# *Chapter 4*
# Medicaid

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## SYNOPSIS



The purpose of this chapter is to highlight important information about Medicaid. The information is provided for general educational purposes. This is an important topic that is also subject to much potential change. As such, all numbers and qualification criteria must be verified with a professional or other appropriate advisor.

## 4-1. Medicaid

Medicaid was designed to serve two primary functions, providing medical insurance to people with low incomes and complementing Medicare by paying for long-term care for people without resources. The groups eligible for Medicaid have expanded over the years to include children, pregnant women, and seniors. The program is jointly funded by the federal government and individual states. Medicaid provides more complete coverage than Medicare, without significant payments from the beneficiaries. Only low-income persons with limited resources who are elderly, blind, disabled, or are low-income families can receive Medicaid. Eligibility guidelines, services, and rates can vary by state, and it is therefore important to seek guidance from an elder law attorney in the state where you intend to file for Medicaid. Elder law is the legal practice of counseling and representing the elderly, the disabled, their families, and their advocates about healthcare and long-term care planning, public benefits, surrogate decision-making, legal capacity, and the disposition and administration of estates.

### Who Receives Medicaid?

Recipients of Supplemental Security Income (SSI) and Temporary Assistance for Needy Families (TANF) program are automatically eligible for Medicaid, as are Old Age Pension (OAP) recipients who are disabled or 65 years of age or older. Women with breast or cervical cancer may also qualify if they lack health insurance.

The eligibility rules for elderly or disabled people generally use the SSI income and resource rules. Total countable resources (bank accounts, retirement accounts, etc.) may not exceed $2,000 for an individual Medicaid applicant, or $3,000 for a married couple if both spouses receive Medicaid. Some assets do not count as a resource, like your residence, your car, some funeral items or plans, wedding jewelry, and life insurance with a cash value of $1,500 or less. For long-term care (see section 4-2, below), the income cap is three times the SSI payment standard for one, or $2,982 of gross income per month for 2026. However, with additional planning, a Medicaid applicant can be above the gross income limit of $2,982 as you will see under "Estate Planning" in section 4-2 below. For additional income and resource rules for couples, see "Spousal Protection" in section 4-2, below.

There are many additional eligibility rules, including citizenship requirements, special requirements for long-term care, and severe asset transfer restrictions (see "Estate Planning" in section 4-2, below).

## What Services Are Covered?

In Colorado, Medicaid offers various programs. The programs are also referred to as waiver programs. They generally cover most necessary services, including hospital, nursing home, physician, prescriptions, medical supplies and equipment, skilled home care (nurse or certified nursing assistant required), and assistance with transportation, depending on the Medicaid program. In addition, non-skilled or personal in-home services are provided by Home and Community Based Services (HCBS) waiver programs. For adults, they include the Brain Injury Waiver; Community Mental Health Support Waiver; Complementary and Integrative Health Waiver; Developmental Disabilities Waiver; Elderly, Blind, and Disabled Waiver; and Support Living Services Waiver. For children, the HCBS waiver programs include Children with Complex Health Needs, Children's Extensive Support Waiver, Children's Habilitation Residential Program Waiver, and Children's Home and Community Based Waiver.

While there is a small co-payment for some services, Medicaid generally pays the entire charge approved by the Medicaid program. Additionally, most nursing home residents must pay all but $110.36 per month (in 2026) of their income toward their care. The $110.36 per month is called the Personal Needs Allowance, which is adjusted on an annual basis. Medicaid is the payor of last resort, so other insurance, including Medicare, must pay first.

Visit www.healthfirstcolorado.com for a list of covered services.

## How to Apply for Medicaid

Apply for Medicaid at your county Department of Social or Human Services. You can also apply online at www.healthfirstcolorado.com/apply-now. Paper applications are available at https://hcpf.colorado.gov/forms#by-mail. If you are receiving SSI, bring your SSI award letter. If you are eligible for SSI but are not receiving it, first go to your local Social Security Administration office to apply for SSI because once you are eligible for SSI, you are also eligible for Medicaid and will have to provide less information as part of the Medicaid application process. You can apply for Old Age Pension (OAP) and Medicaid at the county Department of Social Services at the same time. Nursing home residents apply in the county in which the nursing home is located.

You will need to be able to verify income, resources, age, and disability, if any. You should bring the following documents with you:

- ✦ Proof of all income, including investment income, if any;
- ✦ Bank and investment account statements;
- ✦ Copies of title or other proof of ownership of any real estate or other assets;
- ✦ Copies of life insurance policies;
- ✦ Burial plan, if you have one;
- ✦ Proof of age, such as a birth certificate;
- ✦ Information about any additional health insurance coverage; and
- ✦ Medicare and Social Security cards.

