

## Questions and Answers from TennCare: Conditional Assistance for Life Insurance

What happens if the life insurance company does not respond back to TennCare timely?

If the life insurance company does not respond timely, and the applicant or the applicant's representative cannot access the life insurance policy information, we will consider the policy to be a non-liquid resource at that point. If the applicant meets all other requirements for Medicaid except for excess non-liquid resources, conditional assistance can be offered.

What is the starting point for the 20 days? From the date you mail a notice to the applicant? Is it the date the notice is sent to the Life insurance Company?

The 20 days starts from the date of the notice sent to the applicant.

Is proof the form was sent sufficient if the life insurance company does not respond timely or ever?

Yes.

After 20 days of no response does TennCare proactively approach the facility/family with an offer of conditional assistance and of course the list of conditions to be met?

The case is updated. If the person has excess non-liquid resources, but meets all other eligibility requirements, the case will be denied for being over the resource limit. The notice will explain that the applicant may apply for conditional assistance and will explain the conditions for conditional assistance. The conditional assistance form will be included in the same envelope with the notice. Once the conditional assistance form is received and approved, the case will be reopened and approved.

If during the conditional assistance period an insurance asset is found to exist, will the facility be subject to recoupment for the period of time the resident was over-resourced?

No. Presently, if an unknown asset is discovered that wasn't previously known, we would reevaluate the person's eligibility at the end of the conditional assistance period. If the asset would cause the person to be over the resource limit, the person would be terminated for being over the resource limit and would need a new conditional assistance period in order to continue receiving benefits.

What verified activities must occur during the nine months of conditional assistance for a life insurance issue. How are those activities documented? For a real estate transaction, it is obvious but much less so for life insurance.

The conditional assistance period is 9 months for real property, and 3 months for personal property. An extension of 3 months can be given for personal property that has not been disposed of during the conditional assistance period when there is good cause for failure to do so. A life insurance policy would fall under personal property. We would need written correspondence between the applicant (or applicant's representative) and the life insurance company showing reasonable efforts have been made to surrender or cash out the life insurance policy during the conditional assistance period.