

MEDICAID PLANNING

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MEDICAID PLANNING

- Ronald J. Gogul has been an attorney for 35 years.
- His practice emphasizes Estate Planning and Medicaid Planning.

THE ISSUES YOU FACE

- PEOPLE ARE LIVING LONGER
- 64% OF PEOPLE SURVEYED INDICATED THAT THEY DID NOT WANT TO MOVE IN WITH THEIR CHILDREN SHOULD THEY NEED HELP.

THE ISSUES YOU FACE

- 32% OF PEOPLE SURVEYED BELIEVE THEY WILL NEED HELP FROM THEIR CHILDREN.
- ONLY 12% OF PEOPLE SURVEYED HAVE PURCHASED LONG TERM CARE INSURANCE.

ISSUES YOU FACE

- THE AVERAGE DAILY COST OF A PRIVATE ROOM IN A NURSING HOME IN THE UNITED STATES IS \$70,080 OR \$192 PER DAY.
- THE AVERAGE LENGTH OF STAY IN A NURSING HOME FOR CURRENT RESIDENTS IS 2.4 YEARS, WHICH MAKES THE COST \$168,192.

THE ISSUES YOU FACE

- ALTERNATIVES ARE:
- SPEND DOWN ALL YOUR ASSETS, IF YOU BECOME ILL
- GIVE EVERYTHING AWAY TO YOUR CHILDREN TODAY
- DEVELOP A PLAN TO PROTECT YOUR HARD EARNED ASSETS

RESOURCES AND ASSETS

SINGLE PERSON

RESOURCES AND ASSETS

- \$1,500.00 IS MAXIMUM ALLOWED
- CANNOT APPLY IF ASSETS EXCEED
- PREPAID FUNERAL IS ALLOWED
- ALL INCOME MUST GO TO HOME
- MONTHLY PERSONAL NEEDS ALLOWANCE IS \$40.00

RESOURCES AND ASSETS

- COMMUNITY SPOUSE

RESOURCES AND ASSETS

- SPOUSAL RESOURCE MAXIMUM ALLOWANCE FOR 2005 IS \$99,540.00
- SPOUSAL RESOURCE MINIMUM ALLOWANCE FOR 2005 IS \$19,908.00

RESOURCES AND ASSETS

- MIMINUM
MONTHLY
MAINTENANCE
NEEDS
ALLOWANCE IS
\$1,604.00

- MAXIMUM
MONTHLY
MAINTENANCE
NEEDS
ALLOWANCE IS
\$2,489.00

RESOURCES AND ASSETS

- IF COMMUNITY SPOUSE ENTITLED TO ADDITIONAL INCOME THE JOINT ASSETS CAN BE USED TO PAY THE SPOUSE THE NECESSARY INCOME.

RESOURCES AND ASSETS

- SHELTER
STANDARD IS
\$482.00
- STANDARD UTILITY
ALLOWANCE IS
\$487.00

RESOURCES AND ASSETS

- EXEMPT RESOURCES if married:
- Home
- One automobile
- Household goods
- Prepaid irrevocable funeral contracts
- Home improvements
- Legal or medical expenses

TRANSFER OF RESOURCES

- TO COMMUNITY SPOUSE

TRANSFER OF RESOURCES

- HOME TO DISABLED CHILD OR CHILD UNDER AGE 18
- HOME TO SIBLING UNDER SPECIAL CIRCUMSTANCES

TRANSFER OF RESOURCES

- HOME TO A CARETAKER CHILD
ALLOWED UNDER CERTAIN
CIRCUMSTANCES

IMPROPER TRANSFERS

- Divestment penalty divisor for 2006 is \$4,806.00

IMPROPER TRANSFERS

- Five year look back for most transfers.

IMPROPER TRANSFERS

- Five year look back for Irrevocable Trusts

PLANNING FOR MEDICAID

- LONG TERM CARE INSURANCE
- 90 DAY WAITING PERIOD
- 5 YEAR BENEFIT
- HOME HEALTH CARE OPTION
- CAN BE EXPENSIVE
- YOU NEED TO GET A QUOTE!

PLANNING FOR MEDICAID

- DURABLE POWER OF ATTORNEY FOR BUSINESS
- HEALTH CARE POWER OF ATTORNEY
- LIVING WILL

PLANNING FOR MEDICAID

- QUALIFIED RESIDENCE TRUST
- FAMILY LIMITED PARTNERSHIP

PLANNING FOR MEDICAID

- DIVORCE MAY BE AN ANSWER

PLANNING FOR MEDICIAID

- IRA'S CAN BE A PROBLEM
- BEFORE 70 1/2 OR AFTER 70 1/2
- NEED SPECIAL TREATMENT
- INCOME TAX IMPLICATION

PLANNING FOR MEDICAID

- MEDICAID FRIENDLY ANNUITIES
- ANNUITIZE OVER LIFE EXPECTANCY
- NOT ALL INSURANCE COMPANIES OFFER THESE PRODUCTS
- NEW BENEFICIARY REQUIREMENTS

PLANNING FOR MEDICAID

- NEVER APPLY FOR MEDICAID DURING THE PENALTY PERIOD
- ALWAYS HAVE A RIGHT TO A HEARING IF YOU ARE DENIED
- PENALTY START DATE IS NOW THE DATE OF APPLICATION NOT THE DATE OF THE TRANSFER

ESTATE RECOVERY

- PROCESS BY WHICH OHIO RECOVERS FUNDS FROM ESTATES OF PERSONS WHO PASS AWAY WHILE ON MEDICAID
- AUGMENTED "ESTATE" DEFINITION

PLANNING FOR MEDICAID

- STARTS WITH A COMPLIMENTARY CONSULTATION TO DETERMINE THE ISSUES YOU AND YOUR FAMILY FACE.
- YOU NEED TO DECIDE WHETHER YOU NEED A PLAN TO ADDRESS THIS IMPORTANT ISSUE.

PLANNING FOR MEDICAID

- IF YOU DECIDE TO DEVELOP A PLAN IT WILL BE A WRITTEN ANALYSIS WITH MY SPECIFIC RECOMMENDATIONS.
- I WILL ALSO BE AVAILIABLE TO ASSIST YOU WITH THE MEDICAID APPLICATION PROCESS IF IT IS NECESSARY.

PLANNING FOR MEDICAID

- REMEMBER, IT DOESN'T COST YOU ANYTHING TO OBTAIN PROFESSIONAL ASSISTANCE.
- YOU EITHER PAY THE ATTORNEY OR THE NURSING HOME.

PLANNING FOR MEDICAID

- QUESTIONS