

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: VERMONT

The agency does not apply the trust provisions in any case in which the agency determines that such an application would work an undue hardship.

The following criteria will be used to determine whether the agency will not count assets transferred because doing so would work an undue hardship:

Undue hardship includes situations where the individual would be forced to go without life-sustaining services because the trust funds could not be made available to pay for the services.

Undue hardship also exists if funds can be made available for medical care only if assets are sold, and these assets are the sole source of income for the individual's immediate family. Such income-producing assets include a family farm or other family business. Immediate family is defined as spouse, parents, children, or siblings.

Undue hardship also exists if sale of the income-producing assets would result in the immediate family seeking public assistance.

Undue hardship also includes situations where a trust has been established with awards paid to disabled children under the Zebley decision.

Undue hardship may be found at a similar degree of impact in other circumstances as well, upon the agreement of the District Director.

Under the state's undue hardship provisions, the agency exempts the funds in an irrevocable burial trust. A maximum value of the exemption for an irrevocable burial trust, established prior to July 1, 2002, is not limited. Irrevocable burial trusts established on or after July 1, 2002 are exempt up to \$10,000. This language is to be read in conjunction with Supplement 8b to Attachment 2.6-A, page 2, paragraph 6 and it is not intended to provide an additional exemption beyond \$10,000.

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Supersedes

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