

Wisconsin Medicaid Spousal Impoverishment Protection

Medicaid is a federally and state-funded government program that pays for health care and long-term care services for low-income people of all ages. To qualify, a person's income and assets must be below certain levels. There are two types of Medicaid that provide long-term care services:

- Institutional Medicaid provides coverage of medical services if you reside in a medical care facility, such as skilled nursing facilities, intermediate care facilities, institutions for mental disease, and hospitals, for 30 days or more.
- Home and community-based waiver programs allow you to get long-term care services in a community setting (for example, your home) rather than in a nursing home or hospital. These waiver programs include:
 - Family Care
 - Family Care Partnership
 - IRIS (Include, Respect, I Self-Direct)
 - PACE (Program of All-Inclusive Care for the Elderly)

"Spousal impoverishment protection" refers to special financial provisions in Medicaid law. These provisions affect how we count income and assets for certain married couples enrolled in a long-term care program.

Spousal impoverishment protection affects legally married couples when one spouse is enrolled in Institutional Medicaid or a community-based waiver program and the

other spouse is not residing in a nursing home or medical care facility for 30 days or more. The person in the nursing home or the community-based waiver program is known as the institutionalized spouse (the spouse participating in Medicaid long-term care services). The other spouse is called the community spouse.

The purpose of the spousal impoverishment protection is to prevent the community spouse from being impoverished if his or her spouse is in an institution or getting long-term care services.

Signing the Application

If you have a community spouse, both you and your spouse must sign your application for long-term care services through Medicaid or your application will be denied. If your spouse did not sign your application, you can use the Request for Community Spouse Signature form, [F-02733](#), to submit your spouse's signature and complete your application. Your spouse can also call your local county or tribal income maintenance agency to provide verbal confirmation that will be considered the same as a written signature.

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 care facility and apply for Medicaid or ask to

participate in a community-based waiver program, your agency will do an assessment of your total combined assets. You can ask for this assessment before you apply for Medicaid. The amount of your total combined assets at the time you or your spouse entered the medical care facility or started participating in a Medicaid long-term care program determines the amount of assets each spouse may keep. We only use your countable assets (described below) in this assessment.

If your combined assets are \$100,000 or less, the community spouse can keep \$50,000, and the spouse participating in Medicaid long-term care services may keep \$2,000. The amount the community spouse can keep is called the community spouse's asset share (CSAS). The asset limit is calculated by adding the CSAS to the asset share for the spouse participating in Medicaid long-term care services.

If your assets are over \$100,000, see the chart on page 4 for more information about the amount of assets you can keep.

Assets Transferred Between Spouses

Once you and your spouse's assets are at or below the asset limit, you have one year to ensure the spouse participating in Medicaid long-term care services has no more than \$2,000 worth of assets in their name.

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

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 spouse participating in Medicaid long-term care services, 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

Your countable assets are used to determine whether you meet the asset limit.

Assets Not Counted

Medicaid does not count the following assets:

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

Reducing Assets to the Allowable Limit

Excess assets are assets that are above the asset limit. They 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 spouse participating in Medicaid long-term care services cannot enroll in Medicaid.

Divestment

Divestment is when you or your spouse:

- Give away income and/or assets for less than fair market value. This includes giving gifts to people, such as your grandchildren.
- Avoid taking income or assets you are able to get, 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. Income for only the spouse participating in Medicaid long-term care services is counted in determining enrollment. The community spouse cannot be asked to pay for the care of the spouse participating in Medicaid long-term care services except when there is a court order to do so. See the next page for information on what we subtract from the institutionalized spouse's income.

Income Transferred Between the Spouses

An institutionalized spouse 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 spouse participating in Medicaid long-term care services can also transfer income to other dependent family members. To find out the amount that can be transferred, see the chart on page 4.

Income and Asset Limits

The spouse participating in Medicaid long-term care services must meet the same income and asset tests as a single person applying for Medicaid in a nursing home or community-based waiver program. The assets directly available to the spouse participating in Medicaid long-term care services are limited to \$2,000. Except for a small personal needs allowance, the spouse participating in Medicaid long-term care services must either transfer his or her income to the community spouse or use it to pay for nursing home or home care. If both you and your spouse are participating in Medicaid long-term care services and your spouse lives in a nursing home, the single individual income and asset limits apply to you.

Where Can I Get More Information?

- Contact your Aging Disability Resource Center. Go to www.findmyadrc.com for contact information.
- Ask hospital and nursing home staff.
- Refer to the ForwardHealth Enrollment and Benefits Handbook, P-00079, www.dhs.wisconsin.gov/library/p-00079.htm.
- Call Member Services at 800-362-3002 (voice) or 711 (TTY).
- Contact your local income maintenance agency. Go to www.dhs.wisconsin.gov/forwardhealth/imagency/index.htm for contact information.

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, 2021		
If the married couple's total countable assets are:	Then the CSAS is:	Total Wisconsin Medicaid asset limit (CSAS + \$2,000):
\$260,760 or more	\$130,380	\$132,380
Less than \$260,760 but greater than \$100,000	Half of the total countable assets of the couple	Half of the couple's total countable assets + \$2,000
\$100,000 or less	\$50,000	\$52,000
Spousal Impoverishment Income Allocation and Allowances (Monthly Amounts) Effective July 1, 2021 and January 1, 2021		
Community spouse income allocation	<p>The maximum allocation is \$3,259.50, or \$2,903.34 plus an excess shelter allowance, whichever is less.</p> <p>The excess shelter allowance is calculated by adding together shelter expenses such as mortgage, rent, taxes, maintenance fees, and utility costs and subtracting \$871. Any remaining amount is considered the excess shelter allowance and is added to \$2,903.34 up to the maximum of \$3,259.50.</p>	
Dependent family member income allocation	\$725.84 per dependent family member living with the community spouse	
Institutional Medicaid personal needs allowance (effective 7/1/01)	\$45 for the institutionalized spouse	
Community-based waiver programs allowance for the spouse participating in a community-based waiver program	<p>The community-based waiver basic needs allowance is \$974. The amount of this deduction can be higher if the member also has earned income (income from a job or self-employment), housing costs above \$350 a month, or both. The maximum allowance is \$2,382.</p>	

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).