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Medicaid and Planning Ahead

What a spend-down is, the money Medicaid cannot count against you, and who you should really be asking.

What they cannot count

Medicaid pays for nursing home care only after a person has spent down nearly all their savings. But **it does not count everything.** Cemetery property is left out of the total entirely, with no limit and nothing extra to sign. The money is not thrown away to hit a number; it buys what the family had to buy anyway, at today's prices.

This is not a loophole

Nothing here is a trick or a grey area. These rules were written on purpose: the state would rather a funeral be paid for in advance than have it become somebody else's problem later.

Money They Cannot Count Against You

Say someone is a few thousand dollars over the limit. Put that money into cemetery property and it comes straight off the total Medicaid counts, and the family owns a grave, a vault and a marker they were always going to have to buy.

The list is longer than most people expect.

- The grave itself
- Crypts, niches, and mausoleums
- Urns and caskets
- Vaults and outer burial containers
- Headstones, markers, and plaques
- Opening and closing of the grave
- Care and upkeep of the grave
  The endowment care fund counts here too
- Property you are still making payments on
  It does not have to be paid off

Put that list beside a real cemetery quote and it covers nearly every line on it.

Who you can plan for

Here is the part almost nobody knows. This is **not limited to the person going into care.** They can buy cemetery property for a spouse, parents, children and stepchildren, siblings and stepsiblings, and the husband or wife of any of them, and it is all still left out of the total. Nobody has to depend on you or live with you.

What that means in practice

In a big family that adds up fast. It is also the thing families most often find out too late, after the money has already gone somewhere it did not need to go.

Locking the money in

Cemetery property is the easy part; it is covered already. The funeral itself is where you will hear the word **irrevocable**. It means one thing: **you give up the right to change your mind and take the money back.** That one decision changes everything. **Keep the right to take it back** and only **$1,500** is protected, which for most families barely helps. **Give up that right** and the whole amount is protected, with no cap. The only limit is that it has to be a reasonable price for a funeral, which is why we write an itemized list of exactly what the money is buying.

It is a choice, not a requirement

Planning your funeral in advance does not mean locking the money in. It is a separate decision on a separate signature line, and most families who plan with us never sign it.

What you give up

Locking the money in is permanent. **You cannot cancel it and get a refund**, and with an insurance plan you give up the right to cash it in or borrow against it. Monthly payments carry on. You are **not locked to us**, though: what is locked is the money, not who takes care of you. Anything left over goes to the estate, which Washington may claim against to recover care costs, so ask your lawyer about that one.

Timing matters more than people expect

Two ways we can fund a plan, and they do not lock in at the same speed. One is locked the moment you sign; the insurance one usually is not locked until **ninety days after the policy is issued**.

If a Medicaid application is already underway, tell me in the first five minutes. Ninety days can be the difference between a plan that helps and one that arrives too late. If I know, we use the other one.

Who to actually ask

We arrange funerals and cemetery property. **We are not lawyers and we do not decide whether anyone qualifies for Medicaid.** Nobody at a funeral home can, so be wary of anyone who tells you otherwise. What we can do is tell you what things cost, set the arrangements up properly, and give you paperwork clear enough for whoever is advising you to use.

An elder law attorney
The right person to plan the whole thing: the house, the savings, the timing

The Health Care Authority or DSHS
They run these rules and decide who qualifies. Any final answer comes from them

A hospice or facility social worker
Usually knows which local lawyers are worth calling

ONE THING FAMILIES ASK

Will buying cemetery property make us ineligible?

No, the opposite. You are buying something real at a fair price, not giving money away, and the rules leave it out of the total. This is a normal, well-worn part of a spend-down. Your lawyer or caseworker should confirm it for your situation, but nobody will be surprised by it.

Come and talk it through

Bring whatever paperwork you have, including any plan made somewhere else. An existing plan can usually be converted and locked in, though that has to go through the funeral home that wrote it. We can meet here, at home, or wherever your family member is. Sitting down costs nothing and obligates you to nothing, and if it turns out you need a lawyer more than you need me, I will say so.

Martice Morrison · (206) 445-9794 · mmorrison@bonneywatson.com