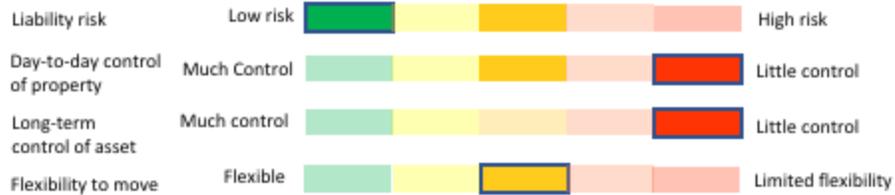




PERSON OWNS

Person with a disability owns and occupies the property



What is This?

The family member with a disability can own the property (home). These pages describe this option from the perspective of both the family member with a disability and the parent(s).

If the parent(s) or others make contributions towards the purchase or maintenance of a property (home), these contributions may be considered to be income for the person with a disability and may have an impact on their benefits. However, parent(s) or grandparent(s) and others can contribute to the person’s STABLE account, and the STABLE Account can be used to pay expenses related to the property (home). See Information and Resources: [STABLE Account](#) and [“Where Do I Get More Information Below”](#).

If a relative is interested in ‘leaving their home’ directly to the family member with a disability, they should carefully review the information in this Guide and consult a qualified Medicaid planning attorney before making a decision.

If the person with a disability rents a portion of the home to another person, the rent is treated as income to the family member with a disability and will impact their benefits, either by lowering or eliminating SSI or Medicaid. Rental income may also have tax implications.

What Circumstances Make This a Possible Fit?

- ✓ The family member with a disability has assets that can be used for a down payment and has sufficient assets or income for ongoing maintenance of the property (home) and/or:
- ✓ A trust has been established for the benefit of the family member with a disability and is adequately funded, and/or
- ✓ A STABLE account has been established in the name of the family member with a disability and is adequately funded and used either separately or in conjunction with a trust in a manner that allows for upkeep of the property (home).
- ✓ The family member and parent(s) are aware of medicaid estate recovery implications.
- ✓ The parent(s) understands that If funds from a STABLE account (or Medicaid payback trust) are used to purchase the home it must be in the name of the family member with a disability.
- ✓ The family member with a disability is able to identify and manage home maintenance and other issues related to home ownership in a timely manner, has a network of support to offer assistance as needed, or is able to pay a third party for these services.

What Does This Mean to My Family Member with a Disability?

- ✓ The family member with a disability can experience the joy, self-esteem, and status of owning a home.
- ✓ The family member has control of the living environment.
- ✓ The home can be excluded as an asset for SSI purposes. In order to qualify for the exclusion, the home must be the primary residence of the person. This person with the disability can also be eligible for this exclusion if they are co-owners of the home (e.g. co-owners with a sibling).
- ✓ Medicaid and SSI will not be impacted by owning a home as long as the person with the disability resides in the home.





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What Does this Mean to the Parent's Estate and that of the Family Member with a Disability?

- ✓ This would have no impact on the estate of the parent(s).
- ✓ The home will be an asset of the family member with a disability. This person should have a will or sign a transfer on death affidavit to ensure a smooth transfer of property to his/her heirs upon death.
- ✓ Medicaid will assert their interest in the property (if they have one) upon the death of a family member with a disability under Medicaid Estate Recovery.

Where Do I Get More Information?

