

Connecticut Care Planning Council



February 2012 Newsletter

Volume 4, Issue 2

Featured Board Member: **Henry C Weatherby**

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Weatherby & Associates, PC
Counselors at Law
Helping Families Preserve and Protect Assets and Values

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In This Issue

[Is Insurance the Answer to Long Term Care Planning?](#)

[Working with Elder Parents in Planning Financial for their Long Term Care](#)

[If you answer "yes" to any of these questions, Weatherby & Associates, PC can help.](#)

The [Connecticut Care Planning Council](#) (CTCPC) lists companies and individual providers on our website who help families deal with the crisis and burden of long term care.

One purpose of the CTCPC is to educate the public on the need for care planning *before* a crisis occurs. A second purpose is to provide, in one place, all of the available government and private services for eldercare.

Finally, our ultimate mission is to offer a trusted listing service that



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Event Calendar:

VA Aid & Attendance Seminars

March 15, 2012

The Village at South Farms
645 Saybrook Road Middletown

2:30-4:00 PM

or

5:30-7:00 PM₀

the public will recognize and turn to for expert help in dealing with the challenges of long term care.

Call us at 860-769-6938

or click [here](#) to send an e-mail



Weatherby & Associates, PC
Counselors at Law
Helping Families Preserve and Protect Assets and Values

If you answer "yes" to any of these questions, Weatherby & Associates, PC can help

- Has the elder been diagnosed with a mentally or physically debilitating disorder such as Alzheimer's, Parkinson's, ALS, stroke or a decline in functional capacity?
- Is the elder isolated due to the recent death of a spouse, or have family that either lives too far away or is too busy to provide adequate care?
- Is the elder to be discharged into a care facility or currently

Offers & Info:
Veterans Aid & Attendance
Benefits

Contact Us:
34 Jerome Avenue,
Suite 310
Bloomfield, CT 06002

(860)769-6938

Check out our NEW e-courses!
Get help navigating the Elder Care Journey with our special series of reports:

How can I get help paying for nursing home or long term care without losing it all? Learn more at

www.learnmedicaid.com/weatherby

Veterans 65 or older may qualify for a benefit of \$24,239/annually to pay for in-home help, assisted living, or nursing home care. Simply visit

www.wartimeveteran.com/weatherby to find out more

I have a loved one with Alzheimer's, and I need caregiving help. How do I make sure my loved one is well taken care of, and that they don't lose their home or life savings? Discover the secrets at

www.ConnecticutMemoryLawyer.com

receiving in-home care?

- Does the elder have a variety of healthcare providers and need coordination and advocacy for quality care?
- Does the elder have a variety of healthcare providers and need coordination and advocacy for quality care?
- Does the elder have a spouse whose financial needs must be considered in light of the elder's medical condition?

Is Insurance the Answer to Long Term Care Planning?

A recent USA Today article states that there is an increase in older adults living beyond the age of 90. According to author Haya El Nasser, "The number of people living to age 90 and beyond has tripled in the past three decades to almost 2 million and is likely to quadruple by 2050."

Older adults who live longer generally have some sort of disability, chronic health issues, or need help at some level of living. Sandy Markwood, CEO of the National Association of Area Agencies on Aging, indicates that the focus needs to be on being able to help these seniors live at home as long as

possible. In Connecticut, nursing home costs are generally more than \$138,000 per year and are rising. In-home-care frequently exceeds \$5,000 per month in Connecticut.

Long-term care (LTC) at any level, in the home, assisted living or nursing home adds a tremendous cost to seniors and their families.

Government Programs For Long Term Care:

Government programs such as Medicare, cover very limited LTC. Medicare will cover rehabilitation from a hospital stay or limited care at home if there is a skilled (medical) need.

Medicaid and the Veterans Administration will cover the cost of long-term care under certain conditions. The Veterans Administration will cover the cost of nursing home care indefinitely if the veteran is at least 70% service-connected disabled. The VA will also cover other forms of home-based or community-based care if there is a medical need.

Medicaid will cover both medical and non-medical related long-term care but in order to qualify for Medicaid a single person cannot have more than \$1,600 in assets if they have not planned years in advance to deal with this issue. A married couple cannot keep more than one half of their combined assets with a maximum limit of \$113,641, excluding the home.

Funding Long Term Care with your Life Insurance Policy:

Drawing cash from life insurance or changing a life insurance policy should

only be done after reviewing with an expert advisor. Loss of the policy and death benefit could prove to be a detriment. If, however you have accumulated cash in a life insurance policy and no longer need the coverage you may consider using the cash for long term care or purchasing a LTC rider to your current policy, if it is available.

New insurance products are being developed to cover both life insurance and long-term care insurance.

ElderLawAnswers reports:

“A new law makes the purchase of products that combine annuities or life insurance policies with long-term care insurance more attractive. These "hybrid" products are gaining in popularity due to a law that went into effect January 1, 2010, making distributions from life insurance and annuities tax-free when used to pay for long-term care. The same law also allows owners of annuities or life insurance policies to exchange their old policies for long-term care insurance or hybrid policies without being taxed.”

Combination sales which include life insurance, annuities and traditional long-term care coverage are becoming popular with insurance companies and may prove a method of financing long-term care.

Investigate closely, however, to determine what exactly will be covered. Some policies do not cover home care costs or complete costs of nursing homes.

[Long Term Care Insurance Funding for All Long Term Care Needs:](#)

The first long-term care policies were offered about 40 years ago. These were primarily nursing home-only policies designed to take over when Medicare rehabilitation ran out. They were not the comprehensive benefit policies we see today.

Long Term Care Insurance policies today are greatly diversified in their coverage. Home care, nursing home costs, adult day care, physical therapy, skilled and non-skilled nursing care are some of the services covered. Policies vary in price and what they cover. To qualify for a policy there are very stringent requirements as to your physical and mental health. Purchasing a policy at a younger age makes it easier to qualify and also provides cheaper premiums. However, when or if to purchase a policy should be determined when designing an estate plan with your elder law attorney, who should work with a knowledgeable LTC insurance professional.

Veterans Aid and Attendance Pension Benefit:

Though not an