



Ohio Administrative Code

Rule 5160:1-3-03.10 Medicaid: retirement and income supplementing accounts (RISAs).

Effective: August 1, 2016

(A) This rule describes how retirement funds are treated for purposes of determining medical assistance eligibility.

(B) Definition. "Retirement funds" are plans designed to provide unearned income to supplant or supplement earned income. Retirement funds may include, but are not limited to such plans as: public and private pension, disability, or retirement plans; defined benefit employer pension plans, profit sharing pension plans, 403(b) pension plans, money purchase pension plans, employee stock ownership plans, individual retirement accounts (IRA); KEOGH pension plans, Roth IRAs, simplified employee pension plans (SEP-IRA), and 401k pension plans; or any other pension or retirement plans authorized under 401, 403, 408 of the Internal Revenue Code (IRC) as outlined in 26 U.S.C. (as in effect on February 1, 2016), or any other enacted IRC provisions providing for a pension or retirement plan or any other similar financial vehicles administered by an individual, employer, or union. A retirement fund converted into an annuity shall be considered in accordance with rule 5160:1-3-05.3 of the Administrative Code.

(C) Retirement funds treated as income.

(1) A retirement fund in which an individual has the legal ability to receive regular guaranteed lifetime payments will be treated as a source of unearned income rather than as a resource. A defined benefit employer pension plan is an example of this type of retirement.

(2) The individual is required to obtain the maximum available amount of payment from the plan. If the maximum available amount of payment requires the individual's spouse to consent to a waiver of the spouse's survivor benefits, the individual must document a good faith attempt to obtain that consent, and whether consent was obtained or refused. If consent is not obtained, the individual must elect the minimum spousal survivor benefit required by the plan.

(3) If allowed in the plan, the individual may elect a lesser payment in favor of retaining a minimum



survivor benefit for a child who can be documented to be blind or disabled, as defined in rule 5160:1-3-02 of the Administrative Code.

(4) If the retirement fund is determined to not be income, then the retirement fund shall be evaluated as a potential resource.

(D) Retirement funds treated as a resource.

(1) The retirement fund shall be evaluated as a potential resource only after it is determined to not be income.

(2) A retirement fund is a countable resource if the individual or the individual's spouse has an ownership interest in the retirement fund and the legal ability to convert it to cash.

(a) The value of a retirement fund is the amount an individual can currently withdraw from the fund.

(b) This determination shall be made by reference to documentation describing the retirement fund and/or a letter from the plan administrator.

(c) Self-defined retirement plans such as an IRA or KEOGH plan are examples of this type of retirement fund.

(3) If there is a financial penalty imposed by the plan administrator in order to convert the account to cash, the amount of the countable resource is the net amount payable to the individual after deducting the penalty. The amount payable may not be further reduced by the amount of any tax incurred by the individual as a result of the conversion of the account to cash.

(4) A retirement fund is not a resource if an individual must terminate employment in order to obtain any lump sum or payment.

(5) A retirement fund determined to be a resource in accordance with paragraph (D) of this rule, which is owned by an ineligible spouse or parent or spouse of an ineligible parent, shall not be considered for deeming purposes described in rule 5160:1-3-03.20 of the Administrative Code.



(E) Administrative agency responsibilities.

(1) The administrative agency must evaluate any retirement fund of which the individual is a beneficiary.

(2) The administrative agency shall obtain the summary plan description or other document describing the rights and benefits under the retirement fund. A letter from the plan administrator may also be obtained to make the determinations required under this rule.

(F) Individual responsibilities. An individual is required to provide all available documentation to aid the administrative agency in evaluating any retirement fund of which the individual is a beneficiary.