



You're invited to a **FREE** webinar
for family members and professionals

***Medicaid Made Simple:
The Truth about Long Term Care***

Thursday, February 25th, 2021

10:00 a.m. – 11:30 a.m.

*****Complementary CEUs available for Nurses, LPCs,**

Licensed Social Workers and Assisted Living Facility Managers***

CEU Instructions

***** Complementary CEUs available for Nurses, LPCs,
Licensed Social Workers and Assisted Living Facility Managers*****

1. Attendees will receive a follow up email with both attachments and links for a sign in sheet and evaluation form.
2. You will need to print and sign the sign-in sheet and complete the evaluation form and then scan or take a picture of the completed forms
3. Email both completed forms to:

Sheila Williamson at: Sheila@haimanhogue.com

These instructions will also be in the follow-up email

Medicaid Made Simple: The Truth About Long-Term Care

Speakers:

Jeff Crouch, Attorney – Haiman Hogue, PLLC

Rhonda Downing, Paralegal, Haiman Hogue, PLLC



Myths and Misconceptions

- ◆ Texas will take away my home
- ◆ I have to go broke before I can get Medicaid
- ◆ I make too much money to qualify for Medicaid
- ◆ I have too many assets, so I'll never qualify for Medicaid

Myths and Misconceptions

- ◆ If I give away assets, I have to wait 5 years to get Medicaid
- ◆ I have health insurance, so I don't need Medicaid
- ◆ I have long-term care insurance, so I don't need Medicaid
- ◆ Medicare pays for rehab, so I don't need Medicaid
- ◆ I have to stay in a nursing home to keep Medicaid

The Good News

- ◆ It is possible to get Medicaid benefits, without going broke, without losing your home, and without waiting 5 years
- ◆ With the proper tools in place, and through proper planning it is possible to preserve your hard-earned assets, so they last as long as possible for your care
- ◆ Never assume your income is too high, your assets are too many, or that you cannot get help

The Good News

- ◆ If your income is above the limit, the problem can be fixed
- ◆ Health insurance and Medicare only temporarily cover rehab expenses
- ◆ Long-term care insurance certainly helps, but often has limits and does not fully cover the cost – however, it is a great tool in terms of buying more options and helping preserve your assets

Types of Medicaid for Long-Term Care

- ◆ Nursing Home Medicaid
- ◆ Community-Based Medicaid
 - ◆ Assisted Living
 - ◆ Group Homes
 - ◆ Your Home

Types of Medicaid for Long-Term Care

- ◆ Medicare Savings Programs – four programs that provide assistance with Medicare costs
 - ◆ Qualified Medicare Beneficiary Program (QMB)
 - ◆ Specified Low-Income Medicare Beneficiary Program (SLMB)
 - ◆ Qualifying Individual Program (QI)
 - ◆ Qualified Disabled and Working Individuals Program (QDWI)

The Basics of Medicaid Eligibility

Non-Financial Criteria

- ◆ Citizenship
- ◆ Disability
- ◆ Medical Necessity

The Basics of Medicaid Eligibility

Financial Criteria

- ◆ Income
- ◆ Resources (Assets)

The Basics of Medicaid Eligibility

Income

- ◆ Paychecks – Employment, Social Security, Pension, royalties, some annuities, rental income
- ◆ Food and Shelter
- ◆ If you are receiving goods or services, you may need to investigate whether such goods or services may be considered income under the Medicaid rules

The Basics of Medicaid Eligibility

Resources (Assets)

- ◆ Resources are things that have cash value, like money in your bank account, surrender value of an annuity or life insurance policy
- ◆ Think about things you own that could be sold or surrendered for cash, and fair market value for each

The Basics of Medicaid Eligibility

Resources (Assets)

- ◆ Excluded Resources – the value of some resources is not counted when determining Medicaid eligibility
- ◆ Countable Resources – the fair market value of counts toward the total resources


The Basics of Medicaid Eligibility

Examples of Excluded Resources

- ◆ Homestead
- ◆ One automobile
- ◆ Pre-Paid Funeral or Cremation (if IRREVOCABLE)
- ◆ Burial Plot

