

# Life Insurance and Burial Policies: OAP Medical VS. OAP Financial

## Life Insurance: OAP Medical VS. OAP Financial

FV = Face Value (the amount of money that will be paid out upon the individuals's death)

CSV = Cash Surrender Value (the amount of money that would be received if the policy were to be closed/cashed out.)

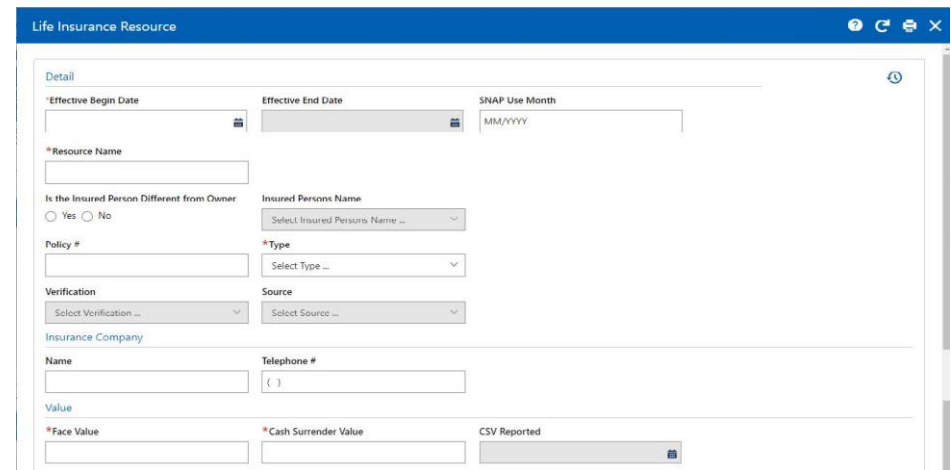
**\*\*Always request/receive full and current policy documents for all Life Insurance policies and data enter into CBMS appropriately\*\***

MA Countable	MA Exempt	OAP AF Countable	OAP AF Exempt
<ul style="list-style-type: none"><li>• If the FV is greater than \$1500, the CSV is countable.</li><li>• Example: A life insurance policy with FV of \$3000 and CSV of \$500. \$500 of the CSV will be countable.</li></ul>	<ul style="list-style-type: none"><li>• If the FV is less than \$1500, the CSV is exempt.</li><li>• Example: A life insurance policy with FV of \$1200 and CSV of \$1000. \$1000 of the CSV will be exempt.</li></ul>	<ul style="list-style-type: none"><li>• If the FV is greater than \$1500 and the CSV is less than \$250,000 with a purchase date of less than 48 months, the CSV will be countable.</li><li>• Example: Life insurance policy purchased last year and the FV is \$50,000 and the CSV is \$5000. \$5000 of the CSV will be countable.</li></ul>	<ul style="list-style-type: none"><li>• If the FV is less than \$1500, the CSV will be exempt.</li><li>• Example: Life insurance policy with FV of \$3000 and CSV of \$500. \$500 of the CSV will be exempt.</li></ul>



## Additional Details

- If the FV is greater than \$1500 and the CSV is less than \$250,000 with a purchase date of more than 48 months, then the additional monies contributed within 48 months are countable, but the original CSV is exempt.
  - Example: Life insurance policy purchased 5 years ago with a FV of \$50,000 and a CSV of \$5000 with \$1000 paid on the policy during the last 4 years. The CSV prior to 4 years was \$4000 so \$1000 will be countable and \$4000 will remain exempt.
- If the FV is greater than \$1500 and the CSV is greater than \$250,000 with a purchase date of more than 48 months, then the additional monies contributed are counted and the CSV over \$250,000 is countable, but the original CSV prior to the 48-month period is exempt.
  - Example 1: Life insurance policy was purchased 5 years ago and the FV is \$300,000 with CSV = \$275,000. No payments have been made. \$25,000 will be countable and \$250,000 will remain exempt.
  - Example 2: Life insurance policy was purchased 5 years ago and the FV is \$300,000 with CSV = \$295,000. \$1000 has been paid on the policy during the last 4 years. The CSV prior to 48 months was \$294,000. \$1000 will be countable and \$294,000 will remain exempt.



