

of J.H., Petitioner's former neighbor. Petitioner provided a copy of a promissory note wherein he agreed to pay J.H. \$15,000 for value received. P-3. Petitioner testified that J.H. had lent him this money at a time when he was out of work. The note, which is signed and notarized, contains no repayment date but requires Petitioner to repay the \$15,000 upon the death of either party. Petitioner also produced a handwritten note dated June 11, 2012 purporting to acknowledge a loan from J.H. for \$30,000. P-2. J.H. died sometime prior to October 2015 when Petitioner finally sold his home.

The Initial Decision found that Petitioner had demonstrated a due and owing obligation to pay J.H.'s estate \$15,000. The promissory note is specific in the amount received as well as either party's death triggering the debt to become due. However, there was no competent evidence to suggest that Petitioner owed J.H. any other funds. The transfer penalty was reduced to \$15,000 which Petitioner was unable to demonstrate was in repayment of a debt and must be considered a transfer for less than fair market value.

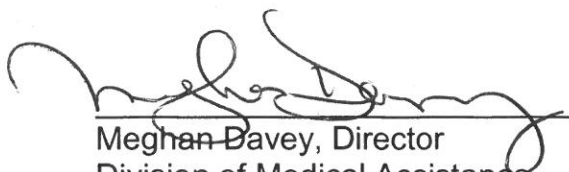
Based on my review of the record, I am satisfied that Petitioner's had a debt of \$15,000 that became due in or around October 2015. While he did not pay this amount until the following August, it is clear that in 2002, Petitioner and J.H. agreed that either's death would require repayment. Thus, I hereby ADOPT the Initial Decision.

THEREFORE, it is on this 8th day of AUGUST 2018,

ORDERED:

That the Initial Decision is hereby ADOPTED; and

That the transfer penalty of \$15,000 is upheld.


Meghan Davey, Director
Division of Medical Assistance
and Health Services