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Ohio Administrative Code

Rule 5160:1-6-03.2 Medicaid: use of qualified income trusts (QIT).

Effective: October 12, 2026

(A) This rule sets forth the requirements that must be met in order to establish and use a qualified income trust (QIT) (also referred to as a Miller trust) to become eligible for medicaid payment of long-term care services.

(B) Definitions

(1) "Beneficiary" is defined in rule 5160:1-3-05.2 of the Administrative Code.

(2) "Individual" is defined in rule 5160:1-6-01.1 of the Administrative Code.

(3) "Irrevocable trust" is defined in rule 5160:1-3-05.2 of the Administrative Code.

(4) "Primary beneficiary" means the "individual" as defined in paragraph (B)(2) of this rule.

(5) "Qualified Income Trust" (QIT) means a trust that allows an individual whose income is over the special income level (SIL), as described in rule 5160:1-6-03.1 of the Administrative Code, to have some or all of his or her income not be counted when determining medicaid eligibility by placing income in the trust.

(6) "QIT account" means the account that holds the income placed into a QIT.

(7) "Trustee" is defined in rule 5160:1-3-05.2 of the Administrative Code.

(C) A QIT can only be used to establish medicaid eligibility by an individual whose income is above the SIL, who is eligible for long-term care (LTC) services covered by the Ohio medicaid program, and who is subject to the calculation of patient liability under rules 5160:1-6-07 and 5160:1-6-07.1 of the Administrative Code.

(D) A QIT must be a valid trust under the law of Ohio or another state and meet the following requirements:

(1) The trust must be irrevocable.

(2) Only the individual's income can be placed into the QIT.

(3) The source(s) of income placed into the QIT must be identified.

(4) The individual cannot transfer or assign to the trust his or her right to receive income.

(5) No other property or resources, except for any interest earned on the trust corpus, can be placed into the QIT.

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(6) The trust document must provide that the trust shall terminate upon the death of the primary beneficiary, at which point the remaining trust property shall be distributed to the Ohio department of medicaid or its successor up to an amount equal to the total medical assistance paid on behalf of the primary beneficiary; the trustee is prohibited from repaying other persons or creditors prior to this distribution.

(E) Income received in a frequency other than monthly shall be converted to a monthly income amount in accordance with rule 5160:1-2-02 of the Administrative Code to comply with the monthly income requirements described in this rule.

(F) In accordance with rules 5160:1-6-07 and 5160:1-6-07.1 of the Administrative Code, distributions from the trust shall be made in the following order, within thirty days from when the income is placed in the QIT account:

(1) A monthly personal or maintenance needs allowance for the primary beneficiary;

(2) A maintenance allowance for the spouse, if any, of the primary beneficiary and, when applicable, a maintenance allowance for family dependents;

(3) Health care costs in accordance with rules 5160:1-6-07 and 5160:1-6-07.1 of the Administrative Code. When income is used to help pay for LTC services or other medical care provided to the individual, the individual is considered to have received fair market value for the income placed in the trust, up to the amount actually paid for other medical care provided to the individual and to the extent that the payments purchased are at fair market value;

(4) The trustee may make payments in an amount up to fifteen dollars per month from the QIT account for bank fees, attorney fees, and other expenses required to establish and administer the trust. When fifteen dollars is insufficient to cover the cost to administer the trust, the individual can request that the payment amount be increased. Requests for an increased payment amount must be approved by the Ohio department of medicaid (ODM).

(G) The trust corpus is not counted as a resource available to the individual in determining his or her eligibility for medicaid.

(H) The establishment of the QIT must be documented, including the location of the QIT account, the QIT account number, and details regarding who has access to the QIT account. The title of the QIT account must clearly identify it as a QIT account in the name of the individual.

(I) When the individual's income cannot be automatically transferred or deposited into the QIT account each month, then the individual must provide ODM with documentation

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showing that the individual's income is being transferred or deposited into the QIT account on a monthly basis. Every effort should be made to have the individual's excess income transferred or deposited directly into the QIT account on a monthly basis.

(J) The properly executed QIT document, proof of the establishment of the QIT account, documentation of the required monthly deposit amount, and verification of monthly deposits from an income source or sources into the QIT account, including efforts to have income deposited directly into the QIT account, must be submitted along with the application for medicaid for an individual needing LTC services.

(K) Documentation of monthly deposits into the QIT must be presented at the individual's annual eligibility renewal or at the request of the administrative agency. When such documentation is not presented, any income that should have been placed into the QIT but was not will be considered available for purposes of determining the individual's medicaid eligibility for that month. Any medicaid payments made by the administrative agency during a period of ineligibility are subject to recovery under rule 5160:1-2-04 of the Administrative Code.

(L) The individual can elect to have all, or only a portion, of his or her income placed into the QIT account. Any income not placed into the QIT account will be counted as available to the individual when determining eligibility for medicaid.

(M) Income placed into the QIT is subject to the patient liability requirements as set forth in rules 5160:1-6-07 and 5160:1-6-07.1 of the Administrative Code. All income placed into a QIT is combined with any countable income not placed into the QIT to arrive at a base income figure to be used in the patient liability calculation. The base income figure is used for post-eligibility distributions.

(N) Distributions or payments from the QIT, other than as authorized by this rule, may be considered a transfer of assets for less than fair market value and subject to the transfer of assets penalties in accordance with rule 5160:1-6-06.5 of the Administrative Code. When income placed into the QIT exceeds the amount paid out of the QIT in accordance with paragraph (F) of this rule, the excess income may be subject to the transfer of assets provisions as set forth in rule 5160:1-6-06.5 of the Administrative Code.

(O) Payments made from the QIT directly to the individual or to a third-party for food or shelter are counted as unearned income to the individual in the month received.

(P) Payments to a third-party that are not authorized under paragraph (F) or (O) of this rule, are subject to the transfer of assets penalties as set forth in rule 5160:1-6-06. 5 of the Administrative Code.

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(Q) When transfer of assets penalties result in an undue hardship, the individual may request an undue hardship exemption in accordance with rule 5160:1-6-06.6 of the Administrative Code.