The screenshot shows a web-based form titled "Life Insurance Resource". The form is divided into several sections for data entry:

- Detail** section includes:
  - Effective Begin Date (calendar icon)
  - Effective End Date (calendar icon)
  - SNAP Use Month (MM/YYYY)
- \*Resource Name** (text input)
- Is the Insured Person Different from Owner?** (radio buttons for Yes/No)
- Insured Persons Name** (dropdown menu: "Select Insured Persons Name ...")
- Policy #** (text input)
- \*Type** (dropdown menu: "Select Type ...")
- Verification** (dropdown menu: "Select Verification ...")
- Source** (dropdown menu: "Select Source ...")
- Insurance Company** section:
  - Name (text input)
  - Telephone # (text input with area code dropdown)
- Value** section:
  - \*Face Value (text input)
  - \*Cash Surrender Value (text input)
  - CSV Reported (text input with calendar icon)

For more data entry details, please review the “Entering a Life Insurance Resource” process manual in [Training.Colorado.gov](https://Training.Colorado.gov).



## Burial Policies: OAP Medical VS. OAP Financial

MA Countable	MA Exempt	OAP AF Countable	OAP AF Exempt
<ul style="list-style-type: none"> <li>If a Revocable Burial trust/account is solely for burial expenses, the excess of \$1500 is countable.</li> </ul>	<ul style="list-style-type: none"> <li>If a Revocable Burial trust/account is solely for burial expenses, the first \$1500 is exempt.</li> <li>An Irrevocable Burial contract or trust specifically for burial expenses is exempt.</li> <li>Any burial insurance in which proceeds are solely for burial is exempt.</li> <li>Any Burial Space (Plot, Gravesite, Mausoleum, Casket, Urn, Niche, Vault, Headstone/Marker, Care &amp; Maintenance) for the client and the immediate family is exempt.</li> </ul>	<ul style="list-style-type: none"> <li>If a Revocable Burial trust value is greater than \$1500, it is countable.</li> <li>A revocable prepaid Burial Contract, valued more \$1500. The amount in excess of \$1500 is countable.</li> </ul>	<ul style="list-style-type: none"> <li>If a Revocable Burial trust value is less than \$1500, is it exempt.</li> <li>Any Irrevocable pre-paid Burial Funds or burial trust are exempt.</li> <li>A revocable or irrevocable prepaid Burial Contract less than \$1500 is exempt.</li> </ul>

For more data entry details, please review the “Entering a Burial Asset” process manual in [Training.Colorado.gov](https://Training.Colorado.gov).

## Accessibility

*This document is designed to comply with the Web Content Accessibility Guidelines (WCAG) 2.1 AA standard. If you experience any difficulty accessing the content or have questions regarding the process, please contact [SOC\\_StaffDevelopment@state.co.us](mailto:SOC_StaffDevelopment@state.co.us) for assistance.*

The screenshot shows a web application titled "Burial Asset Resource". The form is divided into several sections for data entry:

- Effective Dates:** Fields for "Effective Begin Date", "Effective End Date", and "SNAP Use Month" (MM/YYYY).
- Resource Information:** Fields for "\*Resource Name", "\*Type" (a dropdown menu), "Verification (FMV)" (a dropdown menu), and "Source (FMV)" (a dropdown menu).
- Financial Details:** Fields for "Funeral Agreement Amount", "\*Fair Market Value", and a checkbox for "Verified by AVP for MA".
- Exemption & Verification:** Fields for "Exemption Reasons" (a dropdown menu), "Verification" (a dropdown menu), and "Source" (a dropdown menu).
- Trust & Reporting:** Fields for "Trust Name" (a dropdown menu), "\*Date Reported", and "Date Verified".

At the bottom of the form, there are buttons for "Upload Document", "View Document", "View Receipt", "Cancel", "Save & New", "Save & Continue", and "Save".



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