

**DEPARTMENT OF HEALTH AND SOCIAL SERVICES**  
**DIVISION OF MEDICAID AND MEDICAL ASSISTANCE**  
Statutory Authority: 31 Delaware Code, Section 512 (31 **Del.C.** §512)  
16 **DE Admin. Code** 20330

**FINAL**

**ORDER**

**US Savings Bonds**

**NATURE OF THE PROCEEDINGS:**

Delaware Health and Social Services ("Department") / Division of Medicaid and Medical Assistance initiated proceedings to amend the Division of Social Services Manual (DSSM) regarding US Savings Bonds, specifically, to clarify internal policy and procedures. The Department's proceedings to amend its regulations were initiated pursuant to 29 **Del.C.** §10114 and its authority as prescribed by 31 **Del.C.** §512.

The Department published its notice of proposed regulation changes pursuant to 29 **Del. C.** §10115 in the May 2023 *Delaware Register of Regulations*, requiring written materials and suggestions from the public concerning the proposed regulations to be produced by May 31, 2023, at which time the Department would receive information, factual evidence and public comment to the said proposed changes to the regulations.

**SUMMARY OF PROPOSAL**

The purpose of this proposed regulation is to amend the Division of Social Services Manual (DSSM) regarding US Savings Bonds, specifically, to clarify internal policy and procedures.

**Background**

The Division of Medicaid and Medical Assistance (DMMA) would like to update the contact information including name, address, phone number, and website for US Savings Bonds. In Addition, H and HH Bonds are no longer being issued. The 6-month retention period for all remaining H and HH Bonds no longer applies.

**Statutory Authority**

31 CFR 352

**Purpose**

The purpose of this proposed regulation is to amend the Division of Social Services Manual (DSSM) regarding US Savings Bonds, specifically, to clarify internal policy and procedures.

*Summary of Proposed Changes*

Effective for services provided on and after May 1, 2023, Delaware Health and Social Services/Division of Medicaid and Medical Assistance (DHSS/DMMA) is to amend the Delaware Social Services Manual (DSSM) to clarify internal policy and procedures regarding US Savings Bonds.

*Public Notice*

In accordance with the *federal* public notice requirements established at Section 1902(a)(13)(A) of the Social Security Act and 42 CFR 440.386 and the state public notice requirements of Title 29, Chapter 101 of the **Delaware Code**, DHSS/DMMA gave public notice and provided an open comment period for 30 days to allow all stakeholders an opportunity to provide input on the proposed regulation. Comments were to have been received by 4:30 p.m. on May 31, 2022.

*Centers for Medicare and Medicaid Services Review and Approval*

The provisions of this state plan amendment (SPA) are subject to approval by the Centers for Medicare and Medicaid Services (CMS). The draft SPA page(s) may undergo further revisions before and after submittal to CMS based upon public comment and/or CMS feedback. The final version may be subject to significant change.

*Provider Manuals and Communications Update*

Also, there may be additional provider manuals that may require updates as a result of these changes. The applicable Delaware Medical Assistance Program (DMAP) Provider Policy Specific Manuals and/or Delaware Medical Assistance Portal will be updated. Manual updates, revised pages or additions to the provider manual are issued, as required, for new policy, policy clarification, and/or revisions to the DMAP program. Provider billing guidelines or instructions to incorporate

any new requirement may also be issued. A newsletter system is utilized to distribute new or revised manual material and to provide any other pertinent information regarding DMAP updates. DMAP updates are available on the Delaware Medical Assistance Portal website: <https://medicaid.dhss.delaware.gov/provider>

### **Fiscal Impact Statement**

There is no anticipated fiscal impact.

### **Summary of Comments Received with Agency Response and Explanation of Changes**

There were no public comments received.

#### **FINDINGS OF FACT:**

The Department finds that the proposed changes as set forth in the May 2023 *Register of Regulations* should be adopted.

THEREFORE, IT IS ORDERED, that the proposed regulation to amend Division of Social Services Manual (DSSM) regarding US Savings Bonds is adopted, specifically, to clarify internal policy and procedures and shall be final effective July 11, 2023.

6/13/23

Date of Signature

Molly Magarik, Secretary, DHSS

**20000 Medicaid Long Term Care**

### **20330 Countable Resources Computation**

#### **20330.7 U.S. Savings Bonds**

U.S. Savings Bonds are obligations of the Federal Government. They are not transferable and can only be sold back to the Federal Government. Normally, they cannot be redeemed for six months after the issue date specified on the face of the bond. For Series EE, and I Savings Bonds, the redemption period has been extended to 12 months. They become resources (not income) as of the 7<sup>th</sup> or 13<sup>th</sup> month. A bond may not roll over or renew in order to prolong the minimum retention period. Actual redemption (converting to cash) of one bond is required before purchasing a new bond. However, the U.S. Treasury regulation authorizes the Commission of Public Debt to waive the regulatory provisions pertaining to U.S. Savings bonds including the redemption period in order to "relieve any person or persons of unnecessary hardship". A request for a refund because the person now requires Nursing Home care and so needs the funds used to purchase the bonds may constitute hardship. A written request to the Commissioner of Public Debt requesting a waiver to the redemption period is all that is required. The bondholder may simultaneously tender the bond(s) for redemption. If the Treasury receives the bond(s) and grants the waiver, it will issue the individual a check. Since bonds are redeemable due to hardship, the redemption value is treated as an available resource.

The individual in whose name a U.S. Savings Bond is registered owns it. The Social Security Number shown on a bond is not proof of ownership. The co-owners of a bond (bond titled AND/OR) own equal (50%) shares of the redemption value of the bond. The bond may show an owner followed by POD (proof of death) and another name. This is a survivorship type of bond. The name of the first individual owns 100% of the bond. The second individual will own 100% of the bond upon the death of the first individual.

Physical possession of a U.S. Savings Bond is a requirement for redeeming it. This is true for sole or joint ownership. If an individual alleges that he or she cannot submit a bond because a co-owner or other individual will not relinquish physical possession of the bond, obtain a signed statement from the co-owner or the other individual that he or she: has physical possession of the bond; will not allow the applicant to cash the bond; and if co-owner, will not cash the bond and give the applicant his or her share.

The Table of Redemption Values for U.S. Savings Bonds is used to determine the value of a bond. These are available from a local bank. The bank will need the series, denomination, date of purchase or issue date. ~~After the mandatory 6-month retention period, the~~ The value of a series H or HH bond is its face value.

~~Office of Public Debt~~

~~Buffalo Branch, FRB of NY~~

~~Fiscal Services Division~~

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P.O. Box 9150

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(844) 284-2676

[www.treasurydirect.gov/savings-bonds/cashing-a-bond/affected-by-a-disaster](http://www.treasurydirect.gov/savings-bonds/cashing-a-bond/affected-by-a-disaster)

See 20330.7 U.S. Savings Bonds - History

**8 DE Reg. 1313 (03/01/05)**

**10 DE Reg. 1601 (04/01/07)**

**27 DE Reg. 46 (07/01/23) (Final)**