

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

CHAPTER 300 - Resources

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### **305.03      TREATMENT OF ANNUITIES PURCHASED ON OR AFTER 2/8/2006**

The DRA added new requirements to the Medicaid statute with respect to the treatment of annuities purchased on or after 02/08/2006, the date of enactment of the DRA, by or on behalf of an annuitant who has applied for Medicaid for nursing facility services or other long term care services, including HCBS. The DRA requirements also apply to certain other transactions involving annuities that take place on or after 02/08/2006 that are described below.

#### **305.03.01      Disclosure Requirement**

Effective 2/8/2006, at each application and review for Medicaid, all long term care applicants are required to disclose any interest the applicant or community spouse may have in an annuity or similar financial instrument. Parents of a minor child must report any annuities in which the child may have an interest. This disclosure is a condition for Medicaid eligibility for long-term care services, including nursing facility services and Home and Community Based Waiver Services (HCBS) and applies regardless of whether or not an annuity is irrevocable or is treated as a resource.

Refusal to disclose sufficient information related to any annuity will result in denial or termination of Medicaid entirely, based on the applicant's failure to cooperate in accordance with existing Medicaid policies.

When an unreported annuity is discovered after eligibility has been established and after payment for long-term care services has been made, appropriate steps to terminate payment for long-term care services will be taken, including allowing for rebuttal and advance notice. In addition, an Improper Payment Report may be required to initiate recovery of incorrectly paid benefits.