

How Money Damages and Settlements Impact Selected Public Benefits

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The following chart provides an overview of the income and asset limits for common public benefits, healthcare, and housing assistance programs, and highlight rules regarding the treatment of lump sums from money damages payments and settlements. The chart is primarily intended for use by legal services advocates in Massachusetts, and it provides practice notes and tips for advocates. Importantly, this chart does not contain every rule that might affect the treatment of damages by public benefits programs. In addition, the rules for various programs are subject to change.

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Type of Benefit	Asset Limit	Transfer of Assets Rules	Other Rules
<p>Supplemental Security Income (SSI)</p> <p>SSI is a needs-based program administered by the Social Security Administration under Title XVI of the Social Security Act for the disabled and elderly (65 and older).</p>	<p>Ineligible if countable assets exceed \$2,000 for individual or \$3,000 for couple. 20 C.F.R. § 416.1205.</p> <p>Ineligible for entire month that assets exceed limit. 20 C.F.R. § 1207.</p> <p>Countable assets include cash or other liquid assets or personal property that could be converted to cash or used for support and maintenance. 20 C.F.R. § 416.1201.</p> <p>Excluded assets include the home in which SSI recipient lives, personal items, one vehicle per family, life insurance, burial plot, prepaid funeral expenses, \$1,500 in separate bank account for burial, and property essential to self support or set aside to fulfill an approved plan to achieve self-support (PASS). 20 C.F.R. §§ 416.1210 – 416.1231. PASS allows SSI recipient to save for vocational goal; must be in writing and approved by SSA.</p> <p>See the POMS Guide to Excluded Resources here: https://secure.ssa.gov/apps10/poms.nsf/lnx/0501130050</p> <p>Trusts can be countable assets under many circumstances. POMS SI 01120.200, SI BOS01120.200. Special expertise is needed to establish trusts for SSI recipients.</p>	<p>A person may be ineligible for SSI for a period of time if they dispose of an asset for less than fair market value within 36 months of the date of application or, if later, the date the transfer was made. The ineligibility period calculated by dividing amount transferred by the maximum SSI amount payable. Limited exception if show severe need and transfer not made to establish SSI eligibility.</p> <p>For more on the Transfer of Asset Penalty, see: https://secure.ssa.gov/apps10/poms.nsf/lnx/0501150000</p> <p>The period of ineligibility is limited to 36 months. See https://secure.ssa.gov/apps10/poms.nsf/lnx/0501150111</p> <p>There are some exceptions to the ineligibility period. For example, there is no penalty or countable asset:</p> <ul style="list-style-type: none"> ▪ if the court establishes a special needs trust with the funds, ▪ funds transferred to special needs trust for disabled child, ▪ funds transferred to pooled trust ▪ transferred to approved PASS ▪ funds transferred to ABLE Account. <p>See POMS SI 01130.740, http://www.ablenrc.org</p> <p>NOTE: Special expertise is needed to establish trusts for SSI recipients.</p>	<p>Award (less any attorneys' fees) is counted as unearned income in month of receipt (reduces SSI benefit for that month) and as an asset to the extent it is retained in following month(s). See 20 C.F.R. §§ 416.1121, 416.1123(b).</p> <p>Awards to replace specified lost, stolen or damaged resources are not counted in the month of receipt but may count as an asset in following months if retained. However, cash to replace or repair a lost, stolen or damaged noncountable resource is not treated as a resource for 9 months (with extensions for good cause) from the date of receipt. See 20 C.F.R. § 416.1232.</p> <p>Funds are considered available when beneficiary receives it, when credited to account, or it is set aside for beneficiary's use (whichever is earliest). 20 C.F.R. § 416.1123.</p> <p>Award can be spent down (for fair market value) on items or services for beneficiary, including pre-paid rent or excluded asset, etc. If spent down in month of receipt, impact is only on benefit for month of receipt.</p> <p>TIP: Advise putting award in separate bank account and keep receipts to show SSA where money was spent.</p> <p>Benefits suspended for any month individual exceeds income or asset limits. Can end suspension by verifying that excess funds properly spent down. However, after 12 consecutive months of suspension, SSI eligibility terminates. 20 C.F.R. § 416.1335.</p>

