

# Protecting Your Spouse When You Go to a Nursing Home



## The Spousal Impoverishment Protection Law

*Have you ever wondered...*

What will happen if your spouse is not able to live at home because of poor health or confusion? Will you have to spend all of your resources to pay for your spouse's nursing home care before Medicaid will help?

*The answer is "NO"!*

You have **protection from losing all income and assets** to pay for your spouse's care in the nursing home when your spouse qualifies for Medicaid.

## WHAT HAPPENS TO INCOME?

Personal Income	Jointly Owned Income
❖ Income received in your name remains your own (Social Security, Pension, etc.)	❖ Income from jointly-owned assets is counted by Medicaid as jointly-owned income. Jointly-owned income is divided in half with each spouse getting one half.
❖ Income received from assets in your name remains your own.	
❖ The spouse at home may keep all of his/her personal income.	

### Spouse at Home May Keep More

The spouse at home can keep all of his/her income. If the spouse at home gets less than \$3,948 per month in 2025, he/she may also keep part of the nursing home spouse's income. The spouse at home can keep an amount that will bring his/her income up to a **maximum of 3,948/month**. (The amount changes each January.)

### Example: Case of Jim and Ellen

Jim is no longer able to care for Ellen at home and is admitting her to a nursing

home. Jim's monthly income is \$2,800 and Ellen's is \$1,600.

When Ellen qualifies for Medicaid, Jim keeps all of his income. Since Jim's income is lower than \$3,948 a month, he can keep some of Ellen's income. The difference between the limit of \$3,948 and Jim's income of \$2,800 is \$1,148. Jim will keep \$1,148 of Ellen's income.

Ellen will keep \$50 of her income for a personal needs allowance. The remaining \$402 of her income may be used to pay the nursing home.

# WHAT HAPPENS TO ASSETS?

Medicaid considers most assets as joint assets of a husband and wife. It doesn't matter in whose name the assets are placed. Dollar amounts change each January 1.

## The spouse at home can keep some of the couple's assets.

- ◆ **Minimum** - at least \$31,584
- ◆ **Maximum** - half of all countable assets, up to a total of \$157,920 in 2025  
(A person may appeal to keep more assets.)

## CAUTION! Transferring of Assets:

Those who transfer or give away assets to get Medicaid help may have to wait before Medicaid will help pay for nursing home costs. Other penalties may also apply.

## What about the Couple's Home

The home is not counted as an asset when the applicant, spouse or dependent children live there. Special rules apply when siblings or adult children live in the home. (The home is always counted if no one lives there or intends to return.)

## What Assets Are "Countable"?

Some examples of assets that are "countable": checking accounts, savings accounts, stocks, bonds, CDs, mutual funds, revocable

trusts, cash value of life insurance policies, IRAs and real estate other than the home.

### Example: Jim and Ellen

Jim and Ellen own \$100,000 of countable assets. One-half is \$50,000, which is less than the maximum allowed amount under this law. Jim is able to keep all of his half. An appeal may allow him to keep more.

They will need to spend Ellen's share down to \$2,000 before Medicaid will begin to help pay nursing home costs.

## Qualifying for Medicaid

1. You must meet **both an income and a resource limit** before Medicaid will pay for long-term care services. The resource limit is **\$2,000** of countable resources (see above). The income limit is **\$2,901 per month** in 2025. Using a Miller Income Trust allows you to have income up to \$10,653.75 (effective 7/1/24) and still qualify for Medicaid.
2. Contact the **Department of Human Services (DHS) Centralized Facility Eligibility Unit** when you **enter** a nursing home even if you don't qualify for Medicaid at that time. Complete a resource assessment form to show proof of what your assets are when admitted. You will need that information if you apply for Medicaid later. For information or to apply for Nursing Facility Medicaid, call DHS Eligibility Unit customer service line at **1-877-344-9628**.

If you have questions, the Senior Health Insurance Information Program (SHIIP) can help:

**Website:** [shiip.iowa.gov](http://shiip.iowa.gov)

**E-mail:** [shiip@iid.iowa.gov](mailto:shiip@iid.iowa.gov)

**Toll-free:** 1-800-351-4664 (TTY 1-800-735-2942)

