



Refer to: SJB-6-2

Baltimore MD 21235

DEC 4 1966

Ms. Paige A. Freeman
Charne, Glassner, Tehan, Clancy & Taitelman, S.C.
First Bank Building
211 West Wisconsin Avenue
Milwaukee, Wisconsin 53203-2377

Dear Ms. Freeman:

This is in response to your request for a written statement concerning treatment of patrimonial assets under the supplemental security income (SSI) program. The following is based on my understanding that patrimonial assets are assets turned over to a religious order or some third party when an individual takes a simple vow of poverty. The individual retains formal title to the assets but has no access to them for personal use unless he or she leaves the order.

For SSI purposes, the term "resources" is defined at 20 CFR 416.1201(a) as cash or other liquid assets or any real or personal property that an individual owns and could convert to cash to be used for his support and maintenance. If the individual has the right, authority, or power to liquidate property, it is considered a resource. If a property right cannot be liquidated, it will not be considered a resource.

Following the regulatory definition, patrimonial assets are not resources. Even though the individual may retain ownership, he or she has no access to them for personal support and maintenance. (The SSI program would not require anyone to leave a religious order in order to reclaim such assets.)

One other provision which may be of concern to you is section 1613(c) of the Social Security Act (interpreted at 20 CFR 416.1246). That provision deals with situations where an individual disposes of resources at less than fair market value in order to become eligible for SSI or Medicaid benefits. In such circumstances, the individual's countable resources include the uncompensated value of the transferred resources for 24 months following disposition. However,

that provision does not appear applicable to patrimonial assets provided any transfer could be established as having occurred in obedience to a vow of poverty and not for the purpose of future SSI or Medicaid eligibility.

I trust that this information will provide the assistance you wished.

Sincerely,

A handwritten signature in cursive script that reads "Diane Blackman". The signature is written in black ink and is positioned above the typed name and title.

Diane Blackman, Chief
Resources and Eligibility Requirements Branch
Division of Program Requirements Policy
Office of Supplemental Security Income