

### Introduction

If you need to qualify for Medicaid coverage for long term care, you may be trying to think of smart ways to spend down your assets. Burial plans can be set up as exempt assets so that they are not counted when applying for Medicaid coverage. This way, you are able to preserve some assets that your family will need one day.

Source: <https://www.funeralbasics.org/medicaid-qualification-rules-and-how-to-spend-down-with-a-burial-plans/>

### Exempt from counting for Medicaid qualification

An irrevocable contract for burial space items (with no limitation on the amount) for you and your immediate family members including your spouse, your children (including adoptive and stepchildren), their spouses, your siblings and their spouses, and your parents.

**Burial space items include caskets, urns, vaults, burial plots, cremation niches, headstones, opening and closing of the grave, and perpetual care. Burial space items are counted as separate from burial funds.**

### Burial funds and Burial space items

These terms may sound similar, but they mean different things when it comes to Medicaid spend down rules. Both burial funds and burial space items can be placed into irrevocable contracts. The term "irrevocable" signifies that you cannot cancel or liquidate your assets within the contract for cash value. This irrevocable status excludes the contract from being considered as a countable asset for your state's Medicaid program. "Burial funds" is a term that designates the services provided by a funeral home. "Burial space items" is a term that designates the merchandise and items associated with the burial of a body.

### Exempt Burial Space Items

Casket  
Crypt  
Cost of opening and closing grave site  
Cost of maintaining gravesite (perpetual care)  
Headstone  
Engraving  
Conventional Gravesite  
Mausoleum  
Outer Receptacle  
Urn  
Other repositories for remains  
Vaults

### Non-Exempt Burial Space Items

Acknowledgement Cards  
Arrangement and Supervision  
Chapel and Facilities  
Church Offering  
Clergy Honorarium  
Clothing or 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  
Transcript

