

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

302.06.03 HOUSEHOLD GOODS AND PERSONAL EFFECTS

Household goods are personal property found in the home and used in connection with normal maintenance, use and residency of a home. They include:

- Furniture
- Appliances
- Television sets
- Carpets
- Cooking and eating utensils
- Dishes

Personal effects are personal property that is worn or carried by an individual or that have an intimate relation to him or her. They include:

- Clothing
- Jewelry
- Personal care items
- Prosthetic devices
- Educational or recreational items
 - Books
 - Musical instruments

302.06.03A OTHER PERSONAL PROPERTY

Personal property which cannot be excluded as household goods or personal effects must be considered as a resource under either SSI or liberalized resource policy, as discussed in the following sections.

302.06.03B TREATMENT UNDER SSI RESOURCE POLICY

Household Goods and Personal Effects

Household goods and personal effects, as defined above, are excluded in resource determinations, regardless of their dollar value.

Prior to April 2005, a general exclusion of up to \$2,000 applies to the total equity value of household goods and personal effects, other than those excluded regardless of value: one wedding ring, one engagement ring and prosthetic devices, wheelchairs, hospital beds, dialysis machines and other items required by a person's physical condition.

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Treatment Under SSI Resource Policy (Continued)

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;
- Is not considered as 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:

- 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) when there is an encumbrance on the item to arrive at the amount of countable resources.

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 \$10,000 and the payoff is \$5,000, under SSI resource policy the equity value of \$5,000 is counted as a resource.

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302.06.03B 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.