

Wisconsin Medicaid—Spousal Impoverishment Protection

“Spousal impoverishment protection” refers to special financial provisions in Medicaid for the Elderly, Blind or Disabled (EBD) law. These provisions affect how we count income and assets for certain married couples receiving or applying for nursing home or community waiver services.

Home and Community-Based Waiver programs, such as Family Care, Family Care Partnership, IRIS (Include, Respect, I Self-Direct), and PACE (Program of All-Inclusive Care for the Elderly) provide a home care alternative to a nursing home. These protections apply to people who are elderly or have disabilities.

Medicaid EBD pays for health care and long-term care services for low-income people of all ages. Medicaid EBD is a federally and state-funded government program. To qualify, a person’s income and assets must be below specified levels.

Spousal impoverishment protection affects legally married couples when one spouse is in a nursing home or taking part in a community waiver program and the other spouse is not residing in a nursing home or other medical institution for 30 days or more. The person in the nursing home or the community waiver program is referred to as the “institutionalized spouse.” The other spouse is the “community spouse.”

Assets

Counting Assets

There are special rules for counting assets and allocating the assets between the spouses. When you or your spouse first

enter a medical institution or nursing home or request a community waiver program, your agency will, if requested, conduct an assessment of your total combined assets. The amount of your total combined assets at the time of institutionalization determines the amount of assets each spouse may keep.

If your combined assets are \$100,000 or less, the community spouse can keep \$50,000, and the institutionalized spouse may keep \$2,000. If your assets are over \$100,000 you should contact your agency for help in determining the amount of assets you can keep. The community spouse share can be higher than the standard if a court or administrative hearing officer orders a higher amount.

Assets Transferred Between the Spouses

Once the couple’s assets are at or below their asset limit, they have one year in which to ensure the institutionalized spouse has no more than \$2,000 worth of assets in his or her name.

During this time period, the institutionalized spouse usually transfers all but \$2,000 of his or her assets to the community spouse.

For example: Bob and Carley have \$40,000 in a money market account and \$10,000 in a checking account. The accounts are in both their names. Bob is the institutionalized spouse, and Carley is the community spouse. The couple spends \$1,500 on an adjustable bed for Bob and \$20,000 on a newer used car for Carley after

trading in their old car. They open a new checking account for Bob and take his name off both the money market and the couple's checking account. Bob's new account has \$1,000. Carley's accounts have the remaining \$27,500, which is only in her name.

Countable Assets

Examples of countable assets may include, but are not limited to:

- Cash
- Checking accounts
- Life insurance policies
- Savings accounts
- Certificates of deposit
- Real estate
- Investments
- Stocks and bonds

Assets Not Counted

Medicaid EBD does not count some assets. Those not counted include:

- Your home (as long as the community spouse or other dependent relative lives there).
- One vehicle.
- Burial assets (including insurance, some amounts in irrevocable burial trusts, and plots).
- Household furnishings.
- Clothing and other personal items.

Reducing Assets to the Allowable Limit

"Excess" assets (assets that are above the asset limit) can be reduced to allowable limits if they are used to pay for nursing home or home care costs or for other things, such as home repairs or improvements, vehicle repair or replacement, clothing, or other household expenses. If excess assets are not reduced, the institutionalized spouse cannot be enrolled in Medicaid.

Divestment

Divestment is when you or your spouse:

- Give away income and/or assets for less than fair market value.
- Avoid taking income or assets you are entitled to, such as a pension income or an inheritance.
- Buy certain types of assets, such as a life estate, loan, or annuity.

Excess assets usually cannot be reduced by divesting those assets. Please see the [Medicaid for the Elderly, Blind, or Disabled Divestment fact sheet, P-10058](#), for more information on divestment.

Income

Counting Income

There are special rules for counting income and the amount of income that can be transferred from one spouse to another. Only the institutionalized person's income is counted in determining enrollment. The community spouse cannot be required to pay for the institutionalized spouse's care except when there is a court order to do so.

Income Transferred Between the Spouses

An institutionalized person who qualifies for Medicaid may be allowed to protect some of his or her income by transferring it to the community spouse, depending on the amount of income the community spouse has. The institutionalized person can also transfer income to other dependent family members. To find out the amount that can be transferred, contact your agency.

Income and Asset Limits

The institutionalized spouse must meet the same income and asset tests as a single person applying for Medicaid EBD in a nursing home or community waiver program. The assets directly available to the

institutionalized spouse are limited to \$2,000. Except for a small personal needs allowance, the institutionalized spouse must either transfer his or her income to the community spouse or use it to pay for nursing home or home care. The spousal impoverishment protection applies only when one spouse is institutionalized and the other is not. If both of you are institutionalized, the single individual income and asset limits apply. The purpose of the spousal impoverishment protection is to prevent the community spouse from being impoverished by his or her spouse's institutionalization.

