

DMMA 03-2008 Automobile Exclusion

**TO:** All DMMA Staff

**DATE:** May 30, 2008

**SUBJECT:** Automobile Exclusion

**BACKGROUND**

Based on a change in the Social Security regulations effective May 10, 2008, the resource exclusion for automobiles was changed. For resource determinations beginning June 1, 2008, one automobile per household is completely excluded regardless of value if it is used for transportation by the individual/couple or a member of the individual's/couple's household.

**DISCUSSION**

Prior to this change one automobile could be excluded if it was used for specific reasons or was modified to accommodate a disabled individual. However if the automobile did not meet any of the listed exclusions, up to \$4650 of the cash market value of one automobile is excluded.

With the changes in the regulations one automobile may be excluded, regardless of the value, if it is used for transportation of the eligible individual or a member of the eligible individual's household. If the automobile is not used for transportation or there are additional automobiles the fair market value less any encumbrances of each one will be counted as an available resource.

**ACTION REQUIRED**

DSSM 20310.5 and DSSM 20330.1 should be reviewed by staff. These changes are effective June 1, 2008. These new rules should be applied to all new and redetermination applications received on or after June 1, 2008.

**DIRECT INQUIRIES TO**

Barbara L. Lewis  
(302) 424-7228

May 30, 2008 Signed by

DATE HARRY B. HILL, DIRECTOR  
DIVISION OF MEDICAID &  
MEDICAL ASSISTANCE

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