

LUMP SUM WORKSHEET

Case Name: _____	Case Number: _____
Person Receiving Lump Sum: _____	Date Received: _____

STEP I. DETERMINING IF THE NON RECURRING INCOME IS A LUMP SUM

Amount of non-recurring income \$ _____

Plus other actual monthly income \$ _____

Total Income \$ _____

Compare total income to the Case (filing unit) Standard of Need. Total Income = _____

Standard of Need = _____

If total income is equal to or more than the Standard of Need, then the non-recurring income is a lump sum. ☐ Continue with Step 2 and **MAKE SURE** Book 1 (LDSS-4148A) **HAS BEEN PROVIDED** to the recipient.

If total income is less than the Standard of Need, then the non-recurring income is not a lump sum and must be budgeted as appropriate. ☐ STOP

STEP II. DETERMINING RESOURCE "SET-ASIDE"

Resource Limit for the household: \$2,000 (or \$3,000 for member age 60 or over) \$ _____

- Amount of existing non-exempt resources \$ _____

= The "Resource Set-Aside" amount \$ _____

If the lump sum is equal to or less than the resource set-aside amount, Stop. ☐

The lump sum is a "set-aside" equal to the resource limit then and there is no impact on eligibility.

If the lump sum exceeds the resource set-aside amount, continue to proceed with Step III. The lump sum amount to enter into ABEL is the excess amount or:

Amount of Lump Sum: \$ _____

- Resource set-aside: \$ _____

= Net Lump Sum: \$ _____

STEP III. DETERMINING THE PERIOD OF INELIGIBILITY

Enter the Net lump sum amount from Step II into ABEL using Code 26 (Unearned) or Code 12 (Earned) or 13 (Earned – received by current wage earner). Make sure to use the "To" and "From" date for the month of lump sum receipt and any other actual income. The transmitted budget will indicate the dates of ineligibility. Initiate action to close the case and generate the appropriate CNS notices (E38 – Excess Income – Lump Sum or F38 – Excess Income – Lump sum (No MA Extension)).

STEP IV. BIG TICKET SET-ASIDES AND DEFRA SHORTENING

If the recipient reapplies and verifies that they have used any of the lump sum for any of the following big-ticket purchases within 90 days of lump sum receipt, the period of ineligibility must be shortened (if necessary, retroactive to case closing).

Has the recipient chosen to deposit all or part of the net lump sum in an exempt bank account specifically to use for tuition at a 2 or 4 year college (\$1,400 per person maximum) or to purchase a vehicle (\$4,650 maximum)? ☐ Yes – Verify and reduce the lump sum by the amount deposited.

Has the recipient chosen to use all or part of the net lump sum to purchase an automobile exempt from the resource limit (maximum amount \$10,000 or higher if set by district; \$11,000 as of April 1, 2017 or higher if set by district; \$12,000 as of April 1, 2018 or higher if set by district)? ☐ Yes – Verify and reduce the lump sum by car purchase amount.

Has the recipient chosen to use all or part of the net lump sum to purchase a resource exempt burial plot? ☐ Yes – Verify and reduce the lump sum by amount used.

Has the recipient chosen to use all or part of the net lump sum to purchase a resource exempt bona-fide funeral agreement (maximum amount \$1,500)? ☐ Yes – Verify and reduce the lump sum by amount.

Do any of the following additional shortening provisions apply?

☐ Yes ☐ No – An increase in the family's Standard of Need.

☐ Yes ☐ No – All or a portion of the lump sum becomes unavailable for a reason that was beyond the recipient's control.

☐ Yes ☐ No – A family member gets and pays for medical care that would normally be covered under Medicaid.

If yes to any of the additional shortening provisions, consider whether additional shortening of the period of ineligibility is appropriate.