

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

305.03.04 Information Provided by the Division of Medicaid to Issuer

For any annuity disclosed for the applicant or Community Spouse, DOM must inform the issuer of the annuity of the Division of Medicaid's right to be named as a preferred remainder beneficiary and may require the issuer to notify the Division of Medicaid regarding any changes in amount of income or principal being withdrawn from the annuity. The issuer of the annuity may disclose information about DOM's position as remainder beneficiary to others who have a remainder interest in the annuity.

305.03.05 Treatment of Annuities in Determining Eligibility for Long Term Care

In addition to the requirement for the Mississippi Division of Medicaid to be named as a remainder beneficiary for an annuity purchased by the institutional spouse or community spouse within the 5-year lookback period and in all subsequent months, an annuity purchased by or on behalf of an annuitant who has applied for medical assistance with respect to nursing facility or other long term care services will not be treated as a transfer of assets if purchased within the 5-year look-back period or any subsequent month if certain conditions are met which are described below.

1. The annuity meets one of the following conditions for employment-related annuities that are treated as retirement benefits:
 - It is an individual retirement annuity according to (b) or (q) of section 408 of the Internal Revenue Code of 1986 (IRC), or,
 - The annuity is purchased with proceeds from an account or trust described in subsection (a), (c) or (p) of section 408 of the IRC, or,
 - The annuity is purchased with proceeds from a simplified employee pension within the meaning of section 408 of the IRC, or,
 - The annuity is purchased with the proceeds from a Roth IRA described in section 408A of the IRC.