

Aging in Place

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Long-Term Care Needs

- ▶ The number of people needing long-term care is growing as Baby Boomers turn age 65
- ▶ The number of individuals over age 65 will double from 2000 to 2030, to about 71 million seniors in America
- ▶ After you turn age 65, your chance of needing some type of long term care assistance increases – there is a 69% chance you will develop a disability



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Long-Term Care Planning

Long term care planning is planning for how we will live our lives as we age – do we want to live at home with help or do we want to move to a facility that will provide help to us





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87% of adults age 65 and older want to stay in their current home and community as they age.



Helping Seniors Age in place

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Where do you want to live?



Who will provide care?



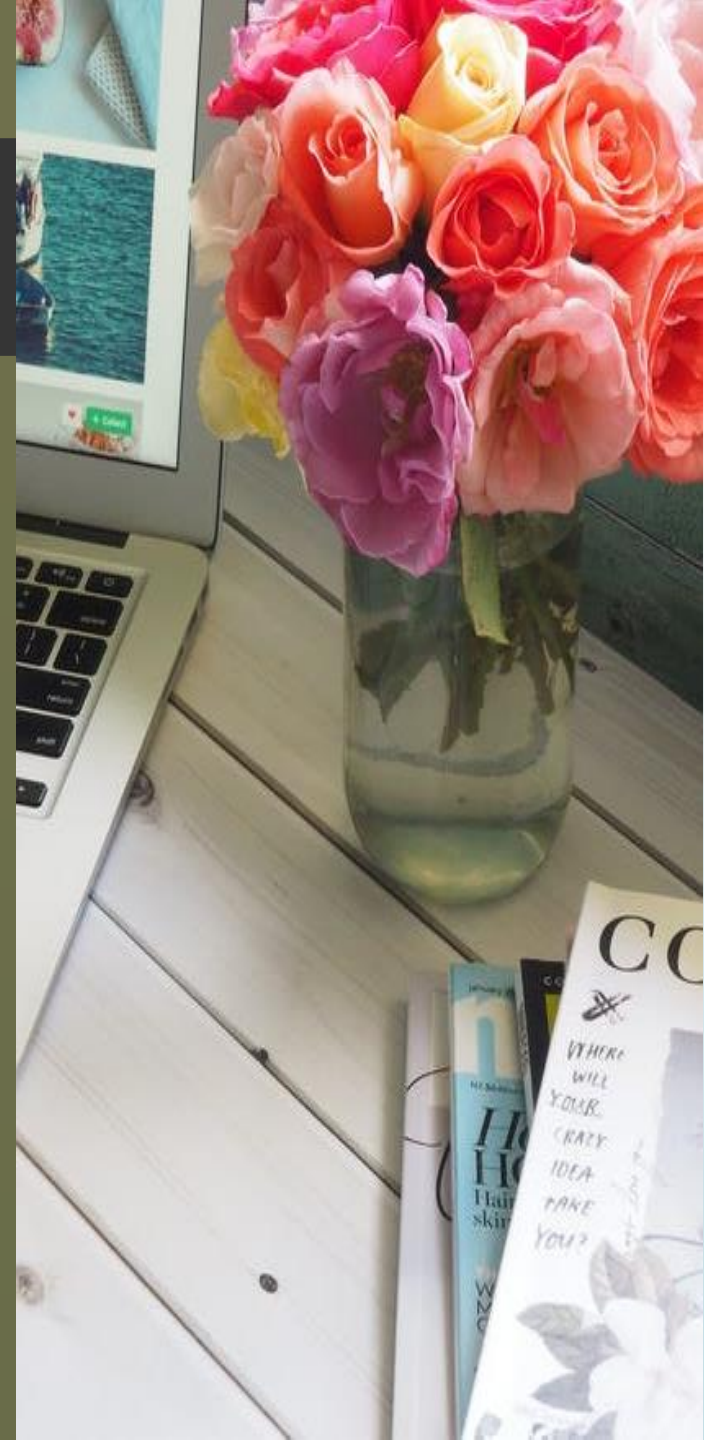
How to pay for it?



What financial resources are available?

DEVELOPING A CARE PLAN

- ▶ **Desire for social interaction?**
 - ▶ Friends & Family
 - ▶ Community Groups/Senior Centers
 - ▶ Educational Programs
 - ▶ Living Communities
- ▶ **Community Supports & Services**
 - ▶ Meals on Wheels
 - ▶ Household Management/Bill Paying
 - ▶ Respite Care/Adult Day Programs



DEVELOPING A CARE PLAN

What level of assistance is needed?

