



## Medicaid & Nursing Home Planning

The cost of long-term nursing home care continues to grow in America. For many Americans and their families, the greatest fear is being unable to meet the cost of quality health care and being forced to spend their life savings **before** qualifying for government benefits.

Smart Medicaid planning can help prevent this from happening.

Medicaid planning is used to help clients protect their homes and their property. Medicaid planning usually involves the establishment of an irrevocable trust, and the transfer of those assets to the trust. If property has been timely transferred into a trust, the property will be protected, and it will not disqualify an individual from receiving Medicaid benefits.

Whether applying to Medicaid for in-home care, an assisted living facility, or nursing home, there is an asset limit. To qualify for Medicaid a person may not have assets (money and property) greater than the limit.

Medicaid employs a look-back period, which is meant to prevent Medicaid applicants from giving away assets or selling them under fair market value in an attempt to meet Medicaid's asset limit.

Any asset transfers during the look-back period are reviewed. Asset transfers include any monetary gifts, property transfers, or items sold for less than their fair market value. If Medicaid determines that the applicant gave away, transferred or sold property that could have been used to pay for medical services, then a penalty occurs. The good news is that any asset transfers made BEFORE the 5-year look-back are not counted.

Keep in mind that some seemingly innocent gifts can still count as violations of the look-back. For example, giving money to a grandchild for graduation or a birthday can be considered unacceptable. More obvious examples of violations would include transferring property into your child's name or selling a car for much less than it's worth.

Considering all of the variables involved, it is a wise idea to consult an attorney before applying for Medicaid.



## Medicaid Planning Myths

If you are confused about Medicaid, you're not alone. It's a complicated topic with frequent changes and can seem overwhelming. But it doesn't need to be.

Make sure you're equipped with everything you need to know to care for your elderly loved ones and make sure their assets are protected with a Medicaid Asset Protection Trust.

### **Myth #1: "I have to dispose of all my resources to get Medicaid."**

#### **FALSE.**

Both individuals and married couples are allowed to keep some property and still be eligible for Medicaid. We can help you understand what you can and cannot keep.

### **Myth #2: "I can't give away anything and qualify for Medicaid."**

#### **FALSE.**

This is a complicated area of the law, which is why you need our expert team to help you navigate it properly.

### **Myth #3: "If I give my assets away, I won't be eligible for Medicaid for five years."**

#### **FALSE.**

It's true that there are certain restrictions and rules surrounding gifting during the five-year period just before you apply for Medicaid, but gifting certain items doesn't stop you from getting Medicaid.

### **Myth #4: "I can keep all of my property when my spouse gets Medicaid."**

#### **FALSE.**

The assets of both spouses are reviewed when one spouse applies for Medicaid. Our team can help you with your application to make sure your application isn't denied due to mistakes.