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ELDER LAW MINUTE

Did you know that German Reparation payments are excluded for Medicaid purposes? These are compensation payments to certain holocaust survivors under the Republic of Germany's federal law for Nazi persecution. The payments do not count as income and are not part of the budget for determining Patient Liability Cost Share. Moreover, unspent German Reparation payments are excluded as resources.

What this means is that certain holocaust survivors who receive these payments will have more than the usual \$50 per month spending money when they go on Medicaid. They will have their entire German payment to spend on a private room, private duty sitters or other luxuries which Medicaid does not cover. If they don't spend their German check each month, they can save it without having a resource problem as long as they can separately account for the money.

I have had several clients receiving German Reparation payments over the years. If you know someone in this category, advise them to set up separate accounts for these payments so that when they apply for Medicaid, the segregated account will be excluded from the resource test.

Member of the National Academy of Elder Law Attorneys