

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### **DEATH BENEFITS** (Continued)

To determine the income derived from death benefits, subtract the total expenses for the last illness and burial from the total death benefits. Charge the income in the month the death benefit(s) is received. If death benefits are received in more than one month, assume that the funds first received are the first spent.

**Example:** Last illness and burial expenses total \$10,000. Two death benefits are received - \$5,000 in January and \$6,000 in February. Charge the remaining \$1,000 of the death benefit received in February as income in February.

Death benefits that are not income are also not a resource for one calendar month following the month of receipt. This allows time for the death benefit to be used for last illness/burial expenses. Death benefits retained into the second calendar month following receipt are countable resources.

### **200.07.28 INHERITANCE**

An inheritance is cash, a right or a noncash item(s) received as the result of someone's death. An inheritance is a death benefit.

**NOTE:** Until an item or right has a value (i.e., can be used to meet the heir's need for food or shelter), it is neither income nor a resource. The inheritance is income in the first month it has a value and can be used.

An inheritance is not income to a person if the inheritance is something that was considered that person's resource (either as a member of an eligible couple or through deeming of resources) immediately before the death.

**NOTE:** The proceeds of a life insurance policy were not a resource before the death.

### **200.07.29 CHOCTAW TRIBAL BONUS**

Recurring lump sum payments, such as the Choctaw Tribal bonus, are considered income in the month of receipt for Medicaid eligibility purposes. In post-eligibility budgeting to determine Medicaid Income, these payments are averaged if the client is income-eligible in the month the payment is received without averaging. Refer to the Institutional chapter for more information.