Exclusion**

Under "liberalized" resource policy, home property can be excluded regardless of intent to return home or whether a dependent relative lives on the property. Each client entitled to liberalized policy is allowed one home that can be excluded regardless of its use. If more than one residence is owned, exclude the property that would be to the client's advantage.

The liberalized home property exclusion applies to clients in the following coverage groups:

- LTC
- LTC "At-Home" (Hospice, HCBS Handicapped)
- PLAD, QMB, SLMB

**3. Evidence of
Home Property
Ownership**

Verify ownership of home property by obtaining copies of one or more items of evidence.

- tax assessment notice;
- recent tax bill;
- current mortgage statement;
- deed; and

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- report of title search;
- evidence of heirship in an unprobated estate (e.g., receipt of income from the property, a will, or evidence of relationship recognizable under State intestate distribution laws in cases where the home is unprobated property). and
- title and current registration for mobile homes

4. Home Replacement Exclusion

When an individual sells an excluded home, the proceeds of the sale are excluded resources if the individual:

- plans to use them to buy another excluded home, and
- does so within 3 full calendar months of receiving them. This is 3 full months following the month the proceeds are received.

If the individual receives the proceeds under an installment contract, the contract is an excluded resource for as long as the individual:

- plans to use the entire downpayment and the entire principal portion of a given installment payment to buy another excluded home; and
- does so within 3 full calendar months of receiving such down payment or installment payment.

The proceeds of the sale are the net amount the seller receives at settlement. If paid in installments, the proceeds consist of any down payment and that portion of any subsequent payment that is not interest.

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Use of proceeds to buy another excluded home includes payment of any costs that stem from the purchase. These include, but are not necessarily limited to:

- down payment;
- settlement costs;
- loan processing fees and points;
- moving expenses;
- necessary repairs to or replacements of the new home's structure or fixtures (e.g., roof, furnace, plumbing, built-in appliances) that are identified and documented prior to occupancy; and
- mortgage payments

Use of proceeds to pay other costs will warrant their exclusion if such costs are identified and documented prior to occupancy and stem directly from the purchase or occupancy of the new home.

Document the file with a copy of the settlement sheet, contract for sale and/or other evidence that shows the new proceeds and how paid or payable.

If the home is not replaced within the allowable 3 month period, the proceeds are a countable resource retroactive to the month following the month of receipt.

The exclusion does not apply to that portion of the proceeds of the sale of the original home that is in excess of the costs of the purchase and occupancy of the substitute home.

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**5. Non-Home
Real
Property**

Non-home real property consists of land and buildings or immovable objects (including some mobile homes) that are attached permanently to the land and that do not meet the definition of a home.

Document ownership of all non-home property using the same evidence used for home property.

Non-home property is a countable resource unless excludable under "Real Property Exclusions" outlined in the following subsection or as "Income Producing Property," also discussed later in this section.