While you may be asked to come back for another appointment with any documentation that is lacking, you have a right to sign the first page of the application when you first come in. This serves as your application date. If you cannot travel to the office, an agent under power of attorney can apply on your behalf.

Nursing home residents should tell the nursing home staff that they are applying for Medicaid. The law prohibits a nursing facility from requiring a third-party guarantee of payment.

## 4-2. Long-Term Care

Nursing home and Home and Community Based Services (HCBS) are available only when there is a medical need for nursing home-level care. However, certain levels of care in an assisted living facility may be covered. HCBS may be available to help a recipient stay in his or her home, but only when the cost to the program is less than the cost of a nursing home. Twenty-four-hour care is not available in the home, since it would cost more than nursing home care.

### Program of All Inclusive Care for the Elderly (PACE)

Another option available to older adults is known as the Program of All Inclusive Care for the Elderly (PACE). This program provides comprehensive health care and supportive services for people 65 years and older. In the Denver metro area, Aurora, Denver, Lakewood, Loveland, Greeley, Ft. Collins, Thornton, and Pueblo, the PACE contract is currently managed by InnovAge (www.innovage.com or (888) 902-3022 or TTY 711). In Colorado Springs, the PACE contract is managed by Rocky Mountain PACE (www.rmpace.org or (719) 314-2327 or TTY (800) 659-2656); in Delta and Montrose, it is managed by Senior CommUnity Care (www.seniorcommunitycare.org or (866) 961-1451 or TDD/TTY Number 711 or (800) 659-2656). For more information, contact your local PACE provider or your county Department of Social Services.

### Estate Planning

Even with the higher income cap, many people who have more than $2,982 of gross income per month can still qualify for Medicaid. In those cases, a trust — sometimes known as an "income trust" or "Miller trust" — can set aside enough income to make an individual eligible. Other forms of estate planning may preserve some assets. However, transfers to create eligibility can result in severe penalties, particularly if made within five years before applying for Medicaid. Because of the possible penalties, any financial planning should be done by an elder law attorney with Medicaid expertise.

## Spousal Protection

The “Spousal Protection rule” allows a spouse who remains at home to keep all of the spouse’s income. If the community spouse has less than $2,643.75 in monthly income, the spouse may keep income from the institutionalized spouse. The community spouse can own exempt assets as described above under general Medicaid eligibility rules and up to $162,660 in non-exempt resources in 2026, such as investment, retirement, and bank accounts. The spousal protection rules are indexed to the Consumer Price Index and change yearly.

## Estate Recovery

Under a program known as the Colorado Estate Recovery Program, the state can recover Medicaid expenditures from the recipient’s estate after he or she dies. The estate recovery program applies to people who were 55 years of age or older when they received such assistance, as well as to all institutionalized individuals. The program permits the state to file a claim against an individual Medicaid recipient’s estate, including a lien on the home. After the person dies, the state can enforce the lien and recover the expenses paid by Medicaid from the proceeds of the sale of the property. No action is taken to recover assets while the Medicaid recipient is still living.

The home may be protected from recovery if a surviving spouse or dependent child is still living there. Additional exceptions apply to the estate recovery. It is important to consult with an attorney knowledgeable about Medicaid eligibility concerning these provisions, since they are complex and subject to change.

## Look-Back Period

Transfers made on or after February 8, 2006, without fair consideration are subject to a five-year look-back period. If a transfer without fair consideration occurred within the look-back period, the Medicaid applicant will incur a so-called period of ineligibility. This makes the application process more difficult and could result in more applicants being denied for lack of documentation, given that they will need to produce five years’ worth of records.

## Penalty Period Start Date

The start of the period of ineligibility for a transfer of assets is the first day of the month of the transfer or “the date on which the individual is eligible for medical assistance under the State plan and would otherwise be receiving institutional level care.” So, what does this mean? First, the penalty period does not begin until the individual moves to the nursing home or requires a level of care that is equal to nursing home care. Second, the penalty period does not begin until the person would be eligible for Medicaid, meaning until he or she has spent down to $2,000 (or a different asset limit in some states).

## 4-3. Medicaid Payment for Medicare Premiums, Deductibles, and Co-payments

People whose income makes them ineligible for Medicaid may still qualify for one of three Medicaid programs that pay Medicare-related costs.