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<p>Social Security Insurance (RSDI)</p> <p>Retirement, Survivors, or Disability Insurance (RSDI) is an insurance program administered by the Social Security Administration under Title II of the Social Security Act for insured retirees and disabled person and their dependents.</p>	<p>There is no asset test nor transfer of asset penalty for RSDI.</p>	<p>N/A</p>	<p>N/A</p>

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<p>Supplemental Nutrition Assistance Program (SNAP)</p> <p>Formerly known as “Food Stamps”</p>	<p>In general, there is NO asset test in SNAP. All households under 200% FPL are categorically eligible without an asset test. 106 C.M.R. § 365.180</p> <p>There are 2 limited situations where a household is subject to a SNAP asset test at application or SNAP recertification (renewal):</p> <ul style="list-style-type: none"> ▪ When household contains a household member who has been disqualified (sanctioned) from SNAP due to an Intentional Program Violation (IPV). In this situation, the SNAP asset test for the eligible household members is \$2,750. ▪ When a household with a member age 60+ or receiving a disability-based benefit has gross income above 200% FPL and net income (after allowable expenses) well below 100% FPL. The asset test is \$4,250. <p>NOTE: The \$2750 and \$4250 asset tests may increase each year; check MLRI SNAP calculator resources for the most up to date number.</p> <p>TIP: Elder/disabled households over 200% FPL will likely qualify for SNAP only if they have both high shelter and/or out of pocket medical costs.</p> <p>If the household is subject to the asset test, most non-liquid assets are not countable 106 C.M.R. §§ 365.180, 363.110 - 363.140.</p>	<p>In Massachusetts, transfer of asset rules do not apply to categorically eligible SNAP households.</p> <p>For the limited number of SNAP applicants or recipients subject to the SNAP asset test:</p> <ul style="list-style-type: none"> ▪ Households that have “knowingly transferred” assets in the three-month period prior to application, or knowingly transferred assets after certification, for the purpose of qualifying for or attempting to qualify for SNAP benefits, will be disqualified from participation in the program for up to one year from the date of the discovery of the transfer. ▪ The Department would need to show intent. ▪ Transfer of asset rules are detailed in 106 C.M.R. § 363.150. <p>See also DTA Online Guide: https://cohhs.chs.state.ma.us/DTA/PolicyOnline/BEACONS/!SSL!/WebHelp/SNAP/Eligibility_Requirements/Assets/Transfer_of_Funds/Transfer_of_Funds.htm</p>	<p>One-time lump sum payments do not count as income for SNAP. 106 C.M.R. § 363.230(I).</p> <p>For the limited number of SNAP applicants and recipients subject to the SNAP asset test, note that:</p> <ul style="list-style-type: none"> ▪ Damage awards are generally treated as a countable asset in the month of receipt. 106 C.M.R. § 363.130(e). ▪ Damage awards are not countable if received as reimbursement for specified items (other than lost wages) and used to pay for those. 106 C.M.R. § 363.140(I)(9).

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<p>TAFDC</p> <p>Transitional Assistance to Families with Dependent Children</p>	<p>No asset limit.</p>	<p>No transfer of asset rules, following the repeal of the asset limit in 2021. But TAFDC does have a penalty if the applicant transferred income, like future earnings.</p> <p>See 106 C.M.R. § 704.135 for when the income transfer rules apply.</p> <p>Examples include:</p> <ul style="list-style-type: none"> ▪ transfers for less than fair market value within 12 months before applying for TAFDC (can rebut the presumption that transfer was made for purposes of TAFDC eligibility), and ▪ transfers for fair market value or more within 12 months before applying for TAFDC for an extraordinary expense or vacation (again, can rebut presumption that transfer was made for purposes of TAFDC eligibility.) 	<p>Lump sum rule: Damage awards in excess of amounts subject to assignment are subject to lump sum disqualification if received while on TAFDC – household ineligible for number of months calculated by subtracting \$600 and dividing the balance by the TAFDC payment standard for the family. 106 C.M.R. § 704.240(D); 106 C.M.R. § 704.250(B). Work-related expense, dependent care, and earned income deductions apply to earned lump sum income.</p> <p>Exclusions from lump sum:</p> <ol style="list-style-type: none"> (1) \$600 (2) damages intended and used to replace property or reimburse for expenses, (3) expenditures to pay back bills incurred while waiting for the lump sum <ul style="list-style-type: none"> ▪ medical care or health insurance ▪ transportation (up to \$150/month) ▪ purchase or repair of household furniture or refrigerator, home heater, stove, oven, washer/dryer (up to \$2,500) ▪ basic repairs up to \$2,500 for repair of home ▪ court ordered judgments ▪ taxes and other government debts ▪ money received for injuries to child or other legally incompetent person, placed in trust, and restricted for specific purposes, (4) personal injury award placed in irrevocable trust to meet needs of injured person who is legally incompetent, if <ul style="list-style-type: none"> ▪ placed by court order, or ▪ up to \$150,000 placed immediately after award. See 106 C.M.R. § 704.240(B). <p>Recalculation of lump sum period:</p> <ul style="list-style-type: none"> ▪ money spent/lost due to natural disaster or domestic violence ▪ money spent on expenses listed above ▪ ineligible for SNAP/food stamps and spent the money on food ▪ TAFDC standard of need/payment standard has increased (e.g., due to increase in a size of household) <p>Third party liability: If benefits needed because of accident,</p>

