



THE COULSON
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MEDICAID PLANNING TODAY

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National Academy of
Elder Law Attorneys, Inc.

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Case Studies: It's Never Too Late If There Are Assets Left to Protect

This month's case study in Medicaid planning addresses the common misconception that once someone has entered a nursing home and started the process of spending down their assets, it's too late to do any beneficial planning. That's simply not the case. It's never too late to undertake planning to protect assets from Medicaid spend-down, as long as there are assets left to protect.

Let's take the case of Jim, an 82-year-old widower. When he entered the Comfort Care Center a year ago, he had \$100,000 in the bank, counting his checking, savings and CDs. He had already prepaid for his funeral. His room at Comfort Care costs \$4,500 per month. His prescription medications cost another \$450 each month, and he spends \$50 a month on personal care items and incidentals.

His Social Security benefit of \$1,500 per month, net of Medicare, is his only source of income.

Based on those considerations, Jim has been spend-

ing down his life savings at a rate of \$3,500 a month. Over the course of the year, that has amounted to \$42,000 in spend-down. What was \$100,000 when he entered Comfort Care a year ago is now down to \$58,000. Even if Comfort Care doesn't have to raise its rates, and even if the cost of Jim's prescriptions doesn't increase (good luck on those, Jim!), Jim will plow through the rest of his life savings in another 16 months (plus a few days, if he's in Missouri) and then, when he only has \$2,000 left to his name (\$999.99 in Missouri), he will be able to apply and qualify for Medicaid. Without planning, it won't be a happy ending for Jim. The money he saved over the course of a

Join us for this month's teleconference seminar:

CASE STUDIES: NURSING HOME ASSET PROTECTION PLANNING IN ACTION

This seminar will build on last month's introductory seminar on Advance Legal Planning to Protect Assets from Nursing Home Spend-Down by presenting and discussing, in detail, some case studies that will illustrate how the planning is carried out in real-life situations. By seeing this planning "in action," you will develop a deeper understanding of how and why it can be of such great help to so many elders and their families.

If you missed last month's seminar, don't worry. Just visit our website www.CoulsonLawGroup.com and you can listen to the seminar. Also, we'll start this month's seminar with a review of the basics of the planning.

This is a FREE seminar, and better yet, you don't even need to leave your desk to attend!

Date: Wednesday, October 24, 2007

Time: 12:00 Noon to 1:00 p.m.

***To register, call us at 314-567-9292 in Missouri
or 618-659-9292 in Illinois,
or e-mail beth@coulsonlawgroup.com.***

Call now and mark your calendar!

lifetime – the product of all of those hours of hard factory labor he put in after coming home a decorated veteran of World War II – will be gone. He won't be able to leave a penny to his son or daughter to thank them for the valiant effort they put in for two long years, after his wife Grace died, to keep him out of the nursing home. Of course, they refused to take any money at the time. "We'll just get whatever's left when you die, Dad," they kept telling him as they promised to "never" put him in a nursing home.

In fact, without subjecting himself to the disgrace of having his kids spot him the money, Jim won't even be able to cover the monthly cost of his incidentals. The \$30 of his Social Security income he'll be allowed to keep under the Medicaid rules will leave him \$20 short.

Here's the good news. If Jim and his family can get past the notion that it's "too late to do anything," it won't have to play out that way. Even in Missouri, even under the new Medicaid rules, Jim can still have money available to meet his incidental needs, and still fulfill his strong wish to leave an inheritance for his kids. If Jim is in Illinois, which has still not implemented the Deficit Reduction Act of 2005, the news will be even better.

Of course, it won't happen automatically. It won't happen at all unless Jim's family enlists the help of a good elder law attorney who knows the ins and outs of the Medicaid rules.

If Jim's family seeks out the help they need, the elder law attorney will develop a Medicaid eligibility plan, help them implement it, and handle the Medicaid application process so that they will never have to step foot inside the offices of the Missouri Family Support Division. That will enable Jim to protect, through his children, over \$25,000. The money will be available, as needed, to pay for Jim's incidentals. As soon as Jim completes the planning, he will experience the great peace of mind of knowing, for sure, that his children will benefit financially from his life's work.

If Comfort Care is in Illinois, Jim's result will be even better. With the lawyer's help, Jim will be able to protect around \$36,000, through and for his children. Neither he nor his children will need to set foot inside the offices of the Illinois Department of Human Services. The elder law attorney's office will handle that process.

Make no mistake. This newsletter is not intended to suggest that it's a good idea to put off planning. If Jim and his family had hired the elder law attorney as soon as he entered Comfort Care Center, Jim could have protected, for his lifetime needs and his children's inheritance, over \$46,000 in Missouri, and almost \$65,000 in Illinois. If they had started the planning when the children started caring for Jim after Grace died, Jim could have legally paid them for their help. The amount at risk when he entered the nursing home would have been much less, and even more of his life savings would have been protected for him and his children.



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The e-mail newsletter will give you immediate access to our websites (www.CoulsonLawGroup.com, www.QualifyForMedicaid.com, and www.BetterEstatePlanning.com), where you will be able to access the archives of previous newsletters and find a lot of additional information on subjects of interest.

We also invite you to sign up for our Special Needs newsletter that is distributed only through e-mail.

To sign up for any newsletter, just send an e-mail to beth@coulsonlawgroup.com.

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