A Qualified Medicare Beneficiary (QMB) receives payment by Medicaid of all Medicare premiums, deductibles, and co-pays. The QMB income maximum is $1,350 for a single person, and $1,824 for a married couple. The resource limit for a single person is $9,950 and $14,910 for a married couple.

Similarly, a Specified Low-Income Medicare Beneficiary (SLMB) receives only payment of Medicare premiums. The SLMB income maximum is $1,616 for a single person or $2,184 for a married couple. The resource limits are the same as for QMB.

Finally, a similar program called QI-1 can provide assistance with Medicaid premiums with an income of up to $1,816 for a single person and $2,455 for a married couple, but any assistance is subject to the availability of state funding. The resource limits are the same as for QMB.

Note that some earned income may be excluded for all three of these income caps and that the income caps change annually as poverty figures are changed.

## 4-4. More Information

For more information about Medicaid, contact an appropriate professional, call your local Area Agency on Aging, visit the State of Colorado's website at www.healthfirstcolorado.com, or visit your local county department of social services office.

## 4-5. Resources

**County Departments of Human/Social Services**

For updates, go to https://cdhs.colorado.gov/contact-your-county.

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| **Adams County**<br>11860 Pecos St.<br>Westminster, CO 80234<br>(720) 523-2000<br><br>**Alamosa County**<br>8900 C Independence Wy.<br>Alamosa, CO 81101<br>(719) 589-2581 | **Arapahoe County**<br>14980 E. Alameda Dr.<br>Aurora, CO 80012<br>(303) 636-1130<br><br>**Archuleta County**<br>551 Hot Springs Blvd.<br>Pagosa Springs, CO 81147<br>(970) 264-2182 | **Baca County**<br>772 Colorado St., Ste. 1<br>Springfield, CO 81073<br>(719) 523-4131<br><br>**Bent County**<br>138 6th St.<br>Las Animas, CO 81054<br>(719) 456-2620 |

