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PROPER PLANNING MAY CREATE PEACE OF MIND



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Florida Homestead Exempt From Medicaid

Many of our clients have worked hard just to own their home and are terrified at the prospect of losing it when needing long-term care. Unfortunately, misinformation about the treatment of homestead is rampant and needs to be corrected.

THE TALE:

The client, an un-remarried widower, owned a Florida homestead in his own name. The client had three adult children. In the year the client began to physically decline the children had the father sign a quit claim deed which conveyed all the title to the children. They thought that by doing this the homestead would not be counted as an asset nor would a lien be placed against it if the parent applied for Medicaid assistance in the future. The family also wanted to avoid having the property go through a probate proceeding. They had received this information from a neighbor of the father and from the social worker at the hospital where the father was hospitalized. Approximately one year later the father applied for Medicaid benefits and was denied.

“Uncompensated transfers of assets, including the homestead, to anyone other than the spouse within three years of applying for public assistance will create a period of ineligibility for benefits.”

We met with the family and reviewed the Medicaid Notice and the deed. We confirmed that in fact the agency was correct. Florida homestead is a protected asset if a spouse resides there or, the owner “intends to return.” Intent to return is not dependent upon physical ability. No lien is imposed if the home will go to the owner’s heirs. However, the homestead loses its protection when it is transferred without adequate consideration. Uncompensated transfers of assets, including the homestead, to anyone other than the spouse within three years of applying for public assistance will create a period of ineligibility for benefits. With proper planning we successfully assisted the family by reversing the transfer of the homestead and structuring ownership so as to obtain Medicaid eligibility and avoid probate. The family will now have peace of mind.

THE TIP:

When the client tells you they own a home and may need government assistance advise the client to immediately schedule a consultation with our office. We will advise them of the options and assist them in obtaining government benefits while protecting the homestead.

ANNOUNCEMENTS:

Stephanie has been elected Chair of The Florida Bar Elder Law Section as of July 1, 2003.

Our firm is a proud Business Patron of the Eagle Program of the Academy of Florida Trial Lawyers.

Meet The Staff

Rose Skinner - CLA

- Special Needs Trusts
- Medicaid & SSI
- Nursing Home Resident Rights
- Estate Planning

Karen Verna - CLA

- Guardianship
- Probate
- Trust Administration
- Court Appointments

Myrna Hambro-Secretary

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