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			injury, or illness, must assign to state right to recover from damage award an amount equal to benefits paid out. 106 C.M.R. § 702.800.
EAEDC Emergency Aid to the Elderly, Disabled, and Children	No asset limit, unless living in a rest home. For rest home applicants, the asset limit is \$2000. For information about countable assets, view DTA policy here: https://eohhs.ehs.state.ma.us/DTA/PolicyOnline/BEACON5/!SSL!/WebHelp/EAEDC/Financial_Requirements/Rest_Homes/Rest_Home_Applicant_and_Recipient_Asset_Guidelines_(NEW).htm	Same as for TAFDC. No Transfer of Asset Rules (except for rest home applicants) but Transfer of Income Rules. 106 C.M.R. § 704.135.	Lump sum rule: Same as for TAFDC. 106 C.M.R. § 704.240. Third party liability: Same as for TAFDC. 106 C.M.R. § 702.800.

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<p>Emergency Assistance</p> <p>Shelter assistance for families experiencing homelessness</p>	<p>Ineligible if countable assets exceed \$5,000 unless participating in EOHLC's (f.k.a. DHCD) "Local Housing Authority Placement Program" or the assets are savings under a rehousing plan. 760 C.M.R. §§ 67.02(6).</p> <p>Assets determined in accordance with now obsolete TAFDC regulations, formerly at 106 C.M.R. §§ 704.120-704.140.</p> <p>Households composed solely of TAFDC recipients are automatically asset-eligible.</p> <p>Amounts in excess of income eligibility limits that have been escrowed in accordance with 760 C.M.R. § 67.02(5) do not count towards the asset limit.</p> <p>No effect if damages when received (in combination with household's other countable assets) do not exceed \$5,000. See 760 C.M.R. §67.02(5) (lump sum income rule does not apply).</p>	<p>"Emergency housing assistance shall be denied to a family who, at any time within 1 year immediately prior to the filing of an application for emergency assistance, has depleted, assigned or transferred real or personal property that would have rendered such family ineligible for assistance if the depletion, transfer or assignment was not reasonable at the time or was not for good cause reasons. For purposes of the preceding sentence, good cause reasons shall include, but not be limited to, that the funds were expended for necessary or reasonable costs of living such as rent, utilities, food, health related needs, education related expenses or transportation." G.L. c. 23B, § 30(B).</p> <p>If countable assets exceeded \$5,000 during 12 months before application, household is ineligible if household transferred the real or personal property in order to become eligible for Emergency Assistance. 760 C.M.R. § 67.02(8).</p> <p>NOTE: Regulation written before statute and may not adequately take into account good cause for transfers.</p>	<p>Third party liability: Same as for TAFDC. 106 C.M.R. § 702.800.</p>