- ▶ **Activities of Daily Living (ADLs)**
 - Personal hygiene
 - Dressing
 - Maintaining continence
 - Transferring
- ▶ **Instrumental Activities of Daily Living (IADLs)**
 - Transportation
 - Shopping and meal preparation
 - Finances
 - Housecleaning and home maintenance
 - Managing medications



COMMUNITY-BASED SERVICES



- ▶ Home Delivered Meals
- ▶ Nutrition Counseling
- ▶ Friendly home visitation/telephone reassurance
- ▶ Health Insurance Counseling (HICAP)
- ▶ Home Maintenance Services (Umbrella)
- ▶ Personal emergency response systems
- ▶ Medication reminders & dispensers
- ▶ Low vision services (NABA)
- ▶ Adult Day Services
- ▶ Respite
- ▶ Transportation
- ▶ Case Management
- ▶ Food pantries
- ▶ Caregiver Education and Support
- ▶ Hospice & Palliative Care
- ▶ Physical therapy & occupational therapy services
- ▶ Home care services

Long Term Care Costs

Home Care

- unpaid home care – spouse, children, family, friends
- paid home health aides – average cost \$30 per hour, costs vary depending on number of hours needed

Assisted Living

- costs can range from \$3,000 per month to \$8,000 per month, depending on the level of assistance needed
- For example, memory care can cost up to \$10,000

Nursing Home

- average cost is \$14,000 to \$15,000 per month

Funding Sources for Long-term Care

- ▶ Private Pay
 - ▶ Medicare
 - ▶ Medicaid
 - ▶ Long Term Care Insurance
 - ▶ Respite/Caregiver Support Grants
 - ▶ Veteran's Programs
- ▶ In New York, Medicaid is the primary payer for long-term care services.

Medicare – What Does it Cover?



- **Hospital Stays**
- **Short term stay in nursing home following a hospitalization**
 - First 20 days, Medicare pays 100%
 - Days 21-100, Co-Pay of \$185.50
 - No coverage after 100 days
- **Limited Home Care Coverage**
- **No coverage for custodial care at home**

Medicaid

Medicaid will cover long-term care services for people who are over age 65 and/or disabled if you meet the financial eligibility requirements



What does Community Medicaid pay for?

- Home Care
- Adult Day Care
- Assisted Living

- ▶ **Waiver Programs – includes oversight and monitoring**
 - Nursing Home Transition Diversion (NHTD)
 - Traumatic Brain Injury (TBI) Waiver
- ▶ **Managed Long Term Care – task-based services**
 - Personal Care Assistant (PCA)
 - Consumer Directed Personal Assistance Program (CDPAP)



Community Medicaid Income and Asset Limits

Community Medicaid 2021 Income & Asset Levels

	Individual Applicant	Couple
Income	\$ 904	disregarded
Assets	\$ 15,900	\$ 74,820

Exempt Assets



- Principal Residence
- Burial Plot
- Pre-paid irrevocable burial contract
- Life Insurance Policy with a face value up to \$1,500
- One automobile
- Retirement Accounts in Periodic Payment Status

Financial Eligibility for Medicaid

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What if your income or assets are too high?

Assets

- ▶ Exempt transfers of assets
- ▶ Transfer assets to trust

Income

- ▶ Excess income - Pooled Supplemental Needs Trust



Irrevocable Trusts

- ▶ An Irrevocable Trust can be used to protect your assets and pass them to your children, if you plan far enough in advance.
- ▶ If properly established, you can apply for Medicaid and the assets in the trust will not be counted or have to be spent down for Medicaid eligibility purposes



Irrevocable Trusts

For the trust to qualify to protect your assets:

- **Trustee** – cannot be you or your spouse – can be children or other relatives. You reserve the right to change the trustee.
- **Principal Residence** – you maintain a life estate in your house
- **Trust Income** – you receive all the income from the trust
- **Trust Principal** – You cannot receive principal distributions from the trust (unless you do a Partial Revocation of Trust)
- **Upon your death** – trust assets go to your beneficiaries

Funding your Irrevocable Trust

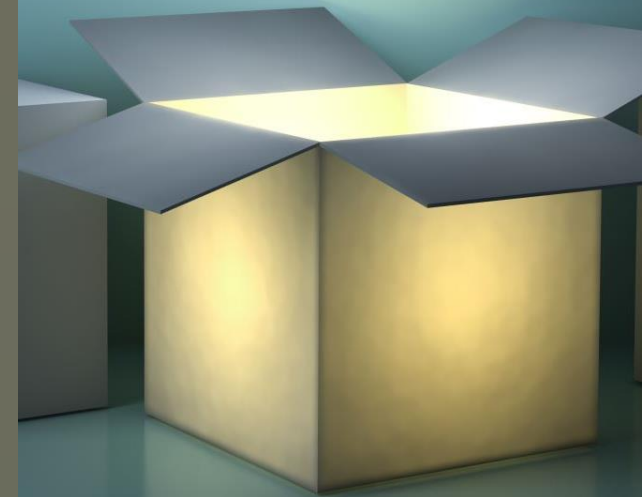
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What assets should be placed in a trust?

