



# The Top Eight Mistakes People Make with Medicaid Qualification

## 1. Believing it's too late to plan.

It's never too late to take planning steps, even after a senior has moved to a nursing home.

## 2. Giving away assets too soon.

Remember, it's your hard-earned money (or your house, or both). Make sure you take care of yourself first.

## 3. Overlooking vital safe harbors provided by Congress.

Medicaid allows certain transfers to occur without jeopardizing eligibility. These include: transfers to disabled children, children who are caretakers, certain siblings and into trust for anyone who is disabled and under age 65; a transfer to a "pay-back" trust if under age 65; and a transfer to a pooled disability trust at any age.

## 4. Failing to take advantage of protections for the spouse of a nursing home resident.

These protections include the purchase of an immediate annuity, petitioning for an increased community spouse resource allowance, and in some instances petitioning for an increased income allowance or refusing to cooperate with the nursing home spouse's Medicaid application.

## 5. Applying for Medicaid too early.

This can result in a longer ineligibility period in some instances.

## 6. Applying for Medicaid too late.

This can mean a loss of many months of eligibility and will result in you having to privately pay for your long-term care.

## 7. Not seeking qualified help.

This is a very complicated field that most only deal with once in their lives. Often a great deal of money or assets are at stake. It is penny wise and pound foolish not to consult with people who focus on guiding clients through the process. Seek competent legal and financial advice every step of the way to prevent costly mistakes.

## 8. Confusion about the difference between lifetime liens on property and estate recovery.

There are numerous exceptions to lifetime liens on property, but for estate recovery there is only a deferral for a surviving spouse and a hardship waiver.



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