



North Carolina
Department of Health and Human Services
Division of Medical Assistance
Recipient Services EIS

1985 Umstead Drive – 2512 Mail Service Center - Raleigh, N.C. 27699-2512
Courier Number 56-20-06

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Nina M. Yeager, Director
(919) 857-4019

November 4, 2002

RE: Recipient Notice of Changes in Policy
Regarding Income Producing Property

Dear County Director of Social Services:

On November 6, 2002 all Medically Needy Aged, Blind, and Disabled Medicaid recipients will be mailed a notice regarding the change, effective December 1, 2002, to no longer exclude more than \$6,000 equity of income producing property. Equity over \$6,000 will be a countable resource. A copy of that notice is attached.

A report of recipients to whom the notice is sent will be posted on NCXPTR. The name of the report is DHREJ MN ABD REV INC PROD PRPTY. It also identifies recipients as to whether or not they are in long-term care or receiving services under CAP.

The notice instructs the recipient who has property to immediately contact his or her Medicaid worker, so that the worker can determine what effect the property will have on the recipient's case and can advise the recipient what actions he may take.

ABD Manual Change No. 15-03 with this policy will be mailed shortly. You will be notified by terminal message when it is mailed and available on-line. The change notice instructs the county to initiate reviews on all cases on the report to determine if they have income producing property or property used to produce goods and services for the home and its effect on the recipient's eligibility. The counties are to begin with long-term care and CAP cases, indicated on the report. If you are contacted by recipients before you receive the policy, please tell them that and that you will be in touch with them as soon as you have the policy.

If you have any questions, please contact your Medicaid Program Representative.

Nina M. Yeager

Attachment

Dear Medicaid Recipient:

This letter has important information about your Medicaid benefits. The North Carolina General Assembly has approved a change in Medicaid rules for persons who own property, which produces income. If you own property from which you receive income, including property that you rent to another person, this may affect your Medicaid benefits.

If you do not own any property, or if the only property you own is the home where you or your spouse live, then this change will have no effect on you.

Currently, Medicaid does not count the equity value of income-producing property. This is about to change. Beginning December 1, 2002, the equity value of income-producing property over \$6,000 will be counted, unless we can exclude it for another reason. If you own income-producing property, this could cause an increase in your countable resources, and you may become ineligible for Medicaid. This change does not affect business property such as a farm or other business you operate.

If you own property from which you receive income, immediately contact your Medicaid worker at your county department of social services. Your worker will determine how the property may affect your eligibility and advise you about what actions you can take to keep your Medicaid. Be sure to call no later than December 10. You can find the telephone number for your county department of social services in the telephone book under county government.

If you rent your home to another person, we will not count the home as a resource (so you can keep your Medicaid) if you (or your representative) give a written statement to your Medicaid worker that you intend to return home someday. **Do not give away any property you own without first contacting your Medicaid worker.** If you do, you may become ineligible for Medicaid to pay for nursing home care or care under the Community Alternatives Program (CAP). You may also want to contact an attorney for legal advice about how to keep your Medicaid. Some options to transfer property and keep your Medicaid will end on December 1, 2002. Free legal advice may be available. Call your nearest Legal Aid office or call 1-877-694-2464 toll free.

If you have any questions about this, please contact your county department of social services, or you may call the state's Medicaid Eligibility Unit toll-free through the CARE-LINE, Information and Referral Service, 1-800-662-7030.

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