- Home
- Stocks
- Bonds
- Investment accounts
- Life Insurance with Cash Value

What assets to keep out of a trust?

- Checking account
- Savings Account
- CDs



Transferring Assets to Qualify For Community Medicaid

- ▶ Starting October 1, 2020 – there is a 30 month lookback period for Community Medicaid applications
- ▶ Delayed start of this rule to July 1, 2021

How to Avoid Penalty Period

- ▶ Create a trust well in advance of the time you may need Medicaid
- ▶ If not, other solutions
 - ▶ Gift and Promissory Note
 - ▶ Transfers to spouse
 - ▶ Exempt transfers to disabled child or caregiver child

How to Qualify for Medicaid with Income Spend-down

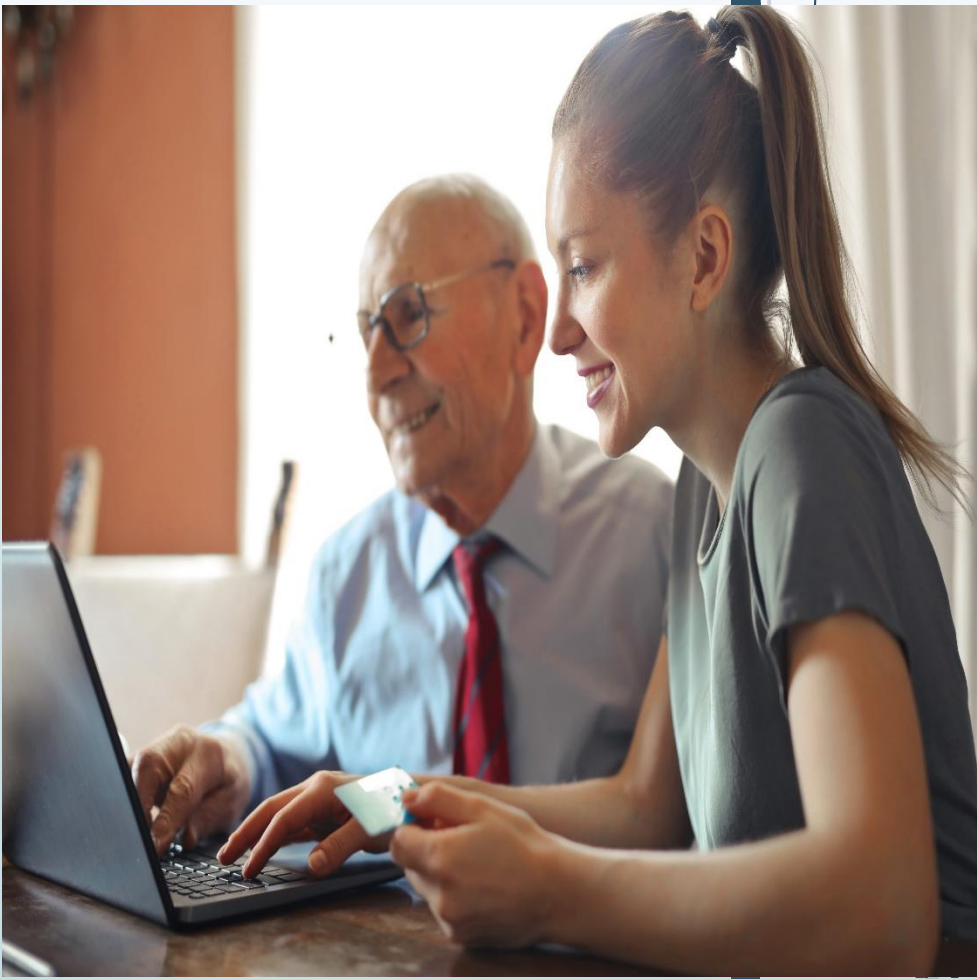
Deposit excess monthly income into a Pooled Supplemental Needs Trust (SNT) and use that money to pay bills and other expenses not covered by Medicaid



What can A POOLED trust pay for?

For a person receiving Community Medicaid, the trust will typically pay for living expenses, such as:

- Rent or mortgage, property maintenance, and taxes
- Utility bills, cable, phone, etc.
- Groceries, clothing, and other personal needs
- Additional hours for home health aids not covered by Medicaid



Do you have these documents in place?

- Health Care Proxy
- Power of Attorney
- Will



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