



**SENIOR SERVICES**  
Helping Our Elderly Live With Dignity

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WILLIAMS ADULT  
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Senior Services, Inc.

2895 Shorefair Drive

Winston-Salem, NC 27105

[www.seniorservicesinc.org](http://www.seniorservicesinc.org)

[HelpLine@seniorservicesinc.org](mailto:HelpLine@seniorservicesinc.org)

**336-724-2040**

## MEDICAID IN LONG TERM CARE FACILITIES

There may come a time in life when care in the home is no longer possible. At this stage of life, families and older adults turn to residency in a facility that can care for them. Depending on the type of care or the level of care needed by the older adult, residency may be selected in either an assisted living facility or in a skilled nursing facility. In the state of North Carolina (other states vary), Medicaid will pay for the monthly fees charged by these facilities provided the older adult is financially eligible for this type of care.

### Assisted Living Facilities

Medicaid pays for care in assisted living facilities that are licensed under a program titled, Special Assistance or SA. The older adult must meet income eligibility requirements of \$1,227.50 per month or less and the older adult's physician has determined that he/she needs assisted level of care in a facility. For a person needing care in a special care unit for Alzheimer's or related disorders, the older adult must meet income eligibility requirements of \$1,560.50 per month or less. This program is called Special Assistance-Special Care Unit or SA- SCU. Depending on the asset situation of the older adult and if there is a surviving spouse, there may not be a spend down issue as there is with Medicaid in a skilled nursing unit. Only the Medicaid Special Assistance caseworker can determine if a spend down is necessary. Contact the Department of Social Services at 703-3502 for additional information and for an application.

### Skilled Nursing Facilities

With the cost of nursing care reaching \$5,000 per month, most individuals will either immediately qualify or eventually qualify financially for Medicaid in a skilled nursing facility. For a single person to qualify for Medicaid he/she has been declared in need of long term care by the physician and an FL-2 form completed. The individual cannot have income greater than the monthly charges in the Medicaid licensed facility. If the income exceeds or meets the monthly charges, then the individual is not eligible for Medicaid. The individual cannot have assets greater than \$2,000. If there are assets greater than \$2,000, the assets must be spent. They can be spent on the care of the individual (private pay until assets are down to \$2,000) or on the individual's home for improvements for resale or to become rental property that produces a net profit of 6%. A pre-paid burial plot can also be purchased with this money. There are many other exemptions that pertain to property that can be looked at by the Medicaid worker at the time of application.

In the case of a married couple, with one spouse at home and the other residing in a skilled nursing facility, the spend down is handled differently. The spouse remaining at home is entitled to continue living in the home and maintaining one vehicle. Prepaid burial plots may also be purchased and will be counted as exempt when applying for Medicaid. The spouse remaining at home retains his/her income. If the spouse at home has no income, then he/she gets one-half of the spouse's income who is in the nursing facility.

The spouse at home may also be entitled to an additional income from the institutionalized spouse provided there is a financial need to maintain the home and meet expenses. The Medicaid caseworker can assist with other exempt and non-exempt issues at the time of application.

If assets are obtained by the spouse at home after eligibility, they are not counted toward Medicaid. However, if the spouse who is living in the skilled nursing facility obtains assets after obtaining Medicaid eligibility, they are counted toward Medicaid. The spouse in the nursing facility has an option to use this for care (go back to private pay until the money is used up) or transfer the money to the remaining spouse (the spouse in the nursing home would not lose Medicaid eligibility). Consulting with a Medicaid caseworker at the Department of Social Services (703-3502) or with an elder law attorney will help direct the older adult as to the best choice to make.

## **Elder Law Attorneys**

In order to prevent loss of assets to Medicaid, it is advisable to consult an elder law attorney who can assist with estate planning. Estate planning to prevent loss of assets to Medicaid should be done as soon as possible to prevent the Medicaid “look-back” prior to the Medicaid application.