

How Do I Qualify for Medicaid?

Posted on January 07, 2021



A number of requirements must be met in order for an applicant to become eligible for [Medicaid](#) to pay for the applicant's long-term care.

They include requirements pertaining to an applicant's categorization, citizenship, state of residence, health status, and financial state. Among the most important of these requirements are those pertaining to an individual's medical condition and financial circumstances.

Medical Eligibility

A person will qualify for Medicaid when they:

- Require ongoing skilled nursing care;
- Are mentally impaired with Alzheimer's disease or dementia; or
- Are unable to care for themselves.

Financial Eligibility

Single Applicant

A single person will qualify (financially) for Medicaid when they own less than \$2,400 in assets, unless their income is less than \$2,329 monthly, in which case the applicant can keep \$8,000 in assets. These "assets" do NOT include "excluded assets."

Excluded Assets

- Primary residence, up to a \$595,000 value
- One motor vehicle
- Pre-need burial trust

- Life Insurance, up to \$1,500 cash surrender value

Example

- Applicant has a primary residence, one car, \$40,000 cash and life insurance with \$10,000 cash surrender value. Applicant's income is \$2,000 per month.
- Applicant will be able to keep \$8,000 in their own name.
- Primary Residence and Car are excluded assets.
- Life Insurance policy will have to be surrendered for cash value.
- Cash will have to be spent down after the first \$8,000.
- \$42,000 will be considered excess resources and available to pay for the Applicant's long-term care needs.

Married Applicant

A married person will qualify (financially) for Medicaid when they (the Institutionalized Spouse, or "IS") owns less than \$2,400 of assets in their name. To confirm, IS is the spouse going into the nursing home.

The Community Spouse (CS) keeps one-half of couple's total assets. If total assets are less than \$25,628, CS can keep all assets.

The CS is capped at owning \$128,640 in assets. Anything over these caps needs to be spent down or converted to an excluded asset or income. Excluded Assets remain the same as for single persons.

Example

- Same facts as above except a married couple with a \$2,500 monthly income for IS.
- IS can keep \$2,400 of assets in his name.
- Life Insurance will have to be surrendered or kept as CS's share of assets.
- CS is allowed to keep \$25,728 of assets.
- A total of \$21,872 is excess resources and available for IS's long-term care needs.

See also: [Look-Back Period vs. Period of Ineligibility](#), [What Is the 5-Year Look-Back Period for Medicaid?](#), [Demystifying Medicaid Planning](#), [Medicaid Spend Down: Convert Assets into Exempt Resources](#) and [MEDICARE vs. MEDICAID: What's the difference?](#)

If you have questions about Medicaid eligibility or have other [Elder Law](#) or [Estate Planning](#) concerns, please contact one of our [Elder Law Attorneys](#) or call 814-459-2800.

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