The Spousal Impoverishment Protection Law

The Spousal Impoverishment Protection Law occurred in 1989. Its purpose is to protect spouses of nursing home residents from losing all their income and assets to pay for the nursing home spouse's care. The law allows the spouse living in the community to keep some assets and income and still be able to get Medicaid assistance for the nursing home spouse.

ASSETS

The spouse at home can protect up to half of the couple's countable assets at time of admission to the nursing home (up to **$89,280 in 2002**, but not less than **$17,856**). Some examples of assets that are **countable** are: cash, checking accounts, savings accounts, CD's, stocks, bonds, money market funds, mutual fund shares, revocable trusts, cash value of life insurance policies, and IRA's.

The nursing home spouse's share should be used towards his/her nursing home care until his/her assets have been reduced to **$1,500**. Medicaid will then assist in his/here care.

PERSONAL INCOME

Income in your name remains your own (Social Security, Pensions, etc). The spouse at home may keep all of his/her personal income. The spouse in the nursing home must use most of his/her income to pay for nursing home care. The nursing home spouse's income will pay first, then Medicaid will help with nursing home costs. The nursing home spouse may keep a **personal needs allowance of $52** per month.

JOINTLY-OWNED INCOME

Income from assets owned by both spouses is **counted by Medicaid as jointly-owned income**. Jointly-owned income is divided in half, with each spouse getting a half.