

Nursing Home Medicaid Basics 2020 updated 4/1/2020

- Key Numbers 2019 (as of 7/1/19* and 1/1/20)
 - \$ 2,000 asset limit for single individual
 - \$ 2,000 asset limit for institutionalized spouse
 - \$128,640 Maximum Community Spouse Resource Allowance (“CSRA”) (without an appeal)
 - \$ 25,728 Minimum Community Spouse Resource Allowance
 - Income allowance for community spouse: \$2113.75 minimum* / \$3216.00 maximum (without an appeal) (minimum will increase as of 7/1/20)

- Noncountable Assets
 - \$1,500 Burial Account (both spouses)
 - Pre-paid Funeral (both spouses): no limitation on amount
 - \$1,500 Face Value of noncountable life insurance
 - Investment Real Estate (“business property essential to self support”): no limitation on value*
 - Principal Residence: if equity value is less than \$893,000.00 **
 - * Is subject to estate recovery
 - ** Is subject to estate recovery, unless qualifying long term care insurance policy is in place, and applicant indicates no intent to return home.

- “Lookback Period”
 - For all transfers of assets occurring after 2/8/06 = five years

- Disqualification Period
 - For all asset transfers within the five year lookback period
 - For applications submitted on/after 11/1/18: \$367.21 per day/\$11,199.90 per month (average)
 - Penalty begins to run at time of application, **not** at time of transfer

- A MassHealth Qualified Long Term Care Insurance policy can provide lien protection for principal residence:
 - Cover Nursing Home Care for at least 730 days (2 years)
 - Pay at least \$125.00 per day for Nursing Home care
 - Not require an elimination period of more than 365 days (or a deductible of more than \$54,750)

- Annuities
 - Must be “actuarially sound” (all principal must be returned by end of life expectancy per charts)
 - Must be irrevocable, nontransferable and unassignable
 - * Must be annuitized prior to application
 - * For immediate annuity of an applicant, Commonwealth of Massachusetts must be the primary beneficiary, up to the amount of benefits paid on applicant’s behalf
 - * Annuities of Community Spouse (“CS”), purchased for eligibility purposes, must now name the Commonwealth as primary beneficiary without limitation to benefits paid on behalf of CS. Open issue is the extent of estate recovery for benefits paid by Commonwealth on behalf of patient if CS dies first with funds remaining unpaid on the annuity.

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