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<p>MassHealth</p> <p>MassHealth is the name of Medicaid in Massachusetts. It is a means-tested program that pays health care providers and managed care plans for the costs of medical services provided to eligible people.</p> <p>SSI, TAFDC & EAEDC cash recipients automatically receive MassHealth while they qualify for cash assistance. Non-cash recipients must meet MassHealth eligibility criteria.</p>	<p>MassHealth treats countable lump sums as income in the month of receipt and as assets in the following month. At most, excess income from a lump sum damage award or settlement may affect one month’s eligibility for most people under age 65 who are only subject to an income test. 130 C.M.R. § 506.004(H)</p> <p>However, a lump sum may have longer lasting effects for most people 65 and older and certain people under 65 who are subject to an asset test. 130 C.M.R. § 520.009(E).</p> <p>MassHealth programs with no asset test: Individuals eligible for MassHealth on the basis of pregnancy, being a child or young adult under 21, being a disabled adult under 65 or disabled working adult aged 65 or older, being the parent/caretaker relative of a child under 19, being HIV+, having breast or cervical cancer or being an adult under 65 not otherwise eligible for Medicare or MassHealth do not have an asset test. For damage awards or settlement received after Jan. 1, 2014, only the taxable amount will be counted in the month of receipt for those without an asset test. 130 C.M.R. §§ 506.002-506.004; 506.007.</p> <p>MassHealth programs with an asset test: Persons who are eligible based on being age 65 and older, living in a nursing home or other long-term care</p>	<p>NOTE: MassHealth rules regarding the transfer of assets are complex; consult an expert before creating a trust or purchasing an annuity from a damage award or settlement or transferring assets for less than fair market value. 130 C.M.R. §§ 520.021-520.024 (trusts), and 520.007(J) (annuities).</p> <p>Disqualification periods after transfer of assets Certain transfers for less than fair market value (and certain transfers to trusts or annuity purchases) are disqualifying if made within a 60-month “look back period” from the time a person needs a nursing facility level of care and applies for MassHealth to pay for facility care or for certain home and community based alternatives to facility care. 130 C.M.R. § 520.019.</p> <p>For a more detailed explanation of MassHealth asset rules, see <i>Estate Planning for the Aging or Incapacitated Client in Massachusetts</i> (MCLE, Inc. 6th ed. 2023 and supplements).</p>	<p>Third party liability: As a condition of eligibility, MassHealth beneficiaries agree to notify MassHealth of pending claims for accidents or injuries & repay medical benefits received after the date of the injury from the proceeds of any claim. Medicaid can only recover the portion of the recipient’s damages that are for medical expenses (not lost wages, pain and suffering, etc.), however, Medicaid can seek reimbursement from the recipient's damages for past and future care. Ctrs. for Medicare and Medicaid Servs., SMD # 23-002, Third-Party Liability in Medicaid: State Compliance with Changes Required in Law and Court Rulings (2023), Gallardo v. Marsteller, 142 S.Ct. 1410 (2021), Wos v. E.M.A. 133 S.Ct. 1391 (2013), and Arkansas Dept. of Health and Human Services v. Ahlborn 126 S.Ct. 1752 (2006). State law authorizing broader recovery is superseded by federal law. See G.L. c. 118E, § 22; 130 C.M.R. §§ 503.006 and 517.012. The telephone number for the MassHealth Benefit Coordination and Recovery Unit is 800-462-1120.</p> <p>Estate recovery: Subject to some limitations, MassHealth has the right to recover from the beneficiary’s probate estate the medical benefits provided to a person aged 55 or older and medical benefits for institutionalized persons of any age. G.L. c. 118E §§ 31-32; 130 C.M.R. §§ 501.013, 515.011. Estate planning should be considered with any sizable damage award.</p> <p>Health Insurance Connector Authority (“Obamacare”) Sometimes clients enrolled in managed care do not know if they are enrolled in MassHealth or in subsidized private coverage from the Health Connector. Both programs use a common application form. Eligibility for subsidized coverage through the Health Connector may be called ConnectorCare or a Health Connector Plan with Advanced Premium Tax Credits. There is no asset test, but subsidized coverage is based on annual income and there is no equivalent to MassHealth’s lump sum rule in the Connector. The amount of a damage award that would be included in Adjusted Gross Income under IRS rules, will be counted in determining annual income and eligibility for subsidized coverage through</p>

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	<p>facility, or receiving certain home & community based services as an alternative to institutional care have an asset test. They are not eligible for any month in which countable resources exceed the following amounts:</p> <ul style="list-style-type: none"> ▪ \$2,000 for individual; ▪ \$3,000 for couple. 130 C.M.R. § 520.003. <p>The tax treatment of a damage award has no significance in determining how much of its value counts as an asset for MassHealth purposes. However, a damage award may include certain assets that do not count such as proceeds for the repair or replacement of an asset which do not count for 9 months from receipt. 130 C.M.R. § 520.007-520.009.</p> <p>MassHealth programs with different asset limits: There are asset rules specific to nursing home residents and people receiving home and community-based services as alternatives to nursing home care that include a more generous asset allowance to prevent impoverishing a spouse. 130 C.M.R. §§ 520.026(B), 520.016(B), 519.007.</p>		<p>the Health Connector. 26 C.F.R. § 1.36B.</p>

