Have you ever wondered...

~ **What would happen if your spouse was not able to live at home due to poor health or confusion?**

~ **Would you have to spend all of your resources to pay for your spouse's nursing home care?**

NO!

Spouses of nursing home residents have **protection** from losing all **income and assets** In order to pay for the nursing home spouse's care

How do you find out more?

1. Review this brochure for a brief explanation of the Spousal Impoverishment Protection Law.
2. Call ***SHIP*** or your local Office of Family and Children (Medicaid) to ask questions.
3. Contact the Office of Family and Children, when your spouse enters a nursing home, to complete a resource assessment form (also called a "snapshot"). The assessment will help you find the total value of combined finances and will help decide the amount of assets the spouse at home may keep. You must show proof of all assets owned.
4. Contact the Senior Law Project office nearest you or an elder law attorney.

For further information about:

- ☐ Medicare
- ☐ Medicare Supplement Insurance
- ☐ Long Term Care Insurance and the Indiana Long Term Care Partnership Program
- ☐ Help for low income Medicare beneficiaries

Call:

1-800-452-4800

1-765-608-2318

STATE HEALTH INSURANCE ASSISTANCE PROGRAM

www.medicare.in.gov

The State Health Insurance Assistance Program (SHIP) is a free, unbiased counseling program provided by the Indiana State Department of Insurance

SHIP will answer your questions, or will refer you to the appropriate agency or a local **SHIP** site for personal assistance.

Nursing Home Resident

With a

Spouse At Home

2009

The Spousal Impoverishment Protection Law

01/2009)

UNDER THE SPOUSAL IMPOVERISHMENT PROTECTION LAW

WHAT HAPPENS TO INCOME?

Personal Income

* Income in your name remains your own. (Social Security, Pension, etc.).
* Income from assets in your name remains your own.
  - The spouse at home may keep all of *his/her* personal

Jointly Owned Income

Income from assets owned by both spouses is counted by Medicaid as jointly-owned income. Jointly-owned income is divided in half, with each spouse getting a half.

The spouse in the nursing home must use his/her income to pay for nursing home care, but may keep a personal needs allowance of **$52** per month.

Once the income has been split, if the spouse at home gets less than $**1,751** (Effective 7/2008) each month when adding the personal income plus his/her share of the joint income) he/she may keep part of the nursing home spouse's income in order to bring his/her total up to at least **$1,751**. (Effective 7/2008) If the spouse at home has living expenses that are very high, he/she may appeal to keep more of the nursing home spouse's income, bringing him/her up to a maximum of **$2,739** (Effective 1/2009) per month. Appeals are handled at the Division of Family and Children Services.

If the spouse's personal income plus his/her share of the joint income is more than **$2,739** (Effective 1/2009) per month, he/she does not get to keep any of the nursing home spouse's income.

LET'S LOOK AT HARRY & SALLY:

Harry is no longer able to take care of Sally at home. She is being admitted to a long term care facility. They own $100,000 in countable assets and their total monthly income is $1,600.

Harry may keep all of his income (checks made out in his name, plus his half of the income that is jointly owned). Remember, if Harry's income is lower than **$1,751** a month, then he can keep part of Sally's income.

Checks made out in **Sally**'s name, plus her half of the jointly owned income, is considered hers and should be used to pay for her care. Medicaid would pay any remaining costs for her care.

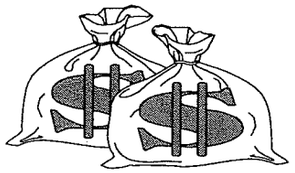
WHAT HAPPENS TO ASSETS?

Most assets are considered by Medicaid as joint assets between a husband and wife; it doesn't matter in whose name they are placed.

What amount of the couple's assets is the spouse at home able to keep?

MAXIMUM - *half* of all countable assets, *up to* a total of **$109,560**

MINIMUM - at *least* **$21,912**



A person may appeal to keep more assets.
Figures effective January 1, 2009

WHAT ABOUT THE COUPLE'S HOME?

The home is not counted as an asset when the applicant, spouse, or dependent children live in the home. Special rules apply when siblings or adult children live in the home *(The home is always counted if no one intends to live there).*

WHAT ASSETS ARE "COUNTABLE"?

Some examples of assets that are countable are: checking accounts, savings accounts, CD's, stocks, bonds, mutual funds, revocable trusts, cash value of life insurance policies, and IRAs.

Protection under the Spousal Impoverishment law applies to nursing home care, *and* under the Medicaid Aged and Disabled Waiver, for in-home and community-type care services.

Example: (from Harry and Sally)

Half of Harry and Sally's countable assets amount to $50,000. Since $50,000 is less than the maximum allowed amount under this law (maximum is $109,560), then Harry is able to keep all of his portion of the assets.

Sally and Harry would need to spend Sally's $50,000 down to $1,500 before Medicaid would begin to help pay for her nursing home costs.

CAUTION! Transferring of assets: Persons who transfer assets to get Medicaid help, may wait longer before Medicaid will help pay for nursing home costs. Other penalties may also be applied.