



Medicaid Planning FAQ

Question: Do I get to keep my income if I am on Medicaid?

Answer: No. You are required to pay to the nursing home your total monthly income, minus \$35.00 for personal needs.

Question: Should I wait until I need Medicaid benefits before I see an elder law attorney?

Answer: No. Many of the options available to you to protect your assets are dependent on time. Therefore, the greater the amount of time before the need arises the more options you have.

Question: If I have too many assets to qualify, but need Medicaid now, is it too late to protect any assets?

Answer: No. While you may have lost the opportunity to use some of the easier strategies, it is never too late to protect some, if not all, of the remaining assets.

Question: Is Medicaid planning just a loophole that the government will close down?

Answer: No. While the legislation affecting Medicaid is steadily restricting access to the program, it can not be restricted so much as to deny access to the program.

Question: If I give assets away, am I ineligible for Medicaid?

Answer: No. Transferring of assets doesn't automatically make you ineligible. It depends on when you transferred the asset and what the value of the asset was.



Question: What about the money in my safety deposit box? Do I have to tell anyone about it when applying for benefits?

Answer: Yes. You must BY LAW disclose to the state all of your assets. Failure to do so is fraud.

Question: Can my son take money out of our joint account without affecting my eligibility?

Answer: No. Any transfer of assets from a joint account, regardless of who makes the transfer, will be considered a transfer.

Question: Can I still give \$10,000.00 a year away?

Answer: No, not without it being consider a transfer. Many people mistakenly believe that because you can give away \$10,000.00 per person, per year tax free, that this is the same case with Medicaid. Unfortunately, it is not, and the gift may affect you eligibility.

Question: Is my house protected?

Answer: Yes. The house is not counted as an asset so long as the owner has intent to return.

Question: When I die does the state take my house?

Answer: This depends on which state you live in. The state is a creditor and has the right to recover money spent on your care in the nursing home. This can include proceedings against the home after you die. However, in some states, Florida for example, they cannot touch the home so long as it is considered "homestead."



Question: Is long term care insurance a good idea?

Answer: Yes, absolutely. If you can afford long term care insurance, and meet the eligibility requirements, the purchase of long term care insurance is an acceptable way to manage the risk of an extended stay in a nursing home.

Question: Do I have to have an attorney help me to apply for benefits?

Answer: No, however, an experienced elder law attorney can relieve the stress and anxiety surrounding the application process. He can also often shorten the time it takes to determine eligibility.