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<p>Medicare</p> <p>Because Medicare is not needs based, but rather an insurance program, cash settlements and damages usually do not have any effect on coverage. However, there are instances where issues need to be addressed.</p>	<p>N/A</p>	<p>For Medicare beneficiaries, Medicare is usually the primary insurer (they pay first on claims). In situations involving workers' compensation and no-fault or liability insurance claims, however, Medicare is the secondary insurer, and sometimes coverage has to be coordinated. For an overview of what happens when Medicare is the secondary insurer, see: https://www.cms.gov/medicare/coordination-benefits-recovery/overview/secondary-payer</p> <p>Regulations relating to Medicare Secondary Payments can be found at 42 U.S.C. § 1395y(b)(2) [§1862(b)(2) of the Social Security Act] and at 42 C.F.R. § 411.</p> <p>Where Medicare makes a recovery claim as the secondary insurer, this is sometimes called a "Medicare lien". Here is an overview of the recovery process: https://www.cms.gov/medicare/coordination-benefits-recovery/beneficiary-services/recovery-process</p>	<p>Workers' compensation claims: When an accident/illness/injury occurs, you must notify Medicare's Benefits Coordination & Recovery Center (BCRC), 1-855-798-2627.</p> <p>The BCRC makes sure that Medicare gets repaid for any conditional payments it makes. A conditional payment is a payment Medicare makes for services another payer may be responsible for. Medicare makes this conditional payment so you will not have to use your own money to pay the bill. The payment is "conditional" because it must be repaid to Medicare when a settlement, judgment, award, or other payment is made.</p> <p>If there is a delay (typically 120 days or longer) in the insurer making a determination for WC payment, Medicare may make a conditional payment. If the claim is subsequently settled, contact Medicare's BCRC at 1-855-798-2627 to be sure that Medicare's conditional payments are repaid as part of a settlement or judgment.</p> <p>TIP: Sometimes the settlement of a worker's compensation claim sets aside funds for future medical and prescription drug expenses related to the injury. Medicare beneficiaries may consider setting up a Workers' Compensation Medicare Set-Aside Arrangement (WCMSA) for depositing those funds. For more info, see http://go.cms.gov/wcmsa</p> <p>If your workers' compensation claim is denied, proof of the denial should be provided to Medicare, and Medicare will pay Medicare-covered items and services.</p> <p>For more on how Medicare works with workers' compensation, see https://www.medicare.gov/supplements-other-insurance/how-medicare-works-with-other-insurance/workers-compensation-and-payments</p> <p>For more on attorneys representing beneficiaries, see https://www.cms.gov/medicare/coordination-benefits-recovery/attorney-services</p>

