



GIFTING TO ELDERLY ON MEDICAID AND OTHER GOVERNMENT AID So you don't endanger their benefits

Many of us will help others. But if the recipient is elderly and on Medicaid, your gift could adversely affect her/his eligibility - they could possibly lose their Medicaid benefits.

Do not pay their bills - especially those related to housing, utilities, and credit cards. Medicaid views these payments as income to the recipient in virtually all states.

Handing someone an ATM or credit card with the recipient as an authorized user will most likely damage their Medicaid benefits. Similarly, do not give them your ATM card to withdraw cash.

Cash in small amounts is usually OK

But if you give \$50 or more, many elderly recipients will give the money to their children or grandchildren. (This is exactly what one friend of mine would do if I gave her money - even though her single daughter with no children makes over \$60,000. So I am setting up a Spendthrift Trust to be used for nursing home expenses only. This will be done with an Elder Law attorney who knows Medicaid rules thoroughly.)

In most states you are allowed to give modest presents.

Gift cards for locally-owned stores to your recipient have a better chance of being spent by your friend than by her/his children or grandchildren. Skip Target, Walmart, and other chain stores. Choose a local gas station rather than a chain like Shell or Mobil.

Gift ideas

Gift cards

Recommended stores for purchase of gift cards:

*The best local grocery and produce stores so they get healthier food and some treats

*Ace Hardware stores (Many are franchises so profits stay local.)

*Gasoline - locally owned stations, not chains

*Local pet food store

*Local barber shop or hair salon

*Health food store, non-chain

*Vitamins and supplements shop

*Local runner's shoe shop for foot-healthy shoes

*Cell phone minutes card if recipient has a pay-as-you-go plan.

Put the cards in RFID-protected sleeves so thieves cannot steal the value. You can buy the sleeves on Amazon.

Buy a subscription to the local Community Supported Agriculture farm and tell them your friend will be picking up the produce. Bring your friend and introduce her by first name only. (Buy extra subscriptions for the Food Bank while you are there.)

If a friend's computer breaks, have it repaired or buy a modest tablet with keyboard cover, etc.

Pay for a service to clean her home once a month.

Have flowers delivered occasionally. Enquire about any allergies first.

Purchase an annual membership to the local senior center. Pay activity group fees, such as those for crafts and bridge.

Magazine subscriptions. Choose one which will stimulate them intellectually rather than popular drivel. Smithsonian, for example.

Assisted Living or Nursing Home residents

Have their favorite foods delivered from Harry & David, Dean & DeLuca, Whole Foods, etc. (Call the nursing home or friend first and ask about dietary restrictions in case they have diabetes, allergies, etc.)

Order produce, cheese, and beverages. Medicaid nursing home food is usually bland and overcooked.

Buy a mini-fridge if there is no kitchen in the room.

Buy females nice hand cream and other toiletries.

Some facilities offer haircuts and manicures as paid extras. Buy those services for your friend after you talk to the insurance administrator to learn if these gifts could impact Medicaid benefits.

Do not give them things requiring dusting. Give them things to be enjoyed and used. Only exception: photos of loved ones.

A lovely woman I know put a photo of her husband in his room at the nursing home. The photo showed him on a huge BMW motorcycle stopped on a trail in the Himalaya mountains. This photo reminds the man (and his caretakers) most of his life was as a world adventurer.

Nursing home residents

Hire a CNA worker at your friend's nursing home to take your friend around the neighborhood in the wheelchair. Pay the worker at least \$35 per hour in cash as nursing homes pay very low wages.

Get advice if you wish to give expensive presents

After the RV, I will give my Acura to a senior on Medicaid - after I consult an Elder Law attorney and have the office draw up the paperwork. The Medicaid rules in our state might require her to buy the car from me for \$100. I'll take her to the Department of Motor Vehicles to properly transfer title. Then I'll take a taxi home.

Learn more about how to give to people on Medicaid

Take 10 minutes to read the article at

<https://www.PayingForSeniorCare.com/Medicaid/Family-Supplementation.html>

A quote from the article:

"If the daughter decides to give the money directly to her mother and allows her mother to purchase items and pay bills herself, the money will count as unearned income. The increase in unearned income will reduce SSI payments by the same amount. Furthermore, depending how much additional money the daughter gifts her mother, she could disqualify her mother for Medicaid. This is true in all states. In short, the daughter is, at best, wasting her money, since any money she gives will lessen the public assistance her mother receives and, at worst, endangering her mother's Medicaid eligibility."

Written by Canary Girl