

Joint Committee on Financial Services
The 194th General Court of the Commonwealth of Massachusetts
2025-2026
Bill Summary

Bill No: H1095

Title: An Act to increase the Medicaid life insurance exemption

Sponsor: Rep. [Donald R. Berthiaume, Jr.](#)

Committee: Financial Services

Hearing Date: November 4, 2025

Reporting Date: January 3, 2026

Similar Matters: S730 (Sen. Peter J. Durant)

Prior History:

Current Law: Chapter 118E Sec. 25- Deals with exemption of income for Medicaid eligibility

Lists assets/ money that would not be factored into eligibility requirement for Medicaid.

If an applicant/recipient of Medicaid can't reasonably be expected to return to their home, the residence will be a countable asset unless the following:

1. It would cause undue hardship if residence counted as an asset
2. If spouse continues to live there, or a child under 21/child with disability or blind, or a sibling with equity and has lived there at least 1 year prior, or a son or daughter who have lived there at least 2 years prior and can provide care for parent so wouldn't have to be sent to a medical institution.
3. Has long term care insurance that satisfies the requirements of regulation

Personal property not exceeding minimum put forth in Title XIX

Cemetery plots purchased for applicant/recipient

Monthly payment to a veteran or this/her spouse,

Funds deposited in trust to help pay for the funeral of applicant/recipient

If monthly income is in excess after the exemptions, recipient is liable to pay the amount equal to the excess money for 6 months.

If recipient is under the age of 18 and lives with their parents, shall include the income and assets of parent for eligibility purposes. If recipient is under the age of 18 and not living with parents, would only include income/asset actually provided by parent.

Medicaid recipients may be required to pay for co-pay/deductibles, premiums, enrollment fee.

Summary:

Excludes life insurance policies valued of \$10,000 cash value from consideration of Medicaid eligibility.

Exemption number will be adjusted for inflation based on the Consumer Price Index (CPI) every 5 years.

Term life insurance is still excluded from Medicaid eligibility calculation.

Office of Medicaid sends a report that evaluates the financial impact of the increased exemption to Ways and Means every 3 years.