



At Helping Hands Living Solutions, our mission is to provide solutions and services that allow our customers to extend their ability to stay in-home and maintain a safe and secure quality of life. We are laser focused on supporting aging in place, but understand the realities that at some point there may be a compelling event that forces a move into an assisted living facility. Because of this possibility, we have pursued our own personal research. The purpose of this whitepaper is to try and share some of the knowledge we have acquired and do our best to point our customers to some of the resources that may help. Helping Hands Living Solutions is not an expert on Assisted Living or any facets of Medicaid, and suggest that you perform your own complete analysis on this topic.

First and foremost, Assisted Living Providers are in place to serve the elderly community, and provide many valuable services. While Helping Hands Living Solutions want to provide services to live comfortably in your home for as long as possible; the fact remains that sometimes living in your home is no longer an option. A concern when it comes to being in Assisted Living is the cost for these services. The National Center for Assisted Living shows the monthly costs for care in St. Louis as:

### Monthly Median Costs: *St. Louis (2023)*

In-Home Care <sup>①</sup>	Community and Assisted Living <sup>①</sup>	Nursing Home Facility <sup>①</sup>
Home Maker Services <sup>1</sup> <b>\$6,101</b>	Adult Day Health Care <sup>2</sup> <b>\$2,058</b>	Semi-Private Room <sup>2</sup> <b>\$7,194</b>
Home Health Aide <sup>1</sup> <b>\$6,673</b>	Assisted Living Facility <sup>3</sup> <b>\$5,100</b>	Private Room <sup>2</sup> <b>\$9,095</b>

Genworth Cost of Care Survey, December 2023

1. Based on annual rate divided by 12 months (assumes 44 hours per week)
2. Based on annual rate divided by 12 months
3. As reported, monthly rate, private, one bedroom

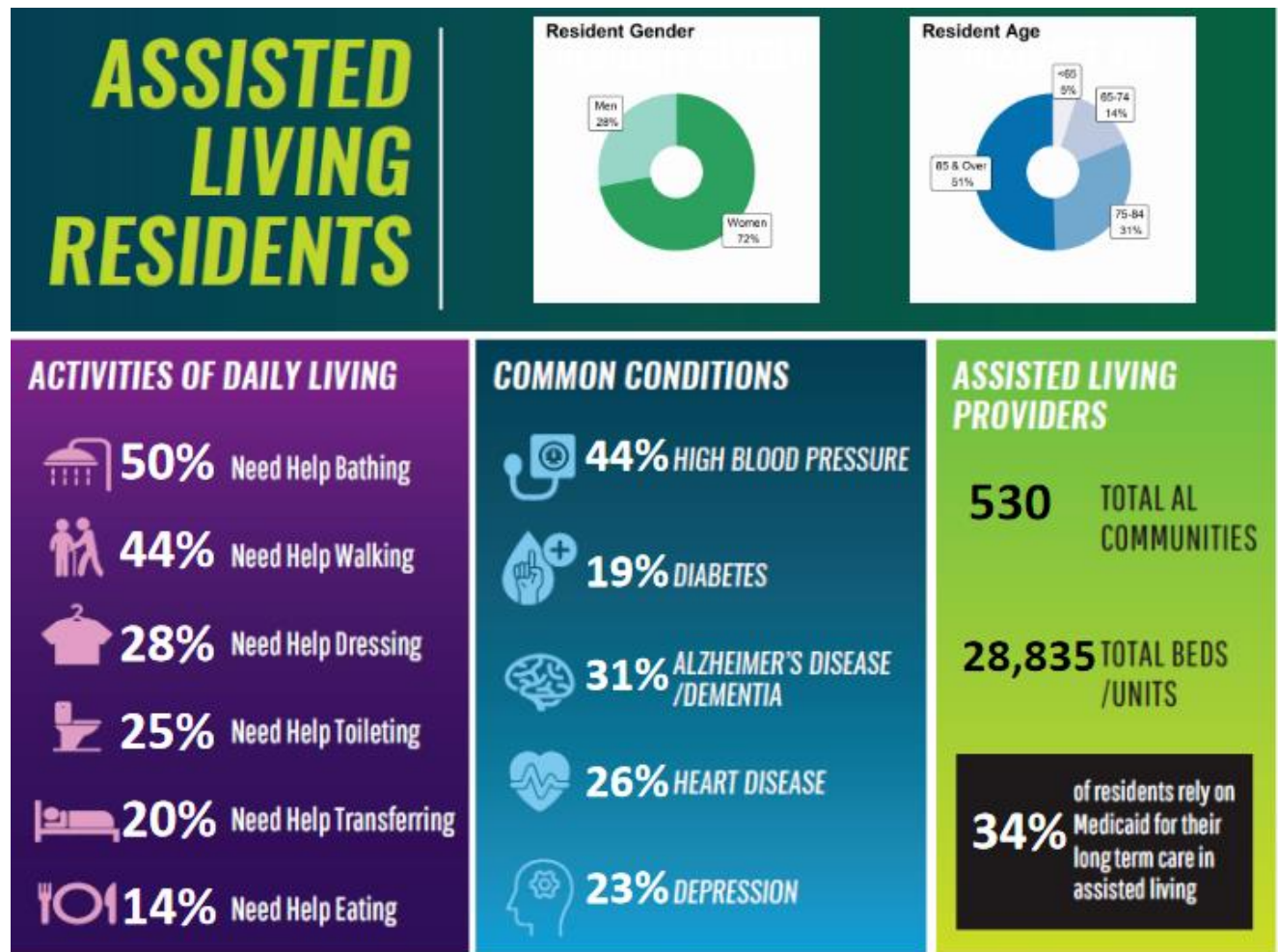
Let's make an assumption that you sell your home, and have \$300,000 from the transaction. This will roughly equate to 5 years of "assisted living". Once the value of your home is spent, the money that you have in retirement plans and investments will be used for all living expenses. After ten years, Assisted Living will roughly cost \$600,000 in today's money. 15 years, could mean the wipeout of a lifetime of investments. Luckily our American tax dollars support the elderly and Medicaid will continue to keep you housed and cared for.





