



Crump Annuities

Crump

Annuity Solution Center

Protect & Preserve Your Assets

One of the greatest fears of older Americans is that they may end up in a nursing home. This not only means a great loss of personal freedom, but also a tremendous financial price. Medicaid coverage does not become available until you meet certain federal and state poverty guidelines. In most cases, individuals deplete all or a great portion of their life's savings before they qualify for assistance. Medicaid regulations can and do change frequently and vary from state to state, so it is difficult to predict with certainty when or if you would be eligible to receive Medicaid assistance.

Immediate Annuities can be an ideal planning tool for Medicaid qualification. Assets placed into a SPIA are no longer considered assets that must be spent down prior to Medicaid eligibility. This is a great option to have as Congress has established a period of ineligibility for Medicaid for those who transfer assets. State Medicaid officials will only look at transfer made within 36 months prior to the Medicaid application. In most states, the purchase of an annuity is not considered to be a transfer for purposes of eligibility for Medicaid.

Typically, with a Medicaid SPIA, you must choose to receive payments for a fixed period of time greater than one year, but not to exceed your current life expectancy. Payments stop at the end of the period chosen, and the contract terminates. Should you die before the payment term expires, payments will continue for the rest of the term to a designated beneficiary. All contracts are issued with an endorsement that states the SPIA contract is irrevocable, non-transferable and non-assignable. The contract has no value that can be surrendered, loaned, commuted or withdrawn. These restrictions are critical for the use of an immediate annuity in Medicaid planning.

Contact the Crump Annuity Solution Center today to learn more about how a SPIA can play an important role in Medicaid planning and the preservation of your client's hard-earned assets.

Please note that Medicaid regulations vary by state. It is strongly recommended that you consult an Eldercare attorney or other knowledgeable advisor before determining whether a SPIA is appropriate for your clients needs, and advise on how the relevant laws in your state regarding Medicaid apply to your client