2026 MEDICAID DESK REFERENCE MINNESOTA

ASSET REGULATIONS

- Divestment Penalty Divisor $11,869.00/Month
- Individual Resource Allowance $3,000.00

INCOME REGULATIONS

- Personal Needs Allowance $132.00

SPOUSAL IMPOVERISHMENT STANDARDS

- Community Spouse Resource Allowance $162,660.00
- Minimum Monthly Maintenance Needs Allowance $2,705.00
- Maximum Monthly Maintenance Needs Allowance $4,066.50
- Shelter Standard $812.00
- Standard Utility Allowance $667.00

EXEMPT ASSET LIMITS

- Funeral Expense Trust Limits $15,000.00
  - A letter of G&S may be required
- Life Insurance Limit $1,500.00
- Home Equity Limit $752,000.00

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The figures contained in this Desk Reference have been compiled for educational purposes only. Ray Alkalai makes every effort to ensure that the information contained herein is correct as of the date of publication; however, no guarantee is made of its accuracy. Please check with your state Medicaid agency for the latest figures.

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Before you spend down your assets to qualify for Medicaid.
Consider a Care Funding Review *to calculate if an Immediate Care Plan could preserve your assets.*

A plain-language breakdown of each line from the Minnesota Medicaid reference guide.

Asset Regulations

Divestment Penalty Divisor ($11,869.00 / Month)

- **What it's for:** It calculates how long Medicaid will refuse to pay for nursing home care if an applicant gave away money or sold items below value in the last 5 years.
- **Who it's for:** Anyone applying for nursing home coverage who gave away assets.
- **How to view it:** Think of this as the state's official "monthly cost tag." Every $11,869 given away creates a 1-month penalty where Medicaid pays nothing.

Individual Resource Allowance ($3,000.00)

- **What it's for:** The maximum amount of countable savings or assets a single person is allowed to own to qualify for Medicaid.
- **Who it's for:** Single seniors or individuals applying for long-term care.
- **How to view it:** View this as the bank account ceiling. Savings must be at or below $3,000 before coverage starts.

Income Regulations

Personal Needs Allowance ($132.00)

- **What it's for:** The monthly money a nursing home resident is allowed to keep out of their income for personal spending.
- **Who it's for:** People living in a nursing facility who receive Medicaid.
- **How to view it:** View this as personal pocket money for haircuts, clothes, or small daily needs while the rest of their income pays the nursing home.

Spousal Impoverishment Standards

Community Spouse Resource Allowance ($162,660.00)

- **What it's for:** The maximum amount of joint savings the spouse staying at home is allowed to keep.
- **Who it's for:** The healthy spouse (community spouse) remaining at home when their partner moves into a care facility.
- **How to view it:** View this as a legal shield protecting the healthy spouse from going broke.

Minimum Monthly Maintenance Needs Allowance ($2,705.00)

- **What it's for:** The basic monthly income guaranteed to the spouse living at home.
- **Who it's for:** The spouse at home if their own income (like Social Security) is too low.
- **How to view it:** View this as a guaranteed monthly income floor so the home spouse can pay bills.

Maximum Monthly Maintenance Needs Allowance ($4,066.50)

- **What it's for:** The highest monthly income the spouse at home can receive combining their income and shifted income from the care spouse.
- **Who it's for:** Spouses remaining at home who face very high monthly living expenses.
- **How to view it:** View this as the top cap on income shifting between spouses.

Shelter Standard ($812.00)

- **What it's for:** The standard benchmark for basic housing costs (mortgage, rent, taxes, insurance).
- **Who it's for:** The spouse living at home.
- **How to view it:** View this as a ruler. If home costs go above $812, the spouse may be allowed to keep extra income.

Standard Utility Allowance ($667.00)

- **What it's for:** A standard dollar amount credited toward heating and cooling expenses.
- **Who it's for:** The spouse at home paying heating or electric bills.
- **How to view it:** View this as a standard monthly utility credit added to shelter costs when figuring out income allowances.

Exempt Asset Limits

Funeral Expense Trust Limits ($15,000.00)

- **What it's for:** The maximum amount allowed in a prepaid, non-refundable funeral account without it counting against the $3,000 asset limit.
- **Who it's for:** Anyone planning and paying for their final burial and funeral arrangements in advance.
- **How to view it:** View this as a protected fund exclusively set aside for end-of-life expenses.

Life Insurance Limit ($1,500.00)

- **What it's for:** The total cash value allowed in a whole life insurance policy before it counts as an asset.
- **Who it's for:** Applicants who own life insurance policies with cash value.
- **How to view it:** View this as a low ceiling—policies with cash value over $1,500 will count against the $3,000 limit.

Home Equity Limit ($752,000.00)

- **What it's for:** The maximum net value (value minus mortgage) an applicant can have in their primary home while still qualifying for nursing home coverage.
- **Who it's for:** Homeowners applying for Medicaid long-term care.
- **How to view it:** View this as a property value cap (though the home is fully exempt if a spouse still lives there).