Helping Hands Living Solutions currently supports Metro East St. Louis Madison & St. Clair counties. Medicaid programs differ by state; we will be referencing Illinois programs.

Every day until 2030, 10,000 Baby Boomers will turn 65 and 7 out of 10 people will require long term care in their lifetime. There are more than 800,000 Americans currently residing in assisted living. The majority of these residents are 85 and older, female, and non-Hispanic white. Nearly half of all residents have high blood pressure, and 4 in 10 are living with Alzheimer’s disease or other dementias. After a median stay of 22 months, roughly 60% of residents will move out of assisted living to transition to a skilled nursing center.





Medicaid aid is a safety net program. Spenddown is an Illinois Medicaid program that helps people who are over income or have too many assets to be eligible for assisted living programs. Individuals or families are responsible for paying for medical services until they meet the spenddown amount. A monthly (\$1,255/ single or \$1,703/married) spenddown is a set amount you must meet each month before Medicaid will pay for medical services.

April 2024 – March 2025 Illinois Medicaid Long-Term Care Eligibility for Seniors									
Type of Medicaid	Single			Married (both spouses applying)			Married (one spouse applying)		
	Income Limit	Asset Limit	Level of Care Required	Income Limit	Asset Limit	Level of Care Required	Income Limit	Asset Limit	Level of Care Required
Institutional / Nursing Home Medicaid	\$1,255 / month*	\$17,500	<a href="#">Nursing Home</a>	\$1,703 / month*	\$17,500	<a href="#">Nursing Home</a>	\$1,255 / month for applicant*	\$17,500 for applicant & \$129,084 for non-applicant	<a href="#">Nursing Home</a>

\*All of a beneficiary's monthly income, with the exception of a \$60 / month [Personal Needs Allowance](#), Medicare premiums, and potentially a [Needs Allowance](#) for a non-applicant spouse, must go towards nursing home costs. This is called a [Patient Liability](#).

†Based on one's living setting, a beneficiary may not be able to keep monthly income up to this level. Persons in supported living residences can only retain \$90 / month as a Personal Needs Allowance. Income may also go towards Medicare premiums and a Spousal Income Allowance for a non-applicant spouse (if applicable).

