

## Documentation for the Medicaid Process

Medicaid requires documentation of all income and resources. **For applications made after February 8, 2006 there is a 5 year or 60 month “look-back” period from the date of application, allowing the state to look at an individual’s or couple’s resources for that period of time.** It is important to have supporting documentation of major expenditures available for the “look-back” period at the time of Medicaid application. This also includes the settlement papers from any real-estate sale.

This section is intended to help an individual or family member know what papers and records are needed to submit with the Medicaid application, whether it is for nursing home Medicaid or Home and Community Based Services. Lack of proper documentation can delay approval or result in a denial of the Medicaid application.

### DOCUMENTS NEEDED

#### ● Identification **Original documents are required.**

For determinations of initial eligibility and redeterminations made on or after July 1, 2006, individual must provide satisfactory documentary evidence of citizenship or nationality. Satisfactory documentation is any one of the following:

- A certificate of birth in the United States
- Form FS-545 or Form DS-1350 (Certificate of Birth Abroad)
- Form I-97 (United States Citizen Identification Card)
- Form FS-240 (Report of Birth Abroad of a Citizen of the United States)

**OR** any of the following:

- United States passport
- Form N-550 or N-570 (Certificate of Naturalization)
- Form N-560 or N-561 (Certificate of United States Citizenship)

**AND** one of the following photo ID:

- At state issued driver’s license, or
- A state issued identification card

Getting a photo ID may prove problematic if the individual does not have proper documentation required by the Colorado Department of Motor Vehicles. Check website [www.revenue.state.co.us](http://www.revenue.state.co.us) Look under *Evidence of Lawful Presence* for information on documentation required.

- Marriage license, if married when applying.
- Social Security card.
- Medicare card.
- Medicare supplemental insurance identification card.
- Colorado ID card or driver’s license.
- Veteran’s discharge papers, or information with Service ID number.
- Copy of Durable Power of Attorney if a family member is making the application for the individual applying.

*Note: If an application is being made for a person who is married, copies of these documents are needed for both husband and wife. When there is a spouse, household expense documentation is also required. **This includes: rent or mortgage statements, condo or mobile home fees, all utility bills, homeowners or rental insurance, medical insurance premiums, medical expenses, and prescription expenses.***

### DOCUMENTATION OF INCOME

An individual will need a current statement or record of income from **all** sources. This includes:

- **Social Security Income.** A current statement of gross benefits can be obtained from Social Security by calling 1-800-772-1213. The benefit statement sent by Social Security at the end of each year stating the income for the following year may be used. A copy of the check or current bank statement showing the direct deposit entry is not sufficient.
  - **Pension or Veterans Benefit Income.** A current statement of benefit showing the gross amount received from any pension income
  - **Rental or Loan Payment Income.** Income from property rental or payment from a promissory note or other loan is counted and must be documented.
  - **Interest Income.** Resources of the individual must be \$2,000 or less when making the application. If resources are in an interest-bearing account, interest payments could make the amount go over the allowed \$2,000. For this reason, it is suggested that an individual on Medicaid keep only \$1,800 or less in a bank account rather than \$2,000. Any amount over \$2,000, even a penny, will disqualify the individual for Medicaid. This limit includes the funds in the Personal Needs Allowance account.
- **Income from a Spouse.** Income documentation from a spouse is necessary to determine how much the community spouse is allowed to keep as a Monthly Income Allowance. See Qualifications for Married Individuals.

## DOCUMENTATION OF RESOURCES

### ● **Checking and Savings Accounts**

The applicant must produce current checking and savings account statements showing balances as well as names on the accounts. Some counties may require the applicant to provide statements for the 60 months prior to application in order to identify any transfers or gifts. Accounts closed in the 60 months prior to the Medicaid application must have documentation of the account being closed. Documentation is also required to provide a paper trail of the disposition of funds. All funds in a joint account are presumed to be the resources of the applicant. Evidence must be furnished if this is not the case. A written statement from all account holders must be submitted with the application. It must include:

- Who owns the funds.
- Why there is a joint account.
- Documentation of who made deposits and withdrawals and how withdrawals have been spent.
- Documentation of account records showing title on the account, and deposits made at the time the account was opened, showing other joint owner(s) opened this account from his/her own funds.

### ● **CD, Bonds, Securities, IRAs, 401Ks**

If an applicant owns CDs, bonds, stocks, IRAs, 401Ks etc., documentation is required to show current market values and how they are titled. Government savings bonds need to be copied, with a written evaluation from a bank showing current value.

### ● **Home**

Even though the home is considered an exempt asset, a property tax statement and deed are required with the application in order to verify ownership.

- If an applicant for Medicaid owns a second property or property out of the state, it must be sold or put up for sale to qualify for Medicaid. A deed for this property must be provided to show title. If it is put up for sale, a contract is required at the time of application, showing the property is listed with a Realtor for fair market value in order for this asset to be exempt. This will be reviewed on a quarterly basis by Human Services until the property sells.

When the property is sold, net sales proceeds must be documented. These cash resources most likely will make the individual temporarily ineligible for Medicaid. Once these resources have been spent down, the individual may reapply. The eligibility technician at the county must be notified once the sale has been completed. The recipient may have the option of repaying Medicaid expenses which have been incurred with all or some of the assets from the

sale of the home. This should be discussed with the county technician.

It is not advisable for individuals who may need to apply for Medicaid at some point in time to carry the loan for the home purchased. Medicaid considers such a promissory note an available resource, and may be looked at as a transfer of assets, incurring a penalty period. See Transfer of Assets.

If a home has been sold within the look back period, the settlement papers must be presented, showing the sale proceeds. Documentation is required to show where the proceeds went – into a bank account, to pay off loan, etc.

- The latest property tax statement is required.

#### **Automobile**

Registration or title is required for all motor vehicles. This includes motor homes.

#### **Life Insurance Policies**

A copy of the face sheet (schedule page) for all life insurance policies is required. If the face value of the policy is over \$1,500, a statement showing the current cash value of the policy or policies must be presented.

Applicants should request a letter from each life insurance company stating the current face and cash value amounts for each policy. If the cash value amount is over \$1,500, for any policy, request the form to cash in the policy (or change ownership of the policy if there is a spouse). This may save time later.

Even though there is no cash value for term life insurance policies, request this information from the company. It must be in writing.

#### **Funeral and/or Burial Insurance Policies**

A copy of any funeral or burial policy is required. If the total amount of this policy is over \$1,500, the policy must be made irrevocable. Contact the mortuary or cemetery asking that a rider be placed on the policy, stating it is irrevocable. A copy of this rider is needed for the application.