Spousal Impoverishment Program

The high cost of nursing home care can quickly exhaust the resources of elderly couples who live on a fixed income. When one spouse needs nursing home care while their partner is healthy enough to remain in the community, the Spousal Impoverishment Program helps ensure that the institutionalized spouse gets the care they need while the community spouse is able to remain in the family home.

What do I need to do to qualify?

- Meet general Medicaid eligibility requirements
- The institutionalized spouse must submit a Medicaid application
- Eligibility must be based on age or disability of the institutionalized spouse
- Couple's income is not sufficient to pay for medical needs
- Resources must be within Spousal Impoverishment limits
- Cannot have transferred or gifted any resources in the last five years

How does the program work?

Assessment of Resources

The program becomes available when one spouse needs nursing home level of care for more than 30 days. Once it becomes available, a couple should request an assessment of resources. This assessment catalogs the assets owned by each spouse at the time that one entered long-term care. This assessment helps determine eligibility and must fall within Spousal Impoverishment limits.

Designation of Ownership

After eligibility is determined, the couple will need to complete a designation of resources. The designation allows the couple to determine which spouse will have what asset. This step is key to maintaining overall Medicaid eligibility. The couple has 90 days after signing the designation of resources to align ownership of assets. An income allotment is available if the community partner's income is insufficient to meet their needs.

Transfer of Assets

Medicaid is required to review all long-term care cases to determine whether any assets have been gifted, transferred, or sold for less than fair market value within the five years prior to application. A penalty is assessed for the uncompensated amount unless the assets are returned.