Type of Benefit	Asset Limit	Transfer of Assets Rules	Other Rules
<p>Federal public housing, Section 8 (tenant-based)</p> <p>Note: The asset limits (and treatment of interest on assets) for federal housing programs are being implemented between January 1, 2024 and January 1, 2025. The \$100,000 limit will be annually adjusted for inflation by September 1, to be effective the following January 1. HUD Notice PIH 2023-27 (at page 81). Check each housing authority's Admissions and Continued Occupancy Policy (for public housing) and Section 8 Administrative Plan as to implementation date. Until then, there is no asset limit.</p>	<p>For admission: Cannot have net family assets of over \$100,000 (excludes retirement accounts and some civil damages) and cannot own real estate that can live in (with some exceptions).</p> <p>For continued occupancy: Each housing authority decides whether to apply the same asset limits to all current tenants, some categories of tenants, or none. See FN 1 below. 24 C.F.R. § 5.603 (definition of net family assets); 24 C.F.R § 5.618</p> <p>As of 1/1/2024, interest which is derived from assets is treated as income:</p> <ul style="list-style-type: none"> ▪ Use actual interest income where available ▪ Use imputed interest income where net family assets exceed \$50,000 and actual income cannot be computed. For 2024, the imputed rate will be 0.40%. (The \$50,000 figure and the imputed rate will be adjusted no later than September 1 of every year). Notice PIH 2023-27 (pages 54 – 60); 24 C.F.R.§5.609 (a)(2). <p>Until above is implemented by housing authority:</p> <ul style="list-style-type: none"> ▪ If net family assets are \$5,000 or less, actual interest counts as income. ▪ If net family assets exceed \$5,000, count the higher of actual 	<p>Asset disposed of for less than fair market value within past two years still counts as an asset (and interest from it is counted) to the extent fair market value exceeds consideration. There are some exceptions. See 24 C.F.R. § 5.603 (definition of net family assets); HUD Notice PIH 2023-27 (page 45)</p>	<p>Generally, damages are not counted as income unless the damages are replacement of earnings. However, as of 1/1/2024:</p> <ul style="list-style-type: none"> ▪ all periodic and lump sum damages from negligence or similar action resulting in a person becoming disabled do not count as income (even where for lost wages) or asset, and ▪ distributions of principal from a trust that is not revocable by or under control of household member do not count as assets (24 C.F.R. §5.603) or income (24 C.F.R. §5.609 (b)(2) and (7)); HUD Notice PIH 2023-27 (pages 46, 49-52). <p>Interest from an asset (see second column) counts as income and may put family over income limit.</p> <p>Applicants:</p> <ul style="list-style-type: none"> ▪ Gross income cannot exceed 50% - 80% of Area Median Income <p>Tenants:</p> <ul style="list-style-type: none"> ▪ Federal public housing: If a family is over the income limit for 24 months, then the family is either terminated (and has to move) or else will pay the HUD Fair Market Rent (or other high amount), depending on what the housing authority elects and states in its Admissions and Continued Occupancy Plan. The income limit is 50% of Area Median Income (for that household size in that geographic area) multiplied by 2.4. See 24 C.F.R. §§ 960.102 and 960.507; HUD Notice PIH 2023-03 ▪ Tenant-based Section 8: There are no <i>per se</i> income limits, but tenant with a zero subsidy (tenant pays all the rent) for 180 consecutive days will lose his/her tenant-based housing subsidy. 24 C.F.R. § 982.455.

1 This is not entirely settled. HUD regulations clearly allow housing authorities discretion as to asset limits for current tenants; HUD issued (in August 2023) and then retracted (in September) contrary guidance; and as of September 29, 2023, HUD stated it is in the process of issuing new guidance on this discretionary authority.

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	<p>interest or imputed interest rate established by the housing authority.</p> <p>NOTE: Different rules apply to Cambridge Housing Authority programs and most of the EOHLC vouchers administered by regional nonprofits due to their “Moving to Work” authority.</p>		

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<p>State public or state subsidized housing</p> <p>State public housing, Mass. Rental Voucher Program (MRVP), and Alternative Housing Voucher Program (AHVP)</p>	<p>State public housing and AHVP: No asset limit</p> <p>MRVP: Asset limit for applicants is 1.5 times the applicant’s gross household income or \$25,000, whichever is higher. Assets include money received or to be received for settlement of personal or property loss but do not include special needs trusts or retirement accounts. No dollar limit on assets for tenants. 760 C.M.R. § 49.03(1)(c); MRVP Admin. Plan (pages 52-53)</p> <p>However, MRVP applicants and tenants cannot own residential real estate. 760 C.M.R. § 49.03 (1)(d); MRVP Admin Plan, page 52.</p> <p>For state public housing and AHVP, interest on assets is treated as income:</p> <ul style="list-style-type: none"> ▪ If assets are \$5,000 or less, actual interest counts as income. ▪ If assets exceed \$5,000, housing authority will count actual interest, HUD-established value, or DHCD value, whichever is higher. 760 C.M.R. §6.05(2) (c). <p>For MRVP, count only actual interest. 760 C.M.R. §49.05(5)(b)(4).</p>	<p>For admission: Asset disposed of for less than fair market value within past two years counts as an asset (and interest from it is counted) to the extent fair market value exceeds consideration. 760 C.M.R. §§ 5.06(1) and 49.03(1)(c)(5)</p>	<p>Damages are not counted as income unless the damages are replacement of earnings. 760 C.M.R. § 6.05(2)(e). An unallocated lump sum settlement or similar payment that includes lost wages resulting from an injury shall be equitably allocated to reflect a monthly payment on account of lost wages for the period during which the recipient is likely to be disabled from the injury and the recipient will be deemed to receive such a monthly payment each month during the continuance of his or her disability until the allocated funds are deemed exhausted.</p> <p>Interest from an asset (see second column) may put family over income limit:</p> <p>State public housing:</p> <ul style="list-style-type: none"> ▪ Applicants: Net income cannot exceed 80% of Area Median Income set every two years. The last time it was set was 5/15/2023 (see Public Housing Notice 2023-07). 760 C.M.R. § 5.06(1) ▪ Existing tenants: Households remain eligible until 30% (elder/handicapped) or 32% (family) of monthly net household income equals or exceeds the fair market rent for a similar sized unit in area (under Section 8 rules). 760 C.M.R. § 5.06 (2) and (3) <p>AHVP:</p> <ul style="list-style-type: none"> ▪ Applicants: Same as State public housing. ▪ Existing tenants: No gross income limit. Tenant loses eligibility if at zero subsidy for 90 consecutive days. 760 C.M.R. § 5.06(4) <p>MRVP:</p> <ul style="list-style-type: none"> ▪ Applicants: Net income cannot exceed 80% of Area Median Income in effect whenever changed by HUD (MRVP Admin Plan, page 52) ▪ Existing Tenants: if, for six months, the net income exceeds 80% of Area Median Income AND tenant share of rent equals or exceeds the total rent, then lose subsidy. 760 C.M.R. § 49.03 (1)(b).

