

# Adult Financial TWFC

**Transfer Without Fair Consideration (TWFC)**: When a resource has been disposed of and the member did not receive fair market value (FMV) for the resource.

**If all of the following circumstances apply, a transfer is considered TWFC for Adult Financial:**

Voluntary

Without fair and valuable consideration

Done to become or remain eligible

Done within 36 months prior of application date or while receiving AF benefits

The transaction will be assumed to be done for the purposes of becoming or remaining eligible by default. Members may provide verification to the contrary. The county will evaluate evidence provided by the member to determine if the transfer was exclusively for a purpose other than to qualify for benefits. Legitimate transfers below FMV might occur due to loss of property through legal action or in the case of an accident/illness resulting in large expenditures.

**Examples of TWFC may include:**

Sale of Property for less than FMV

Giving away cash or resources



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When a TWFC is determined to have occurred, a period of ineligibility (POI) occurs. POI for Adult Financial is Calculated as follows:

## Step 1:

$$\text{Fair Market Value} - \text{Encumbrances} - \text{Amount Received} = \text{Uncompensated Value}$$

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## Step 2:

$$\text{Uncompensated Value} \div \text{Penalty Value (AF Grant Standard)} = \text{Number of Months of POI (This is Rounded Down)}$$

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(Enter current AF Grant Standard)

