

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

302.06.03C TREATMENT UNDER LIBERALIZED RESOURCE POLICY

Household Goods and Personal Effects

Under liberalized policy, household goods and personal effects, as defined above, are excluded in resource determinations regardless of their dollar value.

Property Acquired for its Value or as an Investment

Personal property that an individual acquires or holds because of its value or as an investment:

- Is a countable resource when its equity value exceeds \$5,000;
- Is not considered to be household goods or personal effects for purposes of exclusion.

Other Personal Property

When ownership of other personal property is alleged and the property is not excludable as household goods or personal effects, under liberalized resource policy:

- Up to \$5,000 in EV is excluded for other personal property.
 - Verify the Current Market Value (CMV) of the item using any reliable evidence such as a recent sales slip, an appraisal of the item or an estimate from a knowledgeable source. Be aware that insurance appraisals and amounts of insurance often reflect replacement value rather than CMV.
 - Determine the Equity Value (CMV less payoff) if there is an encumbrance on the item
 - Exclude the item if the EV is \$5,000 or less.

Example: A recreational vehicle (RV) used for vacations and other recreational activities is classified as personal property. The RV does not meet criteria to be an automobile, nor does it meet the definition of household goods or personal effects for exclusion. If the CMV of the RV is \$12,000 and the payoff is \$7,500, the RV can be excluded as a resource under liberalized policy since its equity value is \$5,000 or less.