

# Joint Committee on Administrative Rules

## ADMINISTRATIVE CODE

TITLE 89: SOCIAL SERVICES  
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES  
SUBCHAPTER b: ASSISTANCE PROGRAMS  
PART 120 MEDICAL ASSISTANCE PROGRAMS  
SECTION 120.336 EDUCATION BENEFITS

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### **Section 120.336 Education Benefits**

The following education benefits shall be exempt:

- a) Veterans Educational Assistance  
  
Income from educational benefits paid to a veteran or to a dependent of a veteran.
  
- b) Social Security Administration Benefits  
  
Income received as an SSA benefit paid to or for an individual and conditioned upon the individual's regular attendance in a school, college or university, or a course of vocational or technical learning.
  
- c) All other education grants and loans.

(Source: Amended at 28 Ill. Reg. 4701, effective March 3, 2004)

SUBCHAPTER b: ASSISTANCE PROGRAMS  
PART 120 MEDICAL ASSISTANCE PROGRAMS  
SECTION 120.380 ASSETS

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**Section 120.380 Assets**

- a) The value of nonexempt assets shall be considered in determining eligibility for AABD MANG. Assets do not affect eligibility for TANF MANG.
  
- b) Jointly held assets for AABD MANG shall be treated in the same manner as described in 89 Ill. Adm. Code 113.140.
  
- c) Potential payments from a Medicaid qualifying trust for AABD MANG and MANG(C) shall be treated in the same manner as described in Section 120.346.
  
- d) Trusts established on or after August 11, 1993, shall be treated in the manner described in Section 120.347.
  
- e) The value of a life estate shall be determined at the time the life estate in the property is established and at the time the property (for example, assets) is liquidated. In determining the value of a life estate and remainder interest based on the value of the property at the time the life estate is established or of the amount received when the property is liquidated, the Department shall apply the values described in Section 120. Table A. The life estate and remainder interest are based on the age of the person at the time the life estate in the property is established and at the time the property is liquidated and the corresponding values described in Section 120. Table A.

(Source: Amended at 22 Ill. Reg. 19875, effective October 30, 1998)

TITLE 89: SOCIAL SERVICES  
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES  
SUBCHAPTER b: ASSISTANCE PROGRAMS  
PART 120 MEDICAL ASSISTANCE PROGRAMS  
SECTION 120.382 ASSET DISREGARD

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**Section 120.382 Asset Disregard**

In addition to the exempt assets listed in Section 120.381, the cash value of assets shall be disregarded for AABD MANG as follows:

- a) \$2000 for a client and \$3000 for a client and one dependent residing together.
- b) \$50 for each additional dependent residing in the same household.
- c) The amount equal to the sum of qualifying insurance benefit payments made as a result of coverage under a Long Term Care Partnership Insurance Policy, as described in 50 Ill. Adm. Code 2018, provided that the person has received all of the qualifying insurance benefit payments that are payable under the policy.
- d) All assets of a person who purchases a Long Term Care Partnership Insurance Policy, as described in 50 Ill. Adm. Code 2018, with coverage equal to the average cost of four years of long term care services in a nursing facility, provided that the person has received all of the qualifying insurance benefit payments that are payable under the policy.

- e) Eligibility for AABD MANG does not exist when nonexempt assets exceed the above disregard.
  
- f) Qualified Medicare Beneficiary (QMB)
  - 1) \$4,000 for a single person and \$6,000 for a person with one or more dependents.
  
  - 2) Eligibility for QMB status does not exist when countable assets exceed the above disregard.

(Source: Amended at 22 Ill. Reg. 19875, effective October 30, 1998)

TITLE 89: SOCIAL SERVICES  
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES  
SUBCHAPTER b: ASSISTANCE PROGRAMS  
PART 120 MEDICAL ASSISTANCE PROGRAMS  
SECTION 120.384 SPEND-DOWN OF ASSETS (AABD MANG)

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**Section 120.384 Spend-down of Assets (AABD MANG)**

- a) Determination of Assets
  - 1) For individuals residing in the community the Department determines the amount of non-exempt assets using the verified amount on the date of decision on the application for medical assistance. The date of verification may be prior to the date of decision. Money considered as income for a month is not considered as an asset for that same month. If income for a month is added to a bank account that month, the Department will

subtract the amount of income from the bank balance to determine the asset level. Any income remaining the following month(s) is considered as an asset.