For More Information

- Contact a disability benefit specialist or elderly benefit specialist at your local aging and disability resource center (ADRC) or county aging office. To find the specialist in your area, go to FindMyADRC.com or call 800-362-3002.
- Ask hospital and nursing home staff.
- Call ForwardHealth Member Services at 800-362-3002 or 711 (TTY).
- Contact your local agency. To get the address and phone number of your local agency, call 800-362-3002 or go to www.dhs.wisconsin.gov/forwardhealth/resources.htm.

This document is being issued pursuant to 42 CFR § 447.205 - Public notice of changes in Statewide methods and standards for setting payment rates.

**Spousal Impoverishment Assets (Total Amount)
Effective January 1, 2020**

If the total countable assets are:	Then the community spouse asset share (CSAS) is:	Wisconsin Medicaid enrollment limit (CSAS + \$2,000):
\$257,280 or more	\$128,640	\$130,640
Less than \$257,280 but greater than \$100,000	Half of the total countable assets of the couple	Half of the total countable assets of the couple + \$2,000
\$100,000 or less	\$50,000	\$52,000

**Spousal Impoverishment Income Allocation and Allowances
(Monthly Amounts)
Effective July 1, 2020 and January 1, 2020**

Community spouse allocation	<p>The maximum allocation is the lesser of \$3,216.00 or \$2,873.34 plus an excess shelter allowance.</p> <p>"Excess shelter allowance" means shelter expenses above \$862.00. Shelter expenses are mortgage, rent, taxes, maintenance fees, and a utility allowance.</p> <p>\$862.00 is subtracted from the community spouse's shelter costs. If there is a remainder, it is added to \$2,873.34.</p>
Dependent family member allocation	\$718.34 per dependent family member living with the community spouse
Personal needs allowance (effective 7/1/01)	\$45 for institutionalized individuals
Community waivers allowance	\$963 to \$2,349 for a person in a Home and Community-Based Waiver Program

Nondiscrimination Notice: Discrimination is Against the Law – Health Care-Related Programs

The Wisconsin Department of Health Services complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. The Department of Health Services does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

The Department of Health Services:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters.
 - Written information in other formats (large print, audio, accessible electronic formats, other formats).
- Provides free language services to people whose primary language is not English, such as:
 - Qualified interpreters.
 - Information written in other languages.

If you need these services, contact the Department of Health Services civil rights coordinator at 844-201-6870.

If you believe that the Department of Health Services has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Department of Health Services, Attn: Civil Rights Coordinator, 1 West Wilson Street, Room 651, PO Box 7850, Madison, WI 53707-7850, 844-201-6870, TTY: 711, fax: 608-267-1434, or email to dhsrcc@dhs.wisconsin.gov. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, the Department of Health Services civil rights coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at:

U.S. Department of Health and Human Services
200 Independence Avenue, SW
Room 509F, HHH Building
Washington, D.C. 20201
800-368-1019, 800-537-7697 (TDD)

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

Español (Spanish) ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 844-201-6870 (TTY: 711).	Deutsch (Pennsylvania Dutch) Wann du Deitsch (Pennsylvania Dutch) schwetzscht, kannscht du ebber griegie as dich helfe kann mit Englisch, unni as es dich ennich eppes koschte zellt. Ruf 844-201-6870 uff (TTY: 711).
Hmoob (Hmong) LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 844-201-6870 (TTY: 711).	ພາສາລາວ (Laotian) ເຊີນຊາບ: ຖ້າທ່ານເວົ້າພາສາລາວ ແມ່ນມີບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ ບໍ່ເສຍຄ່າໃຫ້ທ່ານ. ໃຫ້ໂທຫາເບີ 844-201-6870 (TTY: 711).
繁體中文 (Traditional Chinese) 注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 844-201-6870 (TTY: 711)。	Français (French) ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 844-201-6870 (ATS : 711).
Deutsch (German) ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 844-201-6870 (TTY: 711).	Polski (Polish) UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 844-201-6870 (TTY: 711).
العربية (Arabic) ملحوظة: إذا كنت تتحدث العربية، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 844-201-6870 (رقم هاتف الصم والبكم: 711).	हिंदी (Hindi) ध्यान दें: यदि आप हिंदी बोलते हैं तो आपके लिए सुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 844-201-6870 (TTY: 711) पर कॉल करें।
Русский (Russian) ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 844-201-6870 (телетайп: 711).	Shqip (Albanian) KUJDES: Nëse flisni shqip, për ju ka në dispozicion shërbime të asistencës gjuhësore, pa pagesë. Telefononi në 844-201-6870 (TTY: 711).
한국어 (Korean) 알림: 한국어 지원 서비스를 무료로 이용하실 수 있습니다. 844-201-6870 (TTY: 711) 번으로 전화해 주십시오.	Tagalog (Tagalog – Filipino) PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 844-201-6870 (TTY: 711).
Tiếng Việt (Vietnamese) CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 844-201-6870 (TTY: 711).	Soomaali (Somali) FIIRO GAAR AH: Haddii aad ku hadashid af Soomaali, adeegyada caawinta luuqada, oo bilaash ah, ayaa lagu heli karaa. Soo wac 844-201-6870 (TTY: 711).