**UNDER THE SPOUSAL IMPOVERISHMENT PROTECTION LAW**

**WHAT HAPPENS TO INCOME?**

<table>
<thead>
<tr>
<th>Personal Income</th>
<th>Jointly Owned Income</th>
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<tr>
<td>* Income in your name remains your own. (Social Security, Pension, etc.).&lt;br&gt;* Income from assets in your name remains your own.</td>
<td>Income from assets owned by both spouses is considered by Medicaid as jointly-owned income. Jointly-owned income is divided in half, with each spouse getting a half.</td>
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<tr>
<td>• The spouse at home may keep all of his/her personal income.</td>
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The spouse in the nursing home must contribute his/her income to pay for nursing home care, but may keep a personal needs allowance of $52 per month.

**LET’S LOOK AT JAKE & EMILY:**

They own $100,000 in countable assets and their total monthly income is $1,600. Jake is being admitted to a long term care facility.

Emily may keep all of her income (checks made out in her name, plus her half of the income that is jointly owned). If Emily’s income is lower than $2,030 a month, then she can keep part of Jake’s income.

Checks made out in Jake’s name, plus his half of the jointly owned income is considered his income and must be used to pay for his cost care. Medicaid would then pay the remaining costs.

**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 $123,600 |
| **MINIMUM** | at least $24,720 |

A person may appeal to keep more assets. Figures effective January 1, 2018

**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.

**Example:** (Jake and Emily)

Half of the joint countable assets amount to $50,000. Since $50,000 is less than the maximum allowed amount under this law ($123,600), then Emily is able to keep all of her portion of the assets.

Emily and Jake would need to spend Jake’s $50,000 down to $3,000 before Medicaid would begin to help pay for his nursing home costs.

**CAUTION! Transferring of assets:**

Persons who transfer assets to get Medicaid help, may be required to wait longer before Medicaid will help pay for nursing home costs. Other penalties may also be applied.
The Spousal Impoverishment Protection law provides spouses of Medicaid nursing home residents or spouses of individuals on a Medicaid Aged & Disability Waiver financial relief from losing all income and assets in order to pay for their spouse’s care.

**How do you find out more?**

1. Review this brochure for a brief explanation of the Spousal Impoverishment Protection Law.
2. Contact the Division of Family Resources at 1-800-403-0864 or at [http://www.in.gov/fssa/dfr/2999.htm](http://www.in.gov/fssa/dfr/2999.htm).
3. Call the Senior Law Project office nearest you or an elder law attorney.
4. Contact your local State Health Insurance Assistance office (SHIP).

**SHIP**

1-800-452-4800

STATE HEALTH INSURANCE ASSISTANCE PROGRAM  
www.medicare.in.gov

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

**1-800-452-4800**

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.