- 2) The amount of non-exempt assets verified during the application process is used on the date of decision. If medical eligibility includes a backdated month(s), for the backdated month(s), the Department will consider the amount of assets available to apply to the cost of medical care. The Department will not determine the value of assets for a backdated month(s) of eligibility. However, the amount of the excess assets verified during the application process is used to determine spend-down status in each backdated month of eligibility.
- 3) Once the excess asset has been used to meet spend-down, whether or not the excess amount has actually been reduced, it is no longer considered. However, at reapplication/redetermination, the Department will consider any excess non-exempt assets remaining as currently available.

b) Community Cases (AABD MANG)

For AABD MANG, to determine the spend-down obligation for clients in the community, the Department will compare monthly countable income to the appropriate MANG standard and add any non-exempt assets in excess of the appropriate asset disregard to non-exempt monthly income in excess of the appropriate MANG Standard.

1) Regular AABD MANG – Community Residents

When an individual residing in the community, has countable monthly income of not more than 99 cents over the appropriate MANG Standard and has non-exempt excess assets of not more than 99 cents over the appropriate asset disregard, the case is referred to as a Regular MANG case. Payment for covered services is made for each month eligibility exists.

2) Spend-down AABD MANG

- A) When an individual resides in the community and has countable monthly income of at least \$1.00 over the MANG Standard and/or non-exempt assets of at least \$1.00 in excess of the asset disregard for the appropriate size household, the case is referred to as a community spend-down case. The spend-down amount is the sum of the amount of income in excess of the MANG Standard plus non-exempt assets in excess of the appropriate asset disregard. The Department will disregard any excess income and/or asset amounts that are not at least \$1.00 over the appropriate standard or disregard.
  
- B) If the individual presents verification that the excess amount is no longer available, the Department will make the appropriate changes the month following the month the assets were transferred.
  
- C) Individuals enrolled in spend-down are not eligible for payment of covered medical services until spend-down is met. Spend-down is met by presenting allowable medical bills or receipts to the Department that equal the amount of the individual's excess countable income and/or non-exempt excess assets. Excess assets do not have to be reduced prior to the authorization of medical assistance.

c) Group Care Cases

To determine the spend-down obligation for AABD MANG clients in group care, the Department will compare monthly countable income and non-exempt assets in excess of the appropriate asset disregard to the cost of long term care at the private pay rate or the Department rate, whichever is greater. When an individual has non-exempt excess assets, the excess amount is applied to the monthly long term care charges after the monthly countable income has been applied.

1) Regular Group Care

When an individual in group care has countable monthly income plus non-exempt assets in excess of the applicable asset disregard of not more than 99 cents over the private pay rate or the Department rate, whichever is greater, the case is referred to as a Regular Group Care case. If monthly countable income plus excess non-exempt assets are less than the long term care charges at the Department rate, the Department will pay the difference.

2) Group Care Spend-down

A) When an individual in group care has countable monthly income plus non-exempt assets in excess of the applicable asset disregard of at least \$1.00 over the cost of long term care at the private pay rate or the Department rate, whichever is greater, the case is referred to as a Group Care Spend-down case. The spend-down amount is the sum of the monthly countable income plus non-exempt assets over the applicable asset disregard.

B) The transfer of asset policy set forth in Section 120.385 still applies. Once the client has been determined to have a resource spend-down because of excess non-exempt assets, the spend-down cannot be eliminated by a non-allowable transfer made to qualify for or increase the need for medical assistance.

C) If the individual presents verification that the excess amount is no longer available and the transfer of assets is allowable according to Section 120.385, the Department will make the appropriate changes the month following the month the assets were transferred. If spend-down has been met, the policy set forth in Section 120.385 regarding transfer of assets does not apply. The client may dispose of the asset as he/she wishes as it has been applied to a met spend-down.

- D) Individuals enrolled in spend-down are not eligible for payment of covered medical services until spend-down is met. Spend-down is met by presenting allowable medical bills or receipts to the Department that equal the amount of the individual's excess countable income and/or non-exempt assets. Excess assets do not have to be reduced prior to the authorization of medical assistance.

(Source: Amended at 22 Ill. Reg. 19875, effective October 30, 1998)