

**INCOME  
UNEARNED****RETIREMENT FUNDS**

**Description:** Retirement funds are annuities or work-related plans for providing income when employment ends (e.g., pension, disability, or other retirement plans administered by an employer or union). Other examples are funds held in an individual retirement account (IRA) and plans for self-employed individuals, sometimes referred to as Keogh plans. Also, depending on the requirements established by the employer, some profit sharing plans may qualify as retirement funds.

Medicaid A/Rs who are eligible for periodic retirement benefits must apply for those benefits to be eligible for Medicaid. If the individual has a choice between periodic benefits and a lump sum, the individual must choose the periodic benefits. The individual must apply for the maximum payment amount that could be made available over the individual's lifetime. By federal law, if the Medicaid A/R has a living spouse, the maximum income payment option that is available will usually be less than the maximum income payment option available to a single individual. This provision applies to all Medicaid A/Rs.

**NOTE:** An individual who has met the minimum benefit duration requirement of a New York State Partnership for Long Term Care policy is not required to maximize income from a retirement fund. In addition, non-applying spouses/parents are also not required to maximize income from a retirement fund.

**References:** GIS 98 MA/024

**When to Verify:** When the A/R indicates s/he receives a pension or retirement benefit.

When the A/R has left his/her employment and is retired or disabled.

When the record indicates that the A/R received a pension or retirement benefit in the past.

When the Resource File Integration (RFI) report indicates that the A/R has income.

When the A/R indicates that s/he has group health insurance.

When the A/R's bank records indicate recurring electronic deposits.