Medicaid Eligibility Facts

Effective as of January 1, 2020

Applicant's Income Cap	\$2,382
Monthly Personal Needs Allowance	\$60
Individual Resource Allowance	\$2,000
Couple's Resource Allowance (both Spouses are in a facility)	\$3,000
Monthly Maintenance Needs Allowance	\$3,259.50
Minimum Community Spouse Resource Allowance	\$26,076
Maximum Community Spouse Resource Allowance	\$130,380
 Divestment Penalty Divisor	\$213.71 / day \$6,478 / month

Medicaid Planning

- ◆ Pre-Planning – Medicaid planning done in advance of the need for long-term care
- ◆ Crisis Planning – Medicaid planning done at the time long-term care is needed

Medicaid Crisis Planning Example: What About Medicare?

What about Medicare?

- ◆ Hospital stay of 3 or more nights
- ◆ Day 1 – Day 20 covered
- ◆ Day 21 – up to 100 days
 - ◆ Conditional based on rehab progress
 - ◆ Copay
 - ◆ Supplemental policies

Medicaid Planning Example: Single Medicaid Applicant

- ◆ Meet Mary
 - ◆ 82 years old with Alzheimer's
 - ◆ Fell and broke her hip
 - ◆ Hospitalized for one week
 - ◆ Transferred to rehab from the hospital
 - ◆ Doctors recommend she stay in skilled care

Medicaid Planning Example: Single Medicaid Applicant

◆ Mary's income and assets:

◆ Income	\$1,600 per month
◆ Residence	\$225,000
◆ Checking	\$8,000
◆ Savings	\$140,000
◆ CD	\$120,000
◆ Life Insurance	\$50,000 cash value (\$80,000 death benefit)
◆ Automobile	\$4,500

Medicaid Crisis Planning Example: Single Medicaid Applicant

Result of Medicaid Crisis Planning:

- ◆ Preserved homestead and car
- ◆ Purchased pre-paid funeral (irrevocable)
- ◆ Preserved 65% of remaining countable assets
- ◆ Immediate application for Medicaid benefits

Medicaid Planning Example: Single Medicaid Applicant

◆ Meet John

- ◆ 76 years old with dementia
- ◆ Suffered a stroke
- ◆ Hospitalized for 12 days
- ◆ Transferred to rehab from the hospital
- ◆ Doctors recommend he remain in skilled care

Medicaid Planning Example: Single Medicaid Applicant

John's income and assets:

Income	\$2,800 per month
Residence	\$370,000
Checking	\$42,000
Savings	\$120,000
CD	\$60,000
Pre-Paid Funeral	\$8,000 cash value
Automobile	\$6,000

Medicaid Crisis Planning Example: Single Medicaid Applicant

Result of Medicaid Crisis Planning:

- ◆ Preserved homestead and car
- ◆ Made pre-paid funeral irrevocable so it is excluded/protected
- ◆ Preserved 75% of remaining countable assets
- ◆ Immediate application for Medicaid benefits

Medicaid Planning Example: Married Medicaid Applicant

- ◆ Meet Bob and Sally
 - ◆ Sally is 68 and healthy
 - ◆ Bob is 74, has Alzheimer's and poor health
 - ◆ Bob had a fall and was hospitalized for 4 days
 - ◆ Bob went to rehab and needs to remain in long-term care

Medicaid Planning Example: Married Medicaid Applicant

- ◆ Bob's and Sally's income and assets:
 - ◆ Bob's Income \$3,200 per month
 - ◆ Sally's Income \$890
 - ◆ Residence \$200,000
 - ◆ Checking \$84,000
 - ◆ Savings \$400,000
 - ◆ CDs \$160,000
 - ◆ Automobiles \$6,000 and \$10,000

Medicaid Crisis Planning Example: Married Medicaid Applicant

Result of Medicaid Crisis Planning:

- ◆ Preserved homestead and both cars
- ◆ Preserved 100% of countable assets
- ◆ Immediate application for Medicaid benefits

What About Long-Term Care Insurance?

