

DSS-4357EL

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GENERAL INFORMATION SYSTEM
Office Medicaid Management

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TO: Local District Commissioners, MA Supervisors

FROM: Ann Clemency Kohler, Deputy Commissioner, Office of Medicaid Management

SUBJECT: Treatment of Income and Resources: Netherlands Reparation Payments and Radiation Exposure Compensation Trust Fund Payments

EFFECTIVE DATE: Immediately

CONTACT PERSON: Dennis Boucher (518) 473-6111

We have received clarification from the Health Care Financing Administration (HCFA) regarding the treatment of Netherlands payments to victims of Nazi persecution. These are payments made by the Dutch government to victims of persecution under the Netherlands' Act on Benefits for Victims of Persecution 1940 - 1945 (Dutch Acronym, WUV). Payments under this Act began January 1, 1973, and include four categories of benefits: periodic income payments, compensation for non-definable disability expenses, reimbursement of persecution related disability expenses, and partial compensation for persecution related disability expenses.

Effective immediately, in determining Medicaid eligibility for Low Income Families with Children, and ADC-related and SSI-related applicants/recipients (A/Rs), WUV payments are to be excluded from income and resources. Interest earned on unspent WUV payments is counted as unearned income.

For purposes of this GIS message, the term "ADC-related" includes all individuals whose Medicaid eligibility is determined under the ADC-related budgeting methodology (including pregnant women and children whose income is compared to the poverty levels and parents in intact households where there is no deprivation).

For Single Individuals and Childless Couples, WUV payments are not excluded from income or resources.

We have also received clarification from HCFA regarding the treatment of Radiation Exposure Compensation Trust Fund (RECTF) payments. These are payments made to individuals exposed to radiation as the result of the United States Government's atmospheric nuclear testing in Utah, Nevada, and Arizona during the 1950's and during a brief period in 1962, which put individuals' health at risk. In addition, some individuals employed in uranium mines during the period January 1, 1947 to December 31, 1971, were exposed to large doses of radiation. RECTF payments to individuals who were found to have contracted certain diseases due to radiation exposure are made as a one-time lump sum.

For Low Income Families with Children, and ADC-related and SSI-related A/Rs, RECTF payments are to be excluded from income and resources. Interest earned on unspent RECTF payments is counted as unearned income.

For Single Individuals and Childless Couples, RECTF payments are not excluded from income or resources.

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In accordance with Federal regulations regarding post-eligibility treatment of income for institutionalized individuals, WUV payments and RECTF payments are to be disregarded in determining an individual's contribution toward the cost of care. These payments are also to be disregarded in determining the otherwise available income of a community spouse or family member for purposes of establishing a community spouse monthly income allowance or family member allowance.