



HARRIS LAW & CO.

Protecting Families & Businesses Through All of Life's Journeys

MEDICAID MAZE: SPENDDOWN

What if you know you will need to apply for Medicaid eventually, but you do not qualify now? There are options you have with expert legal guidance that may afford you and your loved ones a more comfortable lifestyle while helping you qualify for Medicaid at the same time. This process is sometimes referred to as the "Spendedown Process".

ALWAYS visit with your qualified elder law attorney *prior* to acting on any advice or strategy contained in this Article. There are many additional exceptions, limitations, and rules to the strategies we will discuss. This Article is only meant to give you a general overview of spenddown options for you and your loved ones so you can have some background information when speaking with your elder law attorney. It does *not* provide specific legal advice.

14 WAYS TO SPENDDOWN

1. Update Your Estate Plan

You and your family will need the right legal documents in place to prevent further headache, stress, and potential court involvement. Make sure to update your Healthcare Power of Attorney, Property Power of Attorney, Guardianship and Conservatorship Nominations, Last Will, Trust, Life Sustaining Treatment Declaration, and Organ Donation Declaration.

2. Plan your Funeral

You can spend up to \$5,400 on an irrevocable prepaid funeral contract and an unlimited amount on a Burial Trust. You can also have one burial plot per spouse.



3. See the Dentist

Medicaid is not known for having good dental coverage as many dental procedures that most people consider necessary are considered as elective by the program. Dentures are also frequently stolen or lost in the nursing home—get an extra set. If you need to apply before your dental work can be completed, ask if you can prepay your bill.

4. Get an Eye Exam

Buy Spare Glasses, Contact Lenses, & Supplies.

5. Check Your Feet, Skin, & Ears

Medicaid only covers the basics and you may have little to no choice over your physician. It is time to upgrade! Hearing Aids, Wheelchair, Voice Adapter, Ventilator...What do you need?

6. Transfer Assets to Child on SSI/SSDI

Assets transferred to a descendent that is on SSI or SSDI are generally exempt from the 5-year transfer rules.

THE MEDICAID MAZE SERIES

To learn more about Medicaid, eligibility requirements, income and resource rules, and paying for long-term care costs, check out our entire Medicaid Maze Series on our website at www.HarrisLawTrust.com. #Inform. #Educate. #Empower.



**INFORM.
EDUCATE.
EMPOWER.**



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Our Passion Shows!



Thank you for
helping us better
serve our
community by
referring us to your
friends & family.

Check out our
website for other
helpful articles,
videos, & seminar
opportunities.

7. Transfer Home to Sibling

You can also transfer your home to a sibling that has lived with you for the past 12 months and also has their name on the deed.

8. Transfer Home to Caretaker Child

You may also transfer your home to one of your children that has lived with you for at least 24 months and provided for your care.

9. Transfer Assets to Supplemental Needs Trust (SNT) or Pooled Trust Account

This allows you to use the assets for the remainder of your life and your spouse’s life, but the state will still receive any unused assets when you pass away.

10. Prepay for Legal Work for Medicaid Assistance

Don’t fill out the application yourself. Remember DSS represents the state of South Dakota and their job is to recover the most assets they can to reimburse the state for your care. Get an advocate on your side.

11. Prepay for Personal Services

Set up a contract for care providers or someone who can run your errands, take you to doctor, visit you, etc. and pay for their services in advance.

12. BUY! BUY! BUY!

Your Budget on Medicaid is very limited. Make sure you have what you need to be comfortable in your later years. Buy that new TV, VCR, DVD, Tape/CD player, Computer, Prepaid Cable/Internet Service, Magazine/ Newspaper Subscriptions, Slippers, Robes, Clothing, Lotions, Kleenex, Chapstick, Toothpaste, etc.

If you are married, and your spouse is not applying for Medicaid...

13. Home Improvement

Do not increase the value of your home over \$585,000, but do some remodeling...New Roof, Siding, Furnace, Windows, Carpet, Kitchen Remodel, Add a Deck, Payoff Mortgage...

14. Upgrade your Vehicle

Buy that Cadillac! There is no limit on the value of the spouse’s vehicle.

No spenddown strategy should be taken without first developing a detailed and well thought out plan with your qualified elder law attorney. The rules are complex and without guidance most people end up disqualifying themselves or their loved ones. Call us to help at 605-777-1772. Maximize your dollars the right way and with less stress.

**This article is for general informational purposes only and is not intended to give specific legal advice. Please consult with a qualified elder law attorney before taking any action.*