

The Medicaid Application: A Tough Process

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When it's time for someone to move into a nursing home, and he or she will be applying for long-term care Medicaid benefits, there are many personal and financial issues to be addressed by the person who is preparing the application (usually a family member).

Before beginning the lengthy application process, these four requirements must be met:

The applicant must be –

- Aged 65 or older, blind or disabled, a US citizen (in some cases resident aliens)
- In medical need of licensed nursing care and meet the risk assessment criteria for nursing home placement. (Usually the opinion of the applicant's physician stating that the applicant needs nursing home care is enough.)
- Receiving no more than \$2,199 per month as an individual from all combined income sources.
- Under the asset cap of \$2,000 if single, \$3,000 if both spouses are in the nursing home.

One can expect a laborious effort in gathering the documentation required in support of all claims made on the Medicaid application. Be prepared to provide items such as, proof of identification and citizenship, social security cards, legal directives like a power of attorney or guardianship order, receipts for all income sources, several months of bank statements, proof of gifts or transfers, receipts for all bills being paid for the applicant by another person, deeds to real property, including oil, gas and mineral rights, medical bills, and life insurance and burial policies. Other information may be requested by the caseworker.

All communication with the Health and Human Services Commission (HHSC) must be documented in writing and saved, including phone calls between the applicant's representative and the caseworker.

Once the application is filed, the caseworker has up to 45 days to review the application and determine an eligibility decision. During this 45-day period, be aware that the applicant must be in a "Medicaid certified" bed for 30 days, before the application will be processed. Consequently, be ready to private pay the nursing home for a few months while the caseworker's determination is being made. In some instances, an applicant's family member may enter into an agreement with the nursing facility allowing the applicant to stay on a "Medicaid pending" basis if the family does not have enough funds to cover the bill, however most nursing homes don't do this anymore. If approved, Medicaid will retroactively pay back the nursing home for up to three months from the date the Medicaid application was filed.

Simple mistakes may lead to a denied application, which could cost thousands of dollars in nursing home costs while resubmitting the application and waiting again for the caseworkers' eligibility determination. Because of the complexity involved, it is wise to consider meeting with Certified Elder Law Attorney who handles this type of work on a daily basis.

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