- ✓ Your local [housing corporation](#). In Hamilton County, contact The Housing Network of Hamilton County at 513-619-2929 or <https://housing-network.org/>.
- ✓ Your local [housing authority](#) may have programs to assist with homeownership through the Family Self Sufficiency Program and/or the Housing Choice Voucher Program. Cincinnati Metropolitan Housing Authority (CMHA) can be contacted at 513-721-4580.
- ✓ People Working Cooperatively can provide assistance with home repair to individuals of low income. They can be reached at <http://www.pwchomerepairs.org/ohio.aspx> or 513-351-7921.
- ✓ May We Help is a 501(c)3 organization with over 150 volunteers, who create specialty adaptive devices for individuals. These volunteers are handymen, artists, electrical engineers, mechanical engineers, programmers, techies, gear-heads, makers, students, designers, fabricators, drag car enthusiasts, problem solvers, and friends. They will create equipment to meet a specific need. This process can be initiated on their website at: <https://maywehelp.org>
- ✓ The Social Security Administration offers a list of resources (including a home) that are excluded from consideration: <https://secure.ssa.gov/apps10/poms.nsf/lnx/0501110210>
- ✓ The Federal Home of Your Own Program can assist with the process of homeownership for individuals with intellectual or developmental disabilities. https://iod.unh.edu/sites/default/files/media/Project_Page_Resources/ArchivedProjects/CHANCE/nhoyoguide.pdf
- ✓ Easter Seals has partnered with Freddie Mac to help more people with disabilities obtain affordable housing through renting or buying a home: <http://www.easterseals.com/explore-resources/making-life-accessible/freddie-mac/>
- ✓ The Ohio Housing Finance Administration (OHFA) has information and resources for First Time Home Buyers <https://ohiohome.org/homebuyers.aspx>.





PERSON OWNS

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	Pros	Cons
Extent of Control	The family member with a disability has complete control. Often, the support of family and friends can help the family member exercise this control to the best advantage.	The family member with a disability has total responsibility, and may need support to understand and fulfill these responsibilities.
Effects on Public Benefits	<ul style="list-style-type: none"> ✓ Living in a house you own does not negatively impact SSI or Medicaid benefit levels or eligibility. ✓ SSDI benefits (received because the parent(s) are retired, disabled, or deceased) are <u>not</u> reduced by the ownership of the home. ✓ Funds contributed by the parent(s) to the family member's STABLE account is not considered <u>in kind support and maintenance</u>, and will not impact benefits of the family member with a disability. ✓ Funds from the sale of home if reinvested in a timely manner in a replacement home will not impact SSI or Medicaid. (Timely means three full calendar months after the proceeds from a sale have been received). 	<ul style="list-style-type: none"> ✓ Funds contributed directly (not using a trust or STABLE Account) by parents for purchase or maintenance of the house may be considered income for benefit purposes and may reduce benefits. ✓ If the family member with disability rents out any rooms or part of the property(house) the rent is treated as income and will impact SSI benefits, either by lowering or eliminating SSI or Medicaid. ✓ If the person sells the home and does not plan on reinvesting the proceeds in another home to serve as the primary residence, then SSI and Medicaid can be impacted.
Longevity	Home ownership can establish a stable living environment over time.	The family member with a disability may need to move if there is a change in health status or an undesirable change in the neighborhood.
Property Management Responsibility	<ul style="list-style-type: none"> ✓ The family member with a disability has control over the décor and maintenance of the home. ✓ Community programs can help people of low-income gain access to funds for maintenance and improvements to property. ✓ STABLE Account funds can be used for repairs. 	<ul style="list-style-type: none"> ✓ The family member with a disability is responsible for repairs and long-term home maintenance, or for making arrangements for these to be done. ✓ The person may require assistance to do this.
Financial Considerations	<ul style="list-style-type: none"> ✓ The family member with a disability has an opportunity to build equity. ✓ Parent(s) may transfer their home to the family member with a disability and the transfer would not negatively impact the parent(s) receiving Medicaid (e.g. to live in a nursing home). 	<ul style="list-style-type: none"> ✓ Income and assets must be sufficient. ✓ Owner is at risk for credit and liability considerations (debts, taxes, etc.). ✓ A sum of money is necessary for down payment, utilities and ongoing maintenance. ✓ If the person has been receiving Medicaid, then upon the death of the person with disabilities, the home may be subject to Medicaid Estate Recovery.
Long Term Flexibility	<ul style="list-style-type: none"> ✓ The family member with a disability can choose to stay or sell the home and move to another home. ✓ The family member with a disability can place the proceeds of the sale of the home into a special needs trust or STABLE account and can rent if preferred. 	<ul style="list-style-type: none"> ✓ May be difficult to sell home depending on neighborhood, market, etc. ✓ The family member with a disability may need assistance in making decisions about moving and planning the next living arrangement.
Tax Issue		<ul style="list-style-type: none"> ✓ May be a taxable gain if person with a disability did not live in the home for two years prior to the sale. ✓ Rent received by the owner/family member with a disability will be taxable income, though the income might be offset by a mortgage or other expenses.

