

PENSION AND RETIREMENT FUNDS

0909.19

MinnesotaCare and MA/GAMC Method A:

Exclude individually owned pension and retirement funds and plans sponsored through employers, such as employer-based 401-K plans. See §0909.11 (Excluded Assets).

Count the full amount of employer- or union-owned pension and retirement funds if available. See MA/GAMC Method B.

MA/GAMC Method B:

Count the full amount of pension and retirement funds if available, whether owned individually or through an employer or union.

EXCEPTION:

Exclude individually owned pension and retirement funds for MA-EPD. See §0909.11.01 (Additional Excluded Assets for Method A/B).

Consider pension funds held by an employer or union unavailable if the employee cannot gain access to them.

EXAMPLE:

Joe is a substitute teacher. He has a pension fund with the Teacher's Retirement Association. He cannot gain access to these funds. Exclude the balance from the asset limit. Do not require verification of the balance.

Count the full amount of pension and retirement funds held by an employer or union if they are available to a current employee. Circumstances under which funds are available will vary but may include disability, purchase of a home, or educational needs.

EXAMPLE:

Fern has a deferred compensation plan through her employer. She is currently on medical leave for several months. The deferred compensation plan is available in cases of disability. Determine whether Fern's medical leave meets conditions for early withdrawal. Count the full amount that is currently available for withdrawal.

Count the full amount of pension and retirement funds held by an employer or union and available to a former employee.

EXAMPLE:

Mary is a former county employee. She has \$3,000 in a PERA account. Mary must apply for the available funds. Count the money as income in the month it is received and as an asset if retained the following month.

For IRAs, Keogh plans, and other retirement funds held by individuals, subtract the early withdrawal penalty from the amount in the plan to determine the countable value. ||

EXAMPLE:

Bernard has an IRA with a balance of \$3,500. If he cashes it in, he will have to pay \$300 as an early withdrawal penalty. Count \$3,200 toward the asset limit. |

Minnesota Rules 9505.0065 subp. 3 |