

Table of Contents

State Name: Virginia

State Plan Amendment (SPA) #: 17-014

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health Operations

SWIFT #081120174067

September 7, 2017

Cynthia B. Jones, Director
Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, VA 23219

Dear Ms. Jones:

The Centers for Medicare & Medicaid Services (CMS) has reviewed Virginia's State Plan Amendment (SPA) 17-014, 2015 Treatment of Annuities. This SPA will allow Virginia to add the new annuity requirement that annuities purchased before February 8, 2006, but modified after that date would be subject to all requirements applicable to annuities purchased after February 8, 2006. The Commonwealth shall take such changes into account in determining the amount of the state's obligation for medical assistance or in the individual's eligibility for such assistance.

This SPA is acceptable. Therefore, we are approving SPA 17-014 with an effective date of July 27, 2017. Enclosed are the approved SPA page and signed CMS-179 form.

If you have further questions about this SPA, please contact Margaret Kosherzenko of my staff at 215-861-4288.

Sincerely,

/S/

Francis McCullough
Associate Regional Administrator

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

1 7 - 0 1 4

2. STATE

Virginia

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 27, 2017

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR Part 435

7. FEDERAL BUDGET IMPACT

a. FFY 2017 \$ 0
b. FFY 2018 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 9 to Attachment 2.6-A, page 23

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Same page

10. SUBJECT OF AMENDMENT

2015 Treatment of Annuities

GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT²⁰¹⁷
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED

Secretary of Health and Human Resources

12. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted] /S/

13. TYPED NAME

Cynthia B. Jones

14. TITLE

Director

15. DATE SUBMITTED

6/29/17

16. RETURN TO

Dept. of Medical Assistance Services
600 East Broad Street, #1300
Richmond VA 23219

Attn: Regulatory Coordinator

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

July 20, 2017

18. DATE APPROVED

September 1, 2017

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

July 27, 2017

20. SIGNATURE OF REGIONAL OFFICIAL

/S/

21. TYPED NAME

Francis McCullough

22. TITLE

Associate Regional Administrator

23. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

TRANSFER OF RESOURCES

4. For annuities purchased prior to February 8, 2006, certain transactions occurring on or after that date shall make an annuity subject to this section including any action taken by the individual that changes the course of payment made by the annuity or the treatment of the income or principal of the annuity. The Commonwealth shall take such changes into account in determining the amount of the state's obligation for medical assistance or in the individual's eligibility for such assistance.
 - a. These actions include additions of principal, elective withdrawals, requests to change the distribution of the annuity, elections to annuitize the contract, and similar actions.
 - b. Changes that occur based on the terms of the annuity that existed prior to February 8, 2006, and that do not require a decision, election, or action to take effect shall not be subject to this section.
 - c. Changes beyond the control of the individual, such as a change in law, in the policies of the insurer, or in the terms based on other factors, shall not cause the annuity to be subject to this section.

Treatment of entrance fees of individuals residing in continuing care retirement communities.

When determining eligibility for medical assistance, an individual's entrance fee in a continuing care retirement community or life care community that collects an entrance fee on admission from such individuals shall be considered a resource available to the individual to the extent that:

1. the individual has the ability to use the entrance fee, or the contract provides that the entrance fee may be used, to pay for care should other resources or income of the individual be insufficient to pay for such care;
2. the individual is eligible for a refund of any remaining entrance fee when the individual dies or terminates the continuing care retirement community or life care community contract and leaves the community; and,
3. the entrance fee does not confer an ownership interest in the continuing care retirement community or life care community.