

## 90-300.13. PERIOD OF INELIGIBILITY

**A.  
General**

This section provides information on the determination of the period of ineligibility for transfers resulting in ineligibility for the GR Program.

**B.  
Duration**

The table below shows the duration of a period of ineligibility based on if fair consideration was received.

<b>Term</b>	<b>Duration</b>
Fair Consideration Received	The period during which the applicant/recipient could have supported himself/herself and those dependent on him/her with the equity interest (market value minus encumbrances) exceeding the property limits.
Fair Consideration Not Received	The amount of utilization will remain the applicant's/recipient's equity interest (market value minus encumbrances) in excess of the property limit.

**C.  
Period of Ineligibility Begin/End Dates**

The period of ineligibility is determined as shown in the table below.

<b>Case Status</b>	<b>Period Begin Date</b>	<b>Period End Date</b>
Intake	Date of transfer	Date when the Daily Need Rate equals amount of property transferred
Granted	First of the month following transfer	

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**D.  
Consideration of Aid Payments**

Aid paid or income to a recipient during the period of ineligibility has no effect on the period of ineligibility.

**E.  
Rate of Expenditure Determination**

The rate of expenditure is determined by the GR maximum basic need rate in place at the time of the transfer. The table below shows which basic need rate to use for the applicant's/recipient's situation.

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## 90-300.13. PERIOD OF INELIGIBILITY, Continued

### Rate of Expenditure Determination (continued)

If the applicant/ recipient is a(n) ...	Then the Maximum Monthly Need Allowance is the Maximum Basic Need Rate for ...
individual	single person living alone
couple	Married Couple
family Group	GR family group size allowed.

The table below shows how to treat intake situations.

If the value of the transferred property is ...	Then there is ...
less than 50% of the daily need rate,	no ineligibility.
equal to or greater than the daily need rate,	one day of ineligibility. See <a href="#">I</a> , below for computation of daily need rate.

### F. Special Need Considerations

Only verifiable special needs are taken into consideration, over and above those in [E](#), above, in computing the length of the period of ineligibility. Examples are:

- major medical costs;
- out-of-home care; and
- major repairs to the home when necessary to put it into livable condition.

### G. Intake Examples

#### **Example 1**

Applicant has personal effects which the applicant values at \$303 on the Statement of Facts. The applicant is denied. The same applicant reapplies the next day and states that \$53 of the personal effects was sold for \$40 and the money was spent on food and a room for the night.

This is a transfer of property for fair consideration. Although most transfers are for larger amounts and would cover more than one month, the concept of calculating the period of ineligibility is the same.

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## 90-300.13. PERIOD OF INELIGIBILITY, Continued

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### Intake Examples (continued)

#### *Example 2*

Applicant states \$300 in personal effects and is denied. The applicant transfers \$60 (over \$50) into cash and buys \$5 worth of food. The applicant reapplies the next day. Pre-application will deny the reapplication since transfer resulted in over \$50 of cash.

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### H. Granted Example

A recipient is given a bond worth \$50 and converts it to \$50 cash. The cash is used to pay for part of the utilities and buy some food before the end of the month in which the receipt and transfer of the property occurs.

However, in this situation the daily rate will not be used for granted. Instead, if the amount of property transferred is not equal to or does not exceed more than one month's basic grant, the worker will deduct the amount of cash received from the transfer from the following month's grant. If the amount of property transferred equals or exceeds one month's basic grant, the worker will discontinue the GR case.

For either situation above, transfer amount deducted or case discontinued, timely and adequate notice must be given. If timely or adequate notice cannot be given, an overpayment will be computed for the following month and collection will begin the next month after the month of overpayment.

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### I. Computation of Daily Need Rate

The basic need rate for a single person alone is multiplied by the conversion factor for one day. In Example 1 in G, above, a basic need rate of \$318 multiplied by .03333 (30 day month) is \$10.60 which is rounded by dropping cents to \$10. The \$10 daily need rate divided into the amount received of \$40 is four days. Any excess difference due to a partial day between the amount received and the daily need rate multiplied by the number of days is disregarded. For example, the daily need rate of \$10 times 4 days is \$40 with the \$0 difference between the \$40 received and the \$40 disregarded.

A similar calculation is made for married couples. If this was a married couple case with the same amount received, the number of days would be three.