- ◆ Most policies have limits
 - ◆ Daily maximum
 - ◆ Maximum overall payout
 - ◆ Maximum period of coverage
- ◆ Benefits
 - ◆ More care options
 - ◆ Helps extend the life of your resources

Planning Tools

- ◆ Qualified Income Trust
- ◆ Annuities
- ◆ Deeds (*not just any deed)
- ◆ Spend Down
- ◆ Purchase of Excluded Assets

Pitfalls to Avoid

- ◆ Improper Estate Planning
- ◆ Lack of Estate Planning
- ◆ Gifting without Proper Advice
- ◆ Do It Yourself Approach
- ◆ Deeds
- ◆ Playing by Old Rules

New Medicaid Rules

The Treatment of IRAs has changed.

- ◆ Medicaid has started to implement a proposed rule
- ◆ Subject to change when formalized
- ◆ Seek guidance to avoid costly mistakes

What About Community-Based Medicaid Benefits?

- ◆ Types of Community-Based Benefits - Assisted Living, Home Care
- ◆ Applying from the Community
 - ◆ Interest List (Wait List)
 - ◆ Apply when your number comes up
 - ◆ Planning techniques are more limited
 - ◆ Different rules that impact the ability to preserve assets

What About Community-Based Medicaid Benefits?

- ◆ Applying from the Nursing Home for Community-Based Benefits
 - ◆ Medical Needs
 - ◆ Skip the wait list
 - ◆ More flexible planning options
 - ◆ Benefits follow you from the nursing home to the community

Other Ways to Finance Long-Term Care

- ◆ Veterans Benefits: Wartime veterans or their surviving spouses may be eligible to receive a monthly, tax free cash benefit to help cover medical expenses.
 - ◆ Aid and Attendance
- ◆ Long-Term Care Insurance
- ◆ Private Pay

Failing to Plan is Planning to Fail

- ◆ While we can't stop the aging process, with proper planning we can make it an easier transition for you and your loved ones.
- ◆ Proper care and a plan to pay for that care are vitally important for adults of all ages.

Estate Planning Basic Documents

- ◆ Last Will and Testament
- ◆ Statutory Durable Power of Attorney
- ◆ Medical Power of Attorney
- ◆ HIPAA Authorization
- ◆ Directive to Physicians
- ◆ Declaration of Guardian
- ◆ Agent for Disposition of Remains

Estate Planning Services

Trust Planning

- ◆ Revocable Living Trust
- ◆ Retirement Trust
- ◆ Irrevocable Trust
- ◆ Special Needs Planning
- ◆ Medicaid Asset Protection Trust
- ◆ Veterans Asset Protection Trust
- ◆ The Family Protection Trust

Estate Planning Pitfalls

- ◆ Documents may not have the proper provisions for long-term care planning
- ◆ Incapacity without Estate Planning Documents
 - ◆ Guardianship
 - ◆ Time and expense
 - ◆ May not have your choice of guardian
- ◆ Assumptions

Estate Planning Pitfalls

- ◆ Do It Yourself Approach
- ◆ Penny Wise Pound Foolish
 - ◆ Emotional cost
 - ◆ Stress and strain placed on loved ones
 - ◆ Financial cost
 - ◆ The financial impact from NOT having Estate Planning Documents often far exceeds what the documents would have cost

Why Hire an Elder Law Attorney?

- ◆ Focus on the Needs of Seniors
- ◆ Variety of Legal Tools and Techniques
- ◆ Holistic Approach Taking into Consideration Key Issues for Seniors
- ◆ Referral Network

What Can I Do?

- ◆ You may have attended this event out of concern for your care or that of a loved one.
- ◆ You may be a professional in the elder care arena and would like to understand how you can help your clients find the help they need.
- ◆ Education is important, many legal professionals provide free consultations, and some provide educational speaking events.

Presenters' Contact Information

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Questions?



NEXT MONTHS WEBINAR



You're invited to a **FREE** webinar for family members and professionals

***My Loved One Just Passed...Now What?
A 42 Point Checklist of What Will/Has to Happen***

Thursday, March 25th, 2021

10:00 a.m. – 11:30 a.m.

Presenters:

Fred Haiman, Attorney & Partner - Haiman+Hogue, PLLC

For additional information:

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