

Your refund and staying eligible for Medicaid and Food Stamps after getting it

Read this entire Flyer carefully. Do not skip any part.

❖ **Why is DSHS sending me a refund check?** You may be eligible for a refund of the money you paid for the cost of your care services at home or in a facility. We call what you pay for your care “participation”.

We reviewed your case. It turns out you should not have paid participation. (If you live in a facility, you must still pay for “room and board” charges, but not participation).

You should not have paid participation because of a law. This law is called the Pickle Amendment. This law applies to some people who got SSI in the past, but now receive only Social Security benefits. SSI is short for Supplemental Security Income. We know you are not on SSI now. But, you got SSI in the past. Because you got SSI in the past, but do not anymore, you should not have paid participation. We fixed our mistake. You will not have to pay participation now.

❖ **Do I need to do anything to get the refund?**

Yes. Look at the document enclosed with this Notice. It tells what we think you paid in participation. This is the amount you should not have paid. Check to see if the amount is correct. If it is, sign the document. Make a copy for your records. Send back the document in the envelope provided. If it is not correct, contact us at:

❖ **What happens next?**

You should get your refund check within 90 days.

❖ **Will this refund harm my benefits?**

Maybe. You must be careful what you do with the money during the **nine months** after you get it.

There are three important things you need to know.

- You cannot have more than \$2,000 in nonexempt resources. The most common nonexempt resource is money in a checking or savings account.
- **But**, your refund **will not count** against the \$2,000 nonexempt resource limit for the first **nine months** after you get it. You get a **nine month** break from the

\$2,000 nonexempt resource limit. For example: If you get your refund in January, the break runs until the end of September. After the nine months is over, your nonexempt resources, including the refund, must be **under** the \$2000 limit. To stay on Medicaid, you will need to show your financial worker your resources on the first day of the tenth month after you get the refund. If your refund comes in January, you have to show what your resources are to your financial worker on October 1. If your nonexempt resources are more than \$2000 on the first day of the tenth month, **you will lose your Medicaid and long term care services.** You will stay ineligible until the month **after** your nonexempt resources go below \$2,000.

- If you have **any** questions about your refund, call your financial worker. Be smart. Check with your financial worker first.

❖ **I get Food Stamps (Basic Food). Will the refund mean I get less Food Stamps?**

No. The refund will not affect your Food Stamps. You do not have to tell any part of DSHS that you got the refund.

❖ **What can I do with my refund?**

- You can spend the money almost any way you want. There are exceptions. We tell you about them below. If you have questions, call your financial worker first.
- Keep records and receipts of how you use your refund. We may ask you to show us how you spent it.
- You can:
 - Pay your bills.
 - Spend the extra money on yourself. You can buy household goods and clothing. Household goods include furniture, appliances, and TVs.
 - Repair your house or your car.
 - Give some or all of it away. You can only give it away **during the first nine months after you get it.**
 - You may lose Medicaid eligibility if you give any of this money away after 9 months. Do not give any money away **after nine** months has gone by unless you check with a lawyer first.
 - If you have not made burial/cremation and funeral arrangements, you can use the money to pay for them in advance. Tell the funeral home you want

an irrevocable **Medicaid-qualifying** trust or pre-paid burial or funeral plan. This means that once you pay the funeral home, you cannot get your money back. DSHS also allows you to have up to \$1500 in a separate bank account. This account must be set aside specifically to pay for your funeral and burial or cremation. This money is not counted toward the \$2000 resource limit you are allowed.

- If you are married, you can give the money to your spouse. **WARNING:** Is your spouse on Medicaid? If so, he or she has the same \$2,000 limit as you. You could make your spouse ineligible for Medicaid if you give them your refund. Be smart. Call your financial worker first if you have questions.
- **WARNING:** Some things you could buy might cause trouble. For example, you can have one car. If you buy another one or an RV, the value of the second vehicle would count against the resource limit. You can replace your current car with your refund. Be smart. Call your financial worker first if you have questions.

❖ **Can I put my money in a trust?**

Trust rules are complicated. First, if you are over 65, any money you put into a trust is counted for Medicaid. You could get disqualified from Medicaid if you put your refund in a trust.

If you are under age 65, you may be able to set up a trust where the funds in the trust are not counted for Medicaid. The cost of setting up and maintaining an individual trust may be high. People under 65 can put their refund money into a “pooled” trust run by a nonprofit organization. You should get advice from an attorney experienced in Medicaid eligibility issues to help you with trust questions.

❖ **Where can I go for additional information?**

If you need legal advice you can call the CLEAR hotline at: 1-888-201-1014 or on the internet at: <http://nwjustice.org/get-legal-help>.

For financial exploitation concerns, please contact Adult Protective Services at 1-866-ENDHARM (1-866-363-4276).

You can also contact your DSHS financial worker with questions.