



**John R. Kasich, Governor**  
**John B. McCarthy, Director**

## **MEDICAID ELIGIBILITY MANUAL TRANSMITTAL LETTER NO. 119**

**To: All Medicaid Eligibility Manual Holders**

**From: John B. McCarthy, Director**

**Subject: Medicaid: 1634 resources Batch One**

Effective August 1, 2016, Ohio transitioned from being a 209(b) state to a 1634 state for Medicaid eligibility. The transition impacted how Medicaid eligibility is determined for aged, blind, or disabled individuals. Most of the eligibility requirements are now based on criteria established by the Social Security Administration for supplemental security income (SSI).

As a 209(b) State, Ohio used eligibility criterion more restrictive than the SSI program for Medicaid determinations and provided a mechanism for individuals to reduce their income to the income eligibility level through the use of Medicaid spenddown.

As a 1634 State, Ohio will now use SSA's determination of an individual's eligibility for SSI benefits as a determination for Medicaid coverage. Ohio has also chosen the option to determine eligibility for Medicaid coverage for individuals who do not receive SSI benefits but have a disability determination and meet the income and resource criterion for SSI.

As a result of these changes, the Ohio Department of Medicaid reviewed all existing eligibility rules on aged, blind, or disabled Medicaid. Some rules were significantly rewritten, while others were simply updated.

This MEMTL contains three amended rules from Chapter 5160:1-3 and five new rules from Chapter 5160:1-3 of the Administrative Code to replace six rescinded rules from Chapter 5160:1-3.

The effective date of the rules is August 1, 2016.

**Chapter 5160:1-3 Medicaid for the Aged Blind, or Disabled****5160:1-3-05.1 Medicaid: resource requirement**

This rule was rescinded and made new to clarify language on shared ownership of resources, removed language on listing the property for sale, and removed a references to “essential persons”.

**5160:1-3-05.3 Medicaid: the disclosure and treatment of annuities for recipients or applicants for medical assistance programs**

This rule was rescinded and made new to reorganize language for clarity.

**5160:1-3-05.4 Medicaid: cash and checking and savings accounts and time deposits**

This rule was amended to reorganize language for clarity.

**5160:1-3-05.9 Medicaid: dividends and interest**

This rule was rescinded and made new to remove the definition of “financial institution account” and added and clarified language on excluding dividends and interests.

**5160:1-3-05.10 Medicaid: household goods and personal effects as resources**

This rule was rescinded and made new to add the definition of “encumbrance”, added language on how to treat items held for value or investment, and reorganized language for clarity.

**5160:1-3-05.11 Medicaid: automobiles and other modes of transportation as resources**

This rule was amended to change language to any one vehicle of any type used for transportation is excluded as a resource and to use equity value to determine the resource amount for automobiles not excluded.

**5160:1-3-05.13 Medicaid: treatment of the home**

This rule was rescinded and made new to add language that the principal place of residence is excluded regardless of value, added language on conditions when the home remains excluded when an individual does not intend to return to the home, removed language on 13-month home exemption, and reorganized language for clarity.

**5160:1-3-05.15 Medicaid: exclusion of property no longer the principal place of residence**

This rule was rescinded and some of the language found in new rule 5160:1-3-05.13.

**5160:1-3-05.19 Medicaid: real or personal property essential to self-support**

This rule was amended to add language on conditions to exclude property essential for self-support that’s not in use.

The information is available on the Internet and may be accessed at [www.medicaid.ohio.gov](http://www.medicaid.ohio.gov).