You can meet monthly spenddown income limits by submitting bills or receipts for medical services to the DHS Family Community Resource Center. These include bills or receipts for services such as:

- Doctor or specialist services
- Hospital or clinic services
- Dentist services
- Prescribed medications
- Prescribed medical supplies and equipment
- Health insurance premiums, including Medicare premiums
- Therapies
- Transportation to medical appointments

There are ways to spend down personal assets to reach the Medicaid asset limit (\$17,500 single or married). This includes making home modifications and improvements, purchasing medical devices that are not covered by insurance, and paying off home mortgages or credit card debt. You cannot gift assets or sell them under fair market value. Illinois has a 60-month Medicaid Look-Back Rule. This date immediately precedes the date of Nursing Home Medicaid or a HCBS Medicaid Waiver application. Medicaid will review all past asset transfers, and if this rule has been violated, a penalty period of Medicaid eligibility will be established.



Illinois does have Medicaid home exemption rules. For home exemption, the Medicaid applicant or their spouse must live in their home. If there is no spouse in the home, there is a home equity interest limit of \$713,000 (in 2024). Furthermore, if there is not a spouse in the home, and the Medicaid applicant does not live there, the applicant must have Intent to Return.

While one's home is usually exempt from Medicaid's asset limit, it is not exempt from Medicaid's Estate Recovery Program. Following a long-term care Medicaid beneficiary's death, the IL Medicaid agency attempts reimbursement of care costs through whatever estate of the deceased still remains. This is often the home. Without proper planning strategies in place, the home will be used to reimburse Medicaid for providing care rather than going to family as inheritance.

To qualify for Medicaid long-term care, an applicant must have a functional need. For Institutional Medicaid and Medicaid Waivers, a Nursing Facility Level of Care (NFLOC) is required. For long-term care services via the Regular Medicaid program, a functional need with the Activities of Daily Living (ADLs) is required, but a NFLOC is not necessarily required. Certain benefits may have additional eligibility requirements specific to that benefit. For example, for a Waiver to cover a personal emergency response system, an inability to safely live independently without it might be required. The American Council on Aging offers a Medicaid Eligibility Test for seniors.

The Medicaid application process can take up to 3 months, from the beginning of the application process through the receipt of the determination letter. It will take time to complete the application and gather all of the supportive documentation (Social Security and Medicare cards, bank statements up to 60-months prior to application, proof of income, and copies of life insurance policies, property deeds, pre-need burial contracts, etc.). If the application is not properly completed, or required documentation is missing, the application process will be delayed. Based on federal law, Medicaid offices have up to 45 days to review and approve or deny one's application.



### Resources

[Genworth Cost of Care Survey Results for 2023: Twenty Years of Tracking Long-Term Care Costs - March 12, 2024](#) - Genworth provides guidance, products, and services that help people understand their caregiving options and fund their long-term care needs

<https://www.zillow.com/home-values> - Zillow makes it their business to know the price of every home in America, and then share that data.

<https://www.ssa.gov/OACT/population/longevity.html> - **Retirement & Survivors Benefits: Life Expectancy Calculator** – Social Security Administration

<https://www.ahcancal.org/Assisted-Living/Facts-and-Figures/Pages/default.aspx> - American Health Care Association & National Center of Assisted Living - Facts and Figures

<https://www.ahcancal.org/Assisted-Living/Facts-and-Figures/Documents/State%20Facts/Illinois-AL.pdf> - National Center of Assisted Living

[https://www.medicaidplanningassistance.org/medicaid-eligibility-illinois/Illinois Medicaid Eligibility for Long Term Care: Income & Asset Limits](https://www.medicaidplanningassistance.org/medicaid-eligibility-illinois/Illinois-Medicaid-Eligibility-for-Long-Term-Care-Income-&-Asset-Limits) - MedicaidPlanningAssistance.org is a free service provided by the American Council on Aging

<https://www.medicaidplanningassistance.org/medicaid-eligibility-test/> - Medicaid Eligibility Test

<https://acl.gov/ltc/basic-needs/how-much-care-will-you-need> - Administration for Community Living

<https://dsc.uic.edu/wp-content/uploads/2023/03/162-Illinois-Medicaid-SpendDown.pdf> - Illinois Medicaid Spenddown

