What Resources are Countable for Medicaid?

PART OF A MEDICAID & VETERANS BENEFITS PLANNING HOW-TO SERIES

KRAUSE FINANCIAL SERVICES

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The resources of a Medicaid applicant, and spouse, whether owned jointly or separately, are scrutinized when one is applying for Medicaid.

Over the next three minutes you’ll learn what assets are generally included in determining eligibility for Medicaid.
Countable Resources are...

...any real or personal property that could be converted to cash and used for support.

But what does that entail?
Countable Resources Include:

- Real Estate
- Bank Accounts
- Stocks
- Life Insurance
- Revocable Trust Assets
- Some Annuities
- Investments
- IRAs

**BUT WAIT…**

**EXCEPTIONS**

- Varies by state.
- This is not legal advice. Consult with a qualified attorney.
Real Estate Exceptions:

An applicant’s home is not countable, subject to certain equity limits, provided he/she “intends to return home.”

It is also not countable if a spouse or minor or disabled child or “caregiver child” continues to reside there.

Varies by state. This is not legal advice. Consult with a qualified attorney.
Life Insurance Exceptions:

If the total face value does not exceed $1,500 the entire cash surrender value will not be considered countable.

This applies even if the cash surrender value exceeds $1,500, as is often the case with “whole life” policies purchased in childhood.

Varies by state. This is not legal advice. Consult with a qualified attorney.
 IRA Exceptions:

Some states will disregard retirement accounts completely, and some will only do so for at-home spouses.

Some states will disregard retirement accounts that provide distributions.

Most states consider retirement accounts completely countable.

Varies by state. This is not legal advice. Consult with a qualified attorney.
Annuity Exceptions:

Certain types of annuities are always countable resources. Tax-deferred annuities, for example, are lump sums of cash accruing interest, and are accessible at any time. These are countable.

Other types of annuities, such as those providing income, can be disregarded if certain requirements are met.

Varies by state. This is not legal advice. Consult with a qualified attorney.
What about joint accounts?

HOPEFULLY YOU HAVE IMPECCABLE RECORDS

The entire value is countable for the Medicaid applicant, unless proof of deposits can show otherwise.

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This is general information only. Not legal advice.

You are encouraged to seek assistance from a qualified elder law attorney licensed to practice law in your state.

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Thank You for Watching!

Next Episode: What Resources are Exempt for Medicaid?