Type of Benefit	Asset Limit	Transfer of Assets Rules	Other Rules
<p>Massachusetts State Veterans Services Benefits (Chapter 115)</p> <p>Needs-based cash assistance program for veterans and dependents in Massachusetts</p>	<p>Individual: \$8,400 Couple: \$16,600 Limit adjusted periodically by issuance of policy guidance from MA Secretary of Veterans' Services, check Executive Officer of Veterans' Services website for current information.</p> <p>108 C.M.R. § 6.02 defines countable assets as liquid funds, e.g., bank deposits and accounts, corporate stocks, bonds, and other negotiable instruments.</p> <p>Non-countable assets specifically include life insurance policies (as long as not "excessive") and proceeds from the sale of the home in which the applicant resides as long as they are used, within 6 months of the sale date, to purchase another home in which the applicant will reside.</p> <p>Bank accounts held jointly, for which one of the names on the account is the applicant's are apportioned equally among the co-holders of the accounts.</p> <p>Generally, less liquid assets, like a house and car, are excluded from countable assets. <i>See</i> 108 C.M.R. § 6.02(4)</p>	<p>Under 108 C.M.R. § 6.02(1), any transfer or assignment of income or assets for less than fair market value within 3 years prior to applying for Ch. 115, will presumptively make the applicant ineligible for benefits (the presumption is that the transfer or assignment was made for the purpose of obtaining benefits). Applicants can rebut the presumption with evidence showing that the transfer or assignment was made for other reasons.</p>	<p>Assignment of damages from WC or tort action: Where the applicant's need for veterans' benefits is a result of the unemployment, accidental disability or illness of the applicant, and monetary remuneration is available to the applicant in the form of workmen's compensation, accident or health insurance, or damages resulting from legal action in tort, the veterans' agent shall take an assignment of that remuneration. The assignment operates as a lien on the monetary remuneration up to the total amount of veterans' benefits paid to, or on behalf of, the applicant. The veterans' agent may enforce the lien or assignment by filing a petition in the district court for the city or town through which the benefits payments are made. 108 C.M.R. § 6.04</p> <p>Agreement to Reimburse: All applicants are required to sign an agreement to reimburse. In cases where the applicant has received payment from any source (including for example lumps sums for retroactive disability benefits, lottery winnings, or court settlements), the local veterans' agent shall seek reimbursement from the applicant in an amount not to exceed the amount of aid granted. A signed agreement to reimburse is required to enforce this provision. 108 C.M.R. § 6.04(5)</p> <p>VSOs will usually place recipients in "refund status" and issue notice of termination from Ch. 115 when they receive a large lump sum subject to the agreement the reimburse (including VA or SSA retro awards). <i>See</i> 108 C.M.R. § 8.06. Recipients can request a waiver of reimbursement based on hardship within 14 days. 108 C.M.R. § 8.06(2)-(3). Recipients can also negotiate a repayment plan (so that they can maintain benefit eligibility while repaying a smaller monthly amount instead of being ineligible until assets spent down).</p> <p>Recipients can appeal a reimbursement effort, including to contest the amount of the benefits to be recouped. 108 C.M.R. § 8.06(4).</p>