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ELDER LAW MINUTE

Last week I wrote about a married couple where both husband and wife were in need of long-term care. What about a couple where one person is ill but the other is not.

Consider Ralph and Betty. Ralph is 87, and has suffered two debilitating strokes. He is in ABC nursing home. Betty is 81 and is fit as a fiddle. However, she is very concerned about going broke because ABC cost \$6,000 per month.

In 2008, a married couple can only have \$106,400 in includible resources if they want to qualify for nursing home Medicaid. Ralph and Betty have \$350,000 in savings in addition to their modest home in Lilburn.

Betty might want to consider buying a new home. There is still no limit on the amount of exempt home equity for a married couple. The home should be titled just in Betty's name. Betty should pay cash for the home thereby depleting their savings below the \$106,400 limit. Should she need cash in the future, she could either borrow against the home, or she could sell it. While Ralph applied for Medicaid under the spousal impoverishment rules which consider both husband and wife's resources, once he is approved it does not matter what Betty owns. Ralph will remain eligible as long as he has no more than \$2,000 in his name.

Next week I will discuss V.A. pension benefits. If you know anyone who would like to receive future editions of *Elder Law Minute*, please let me know.