

STATEMENT REGARDING GIFT DEED
in the context of Medicaid issues

I have asked for an attorney at Little and Lattimore, P.A. to prepare a deed to transfer the ownership of land as a gift. I have been told by a representative of Little and Lattimore, P.A. that a transfer of title of real estate by means of gift deed (for any amount less than the current county tax value) can have extremely bad impact on the person making the gift (the "grantor" on the deed) and his or her family. A gift deed could disqualify the current owner (the grantor) from being eligible for Medicaid to pay nursing home expenses.

Transferring the title of land by signing a gift deed can be the worst thing possible! It could guarantee that the current owner won't qualify for Medicaid for many years. That would mean that the current owner or his/her children would have to pay for all nursing home expenses until the transfer penalty period expires. In the meantime, Medicaid won't pay any nursing home expenses.

I understand the tremendous importance of disclosing to the law firm whether the current owner is receiving Medicaid or is thinking about applying for Medicaid for nursing home expenses or otherwise. The following circumstances apply to the transfer of title to real estate that I have asked about:

1. The current owner (the grantor & spouse) is not currently receiving Medicaid benefits and there is no likely probability that he/she would apply for Medicaid to pay nursing home expenses for long term care at any time during the next five years.
2. None of the grantees (i.e., the people who would receive the title by the gift deed) are currently receiving Medicaid benefits and there is no likely probability that he/she would apply for Medicaid to pay nursing home expenses at any time during the next five years.
3. This gift deed transaction is not related to Medicaid in any way whatsoever and is not part of a "plan" to prepare the way for Medicaid to pay for future nursing home expenses of the grantor.

I have discussed the issues related to Medicaid and the impact the transfer of real estate can have on my eligibility. I understand and have made my own decision. I release the law firm of Little and Lattimore, P.A. and its lawyers and staff from any and all liability and hold them harmless from any loss in regard to the impact of this gift deed transaction to the grantor and grantees in the context of Medicaid. I do not want my family to be angry at these attorneys if I have to enter a nursing home for long term care within the next five years and this transaction causes Medicaid to refuse to pay the bill.

I have learned from this law firm that the income tax "basis" of the grantor will carry over and apply to the grantees if the grantees choose to sell the gifted property in the future, whereas the income tax "basis" would be the fair market value if the property is inherited by the grantees at the death of the grantor.

Signed by

Date signed

Signed by

Date signed

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