

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### 300.05 RESOURCE DEFINITIONS

TYPE	DEFINITIONS	EXAMPLES
<b>RESOURCES (General Definition)</b>	<p>All assets, including real and personal property, which an individual or couple:</p> <ul style="list-style-type: none"> <li>• Owns</li> <li>• Can apply toward basic needs of food, clothing and shelter, either directly or by conversion to cash, (if not already cash)</li> <li>• Are not legally restricted from use for support or maintenance.</li> </ul>	<p>Examples include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Home</li> <li>• Land</li> <li>• Bank Accounts</li> <li>• Burial Assets</li> <li>• Life Insurance</li> <li>• Automobiles</li> <li>• Investments</li> </ul>
<b>LIQUID RESOURCES</b>	<p>Cash or items that are readily converted to cash (within 20 workdays).</p> <p>Liquidity or nonliquidity of a resource has no effect on a resource's countability.</p>	<p>Absent evidence to the contrary, assume the following types of resources to be liquid:</p> <ul style="list-style-type: none"> <li>• Stocks, bonds and mutual fund shares</li> <li>• Checking and savings accounts, time deposits, CDs</li> <li>• US Savings Bonds, treasury bills</li> <li>• Mortgages and promissory notes</li> </ul> <p>(NOTE: This is not an all inclusive list of liquid resources)</p>
<b>NONLIQUID RESOURCES</b>	<p>Are not cash and are not readily convertible to cash</p> <p>Liquidity or nonliquidity of a resource has no effect on a resource's countability.</p>	<p>Absent evidence to the contrary, assume the following resources to be nonliquid:</p> <ul style="list-style-type: none"> <li>• Buildings, land and other real property rights</li> <li>• Vehicles</li> <li>• Farm machinery and livestock</li> <li>• Household goods and personal effects</li> <li>• Non-cash business property</li> </ul> <p>(NOTE: This is not an all inclusive list of nonliquid resources)</p>

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**Resource Definitions (Continued)**

TYPE	DEFINITIONS	EXAMPLES
<b>REAL PROPERTY</b>	Land, including buildings or immovable object attached permanently to the land.	
<b>PERSONAL PROPERTY</b>	Any property that is not real property.	Personal property includes: such items as: cash, jewelry, household goods, tools, life insurance policies automobiles
<b>EXCLUSION</b>	A resource, or part of a resource's value, that is not considered in the eligibility determination.	
<b>COUNTABLE RESOURCES</b>	Resources remaining after all exclusions are applied.  **The value of a resource is the amount of an individual's or couple's equity in it. The current market value and debt on a resource must be verified to determine the equity value.	
<b>CURRENT MARKET VALUE (CMV)</b>	The amount a resource can reasonably be expected to sell for on the open market in the particular geographical area involved or the sale price, if sold for a higher amount.	
<b>EQUITY VALUE</b>	The current market value (CMV) minus any encumbrance (payoff amount).	A piece of property has a CMV of \$35,000. The mortgage payoff is \$20,000. The equity value is \$15,000.
<b>ENCUMBRANCE</b>	An encumbrance is a legally binding debt against a specific property. The debt reduces the value of the encumbered property, but does not prevent the owner from transferring ownership (selling) to a third party. However, if the owner does sell it, the creditor will nearly always require payment from the proceeds of a sale.	
<b>CONSERVED FUNDS</b>	Funds or property being held for an individual by another person.	Daughter has \$30,000 in a bank in her name but it is verified to be her parents' money and is used for their needs.