Once the income has been split, if the spouse at home gets less than $1,939 (Effective 7/2013) each month when adding the personal income plus his/her share of the joint income) he/she may keep all of his/her personal income.

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.

**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 income.

**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.

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 $1,892 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 Income?
- Personal Income
  - Income in your name remains your own. (Social Security, Pension, etc.).
  - Income from assets in your name remains your own.
- 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.

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.
  - **Maximum** - half of all countable assets, up to a total of $115,920
  - **Minimum** - at least $23,184

A person may appeal to keep more assets. Figures effective January 1, 2013

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: (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 $113,640), 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.

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.
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.

The Spousal Impoverishment Protection Law
(07/2013)