

MICHIGAN HOMES FOR VETERANS
BOARD MANUAL

BOARD OF MANAGERS OPERATING POLICIES AND PROCEDURES

BP-023

Pre-paid Funeral Allowance Exemption

Reviewed 11/19/14

PURPOSE: To establish an asset exemption limitation for pre-paid funeral expenses.

PROCEDURES:

Administrative Rule R 32.79 establishes which assets are exempt when establishing an assessment for care. Section (1) (c) identifies as exempt, "An irrevocable or prepaid funeral/burial contract up to an amount determined by the board." The following guidelines shall be used to determine the level of assets exempted for funeral expenses:

- I. The Home will allow only the amount of actual expense associated with the prepayment of a funeral or establishment of an irrevocable funeral arrangement.
- II. Proof of the establishment of an irrevocable funeral arrangement or prepayment of a funeral must be provided the Home in order to have the funds involved exempted from consideration in the Home's assessment for care process.
- III. A pre-paid funeral at actual cost up to \$9,000 will be allowed as an exempted asset when determining a member's assessment for care.
- IV. An irrevocable funeral arrangement, as actually funded, up to \$9,000 will be allowed as an exempted asset when determining a member's assessment for care.
- V. If a member believes that this amount is inadequate, the member may request a compliance conference with the Administrator in accordance with Administrative Rules R 32.83 and R 32.84.
- VI. The decision of the Administrator may be appealed in accordance with Administrative Rules R 32.85 through R 32.89.