

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1354

H. P. 1088

House of Representatives, March 20, 1979

On Motion of Mrs. Prescott of Hampden, referred to the Committee on Health and Institutional Services. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Kany of Waterville.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Concerning Transfer of Assets for the Purpose of Qualifying for Medical Assistance.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 22 MRSA § 3174, sub-§ 4 is enacted to read:

4. **Transfer of property.** Has not transferred real or personal property, or any interest therein, without reasonable consideration within 6 months of the date of application for aid in the form of medical assistance for intermediate care or skilled nursing care, if the difference between the fair market value of the property so transferred and the value of the consideration actually received if regarded as an asset of the applicant would otherwise render the applicant ineligible for assistance. Reasonable consideration means the fair market value of the property at the time of the transfer.

A. Transfer of the applicant's homestead and contiguous acreage and transfers of real or personal property, the aggregate value of which from all transfers is not in excess of \$2,000, for less than fair market value shall not be considered a transfer of property for purposes of this subsection.

B. Notwithstanding this subsection, no applicant shall be ineligible for assistance for more than 6 months after the date of application solely on the grounds that he transferred property without reasonable consideration.

Sec. 2. Effective date. The effective date of section 1 shall be 9 months after the effective date of amendments to the requirements for the receipt of federal matching funds under the United States Social Security Act, Title XIX, or its successors, which would render section 1 consistent with federal matching funds requirements.

STATEMENT OF FACT

It is the intent of this bill to deter persons who can afford to pay for intermediate or skilled nursing care from transferring their assets for less than fair market value in order to qualify for medical assistance. At the same time, this bill insures that persons who cannot afford to pay for such care will not be denied assistance.

Transfers of the applicant's homestead and contiguous acreage for less than fair market value are exempted from this bill. In addition, an applicant may also transfer, for less than fair market value, through one or more transactions, property valued up to \$2,000 without being rendered ineligible for assistance.