**Boulder County**
3400 N. Broadway
Boulder, CO 80304

515 Coffman St.
Longmont, CO 80501

1755 S. Public Rd.
Lafayette, CO 80026
(303) 441-1000

**Broomfield County**
100 Spader Way
Broomfield, CO 80020
(720) 887-2200

**Chaffee County**
448 E. 1st St., Ste. 166
Salida, CO 81201
(719) 530-2500

114 Linderman Ave.
Buena Vista, CO 81211
(719) 395-0344

**Cheyenne County**
560 W. 6th St. N.
Cheyenne Wells, CO 80810
(719) 767-5629

**Clear Creek County**
1969 Miner St., 2nd Fl.
Idaho Springs, CO 80425

405 Argentine St.
Georgetown, CO 80444
(303) 679-2366

**Conejos County**
12989 County Rd. G. 6
Conejos, CO 81129
(719) 376-5455

**Costilla County**
233 Main St., Ste. A
San Luis, CO 81152
(719) 672-4131

**Crowley County**
631 Main St., Ste. 100
Ordway, CO 81063
(719) 267-3546

**Custer County**
205 S. 6th St.
Westcliffe, CO 81252
(719) 783-2371

**Delta County**
320 W. 5th St.
Delta, CO 81416
(970) 874-2030

**Denver County**
1200 Federal Blvd.
Denver, CO 80204

3815 Steele St.
Denver, CO 80205

4685 Peoria St.
Denver, CO 80239

2929 W. 10th Ave.
Denver CO 80204
(720) 944-4347

**Dolores County**
8560 Road 7.2
Dove Creek, CO 81324
(970) 677-2250

**Douglas County**
4400 Castleton Ct.
Castle Rock, CO 80109
(303) 688-4825

**Eagle County**
551 Broadway
Eagle, CO 81631
(970) 328-8840

**Elbert County**
75 Ute Ave.
Kiowa, CO 80117
(303) 621-3149

**El Paso County**
1675 W. Garden of the Gods Rd.
Colorado Springs, CO 80907
(719) 636-0000

**Fremont County**
172 Justice Center Rd.
Canon City, CO 81212
(719) 275-2318

**Garfield County**
195 W. 14th St.
Rifle, CO 81650
(970) 625-5282

108 8th St., Ste. 200
Glenwood Springs, CO 81601
(970) 945-9191

**Gilpin County**
15193 Highway 119
Black Hawk, CO 80422
(303) 582-5444

**Grand County**
129 E. Byers Ave.
Hot Sulphur Springs, CO 80451
(970) 725-3331

**Gunnison County**
220 N. Spruce St.
Gunnison, CO 81230
(970) 641-3244

**Hinsdale County**
304 W. Third St.
Lake City, CO 81235
(970) 944-0321

**Huerfano County**
121 W. 6th St.
Walsenburg, CO 81089
(719) 738-2810

**Jackson County**
350 McKinley St.
Walden, CO 80480
(970) 723-4750

**Jefferson County**
900 Jefferson County Pkwy.
Golden, CO 80401
(303) 271-1388

**Kiowa County**
1307 Maine St.
Eads, CO 81036
(719) 438-5541

**Kit Carson County**
252 S. 14th St.
Burlington, CO 80807
(719) 346-7158

**Lake County**
735 Highway 24
Leadville, CO 80461
(719) 486-2088

**La Plata County**
10 Burnett Ct., 1st Fl.
Durango, CO 81301
(970) 382-6150

**Larimer County**
1501 Blue Spruce Dr.
Fort Collins, CO 80524
(970) 498-6300

**Las Animas County**
219 S. Chestnut St.
Trinidad, CO 81082
(719) 846-2276

**Lincoln County**
103 3rd Ave.
Hugo, CO 80821
(719) 743-2404

**Logan County**
508 S. 10th Ave., Ste. 2
Sterling, CO 80751
(970) 522-2194

**Mesa County**
510 29-1/2 Rd.
Grand Junction, CO 81502
(970) 241-8480

**Mineral County**
1015 6th St.
Del Norte, CO 81132
(719) 657-3381

**Moffat County**
1198 W. Victory Way, Ste. 204
Craig, CO 81625
(970) 824-8282

**Montezuma County**
109 W. Main, Rm. 170
Cortez, CO 81321
(970) 564-4100

**Montrose County**
1845 S. Townsend
Montrose, CO 81401
(970) 252-5000

**Morgan County**
800 E. Beaver Ave.
Fort Morgan, CO 80701
(970) 542-3530

**Otero County**
13 W. 3rd St.
La Junta, CO 81050
(719) 383-3100

**Ouray County**
177 Sherman St., Unit 107
Ridgway, CO 81432
(970) 626-2299

**Park County**
59865 Hwy. 285, 2nd Fl.
Bailey, CO 80421
(303) 816-5939

825 Clark St.
Fairplay, CO 80440
(719) 836-4139

**Phillips County**
127 E. Denver St., Ste. A
Holyoke, CO 80734
(970) 854-2280

**Pitkin County**
0405 Castle Creek Rd., Ste. 8
Aspen, CO 81611
(970) 920-5235

**Prowers County**
1001 S. Main St.
Lamar, CO 81052
(719) 336-7486

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|---|---|---|
| **Pueblo County**<br>320 W. 10th St.<br>Pueblo, CO 81003<br>(719) 583-6160 | **Saguache County**<br>605 Christy Ave.<br>Saguache, CO 81149<br>(719) 655-2537 | **Teller County**<br>800 Research Dr., Ste. 100<br>Woodland Park, CO 80863<br>(719) 687-3335 |
| **Rio Blanco County**<br>200 Main St., Ste. 200<br>Meeker, CO 81641<br>(970) 878-9640 | **San Juan County**<br>1557 Greene St.<br>Silverton, CO 81433<br>(970) 387-5631 | **Washington County**<br>126 W. 5th<br>Akron, CO 80720<br>(970) 345-2238 |
| 101 E. Main St.<br>Rangely, CO 81648<br>(970) 878-9640 | **San Miguel County**<br>333 W. Colorado Ave., 3rd Fl.<br>Telluride, CO 81435<br>(970) 728-4411 | **Weld County**<br>315 N. 11th Ave.<br>Greeley, CO 80631<br>(970) 352-1551 |
| **Rio Grande County**<br>1015 6th St.<br>Del Norte, CO 81132<br>(719) 657-3381 | **Sedgwick County**<br>118 W. 3rd St.<br>Julesburg, CO 80737<br>(970) 474-3397 | **Yuma County**<br>340 S. Birch St.<br>Wray, CO 80758<br>(970) 332-4877 |
| **Routt County**<br>135 6th St.<br>Steamboat Springs, CO 80477<br>(970) 870-5533 | **Summit County**<br>360 Peak One Dr., Ste. 230<br>Frisco, CO 80443<br>(970) 668-9160 | |

**Colorado Department of Health Care Policy and Financing**

303 E. 17th Ave., Ste. 1100
Denver, CO 80203
(303) 866-2993
(800) 221-3943 (toll-free)
711 (TDD)
24-hour Nurse Helpline for People on Medicaid: (800) 283-3221
https://hcpf.colorado.gov