



THE BOND & BROWN
LAW FIRM

Serving Houston Families Since 1994

2021 Medicaid Budget Numbers

Eligibility Criteria for a “Single” Applicant:

- Must be a **US Citizen** or a lawfully admitted Alien.
- Must be a **Texas Resident**.
- Must meet a **Medical Necessity** assessment.
- Must be in a nursing home (that offers a Medicaid bed) for **30 days**.
- Must have income less than **\$2,382.00**.
- Must have Countable Resources less than **\$2,000.00**.
- Must be free of all penalties for uncompensated transfers or gifts (Penalty Divisor is **\$213.71**).

Eligibility Criteria for a “Couple” both filing (all criteria is the same except):

- Must have combined income less than **\$4,764.00**.
- Must have Countable Resources less than **\$3,000.00**.

Spousal Impoverishment:

- The applicant must divert all or enough of his or her monthly income to their non-institutional spouse, so the non-institutional spouse has gross monthly income of **\$3,259.50**.
- The non-institutionalized spouse is allowed to retain 50% of the couple’s combined Countable Resources with a minimum of **\$26,076** maximum of **\$130,380.00**. In some cases, more resources are allowed.

Exempt Assets:

- Homestead less than **\$603,000.00**.
- Personal Property.
- Automobile (**unlimited value**). A 2nd auto if the spouse works.
- **Irrevocable** pre-paid funeral contracts.
- **Burial plots**.

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Frequently Asked Questions

1. What is a Miller Trust or QIT?

A Miller Trust is a legal device used to forgive a Medicaid applicant for being over the Monthly Income Cap.

2. Will the State of Texas take my house?

Absolutely! The Medicaid Estate Recovery Program will lay a claim to mom or dad's assets if they do not plan accordingly.

3. Can my parents just give me their house?

Yes, but by doing so it will cause transfer penalties and could prevent your loved one from receiving Medicaid benefits.

4. What is a Lady Bird Deed?

It is a property deed that reserves a life estate for the grantor while conveying a future remainder interest that is revocable. This deed is used to protect the applicant's home from estate recovery.

5. Does mom or dad need to sell their home?

No, the home is a non-countable asset and is exempt from spend-down if there is an intent to return home. Seek legal counsel about Medicaid Estate Recovery.

6. Will Medicaid pay past due medical bills?

If the person was eligible 3-months prior to filing the application, Medicaid can pay for the past due medical including hospital bills.

7. When should we consult with an Elder Law Attorney?

When it becomes obvious that long-term care will be needed. Note, get a Durable Power of Attorney executed before loss of capacity and make sure it has trust creation authority and gifting powers.



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