

Introduction

Medicaid does not pay for cremation or funerals. However, the Social Security program can make a payment for funerals and burials, and Medicaid has qualifying rules which allow you to put aside your own money for funeral and burial expenses.

Social Security

The Social Security program pays a special one-time lump sum amount, the "Death Benefit" of \$255 to help pay for funeral or burial costs. The money is paid to the surviving spouse (if he or she lived in the same home as the deceased person), or to the child of the deceased person if there is no surviving spouse.

Medicaid

Medicaid does not pay for funerals, cremations, or burials, but it has rules that allow you to set aside money for your own funeral and burial without having that money "count" as part of your assets when Medicaid determines your eligibility for medical or long-term care coverage. Medicaid coverage is only available to people with little money and few other assets. In counting up your assets, though, Medicaid will omit the value of a burial plot you own. Also, Medicaid allows you to put money aside, in a separate account, to pay for your funeral and burial expenses. Or, you may have a prepaid funeral plan without the value of the plan being counted regarding Medicaid eligibility.. The amount permitted for this funeral/burial account is around \$1,500 but the exact amount, and the rules for keeping it separate from your other funds, varies a bit from state to state. You can call the Eldercare Locator toll-free at 800-677-1116 and ask for contact information for your state's Medicaid office, to ask about the rules.

The following panels list the most common expenses that will be covered (excluded from your assets and those which typically are not covered (included in your assets)).

Exempt Burial Space Items

- Casket / Urn
- Conventional Grave site
- Cost of opening & closing grave site
- Cost of maintaining grave site (perpetual care)
- Crypt / Mausoleum / Vaults
- Headstone / Engravings
- Outer Receptacle
- Other repositories for remains

Non-Exempt Burial Items

- Acknowledgement Cards
- Arrangement & Supervision
- Chapel & Facilities
- Church Offering
- Clergy Honorarium
- Clothing/Burial Garments
- Embalming
- Flower Care
- Gratuities
- Hearse/Limousine
- Memorial Package
- Newspaper Notices
- Other Preparation of Remains
- Out of Town Funeral Director Charges
- Out of Town Transportation
- Pall Bearers
- Prayer Cards
- Transfer of Remains to Funeral Chapel
- Transcripts

