

ANNUITY EVALUATION WORKSHEET
For annuities purchased on or after 2/8/06

05-07

Use this worksheet to document if an annuity is subject to Transfer of Property provisions for LTC individuals and to document the resource value of the annuity.

Annuitant Name: _____ Annuity #: _____
Purchase Date: _____ Substantial Transaction Date: _____

Step 1: Transfer of Property (N/A to non-LTC individuals)

To NOT be considered a transfer of property, question 1 AND any one of questions, 2-5 must be answered YES.

If the annuitant is the Community Spouse, only question 1 must be answered YES.

_____ 1) Is Kansas Medicaid named as the first remainder beneficiary?

AND

_____ 2) An individual retirement annuity? (408(b) IRC)

_____ 3) A deemed IRA under a qualified employer plan? (408(q) IRC) **OR**

_____ 4) The annuity was purchased with proceeds from one of the following:

_____ a) a traditional IRA (408 (a) IRC)

_____ b) certain accounts or trusts which are treated as traditional IRA's (408 (c) IRC)

_____ c) a simplified retirement account (408 (p) IRC)

_____ d) a simplified employee pension (408 (k) IRC)

_____ e) a ROTH IRA (408A IRC) **OR**

_____ 5) The annuity meets **ALL** of the following requirements:

_____ a) the annuity is irrevocable and non-assignable

_____ b) the annuity is actuarially sound, in that it is expected to return full principle and interest within the annuitant's life expectancy

_____ c) the annuity provides payment in approximately equal amounts with no deferred or balloon payments.

STEP 2: Resource Determination

If the annuity is not considered a Transfer of Property it still must be considered as a resource. Determine if the annuity is a countable resource, the value of the annuity and if any income generated from the annuity is countable.

Consider annuities owned by both the individual and the spouse.

- 1) If the annuity is a retirement pension which is producing income, such as railroad retirement or civil service, it is NOT considered a resource.
The payments are considered income.

- 2) If the annuity is revocable, count the cash value reported by the carrier as an available resource.
Any income generated from the annuity is NOT considered income.

- 3) If the annuity can not be assigned to a third party, it is NOT a countable resource.
The payments are considered income.

- 4) If 1 - 3 do not apply, and the annuity is assignable, determine the fair market value of the annuity:

List total deposits, including dividends and interest earned: _____ (a)

List total payments, including lump sum withdrawals: _____ (b)

Subtract line b from line a. This is the fair market value: _____