

# Long-Term Care 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 Long-Term Care:**

Voluntary

Without fair and valuable consideration

Done to become or remain eligible

Done within 60 months prior to date the member meets all LTC eligibility requirements

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 Long-Term Care is Calculated as follows:

## Step 1:

$$\begin{array}{rccccccc} \text{Fair Market Value} & - & \text{Encumbrances} & - & \text{Amount Received} & = & \text{TWFC Value} \\ 255343435 & & \underline{\hspace{1cm}33\hspace{1cm}} & & \underline{\hspace{1cm}} & & 3 \end{array}$$

## Step 2:

$$\begin{array}{rccccccc} \text{TWFC Value} & \div & \text{State Average Private Pay Rate} & = & \text{POI Months} \\ \underline{\hspace{1cm}} & & \underline{\hspace{1cm}} & & \underline{\hspace{1cm}} \\ & & \text{(Enter current State Average Private Pay Rate)} & & \end{array}$$

## Step 3:

$$\begin{array}{rccccccc} \text{Decimal Amount From POI Months} & \times & 30 & = & \text{POI Days (Round This Up)} \\ \underline{\hspace{1cm}} & & & & \underline{\hspace{1cm}} \\ \text{(Enter decimal numbers from POI Months)} & & & & \end{array}$$

**Final POI is the number of months and the number of days together. Note: POI begins when all LTC criteria have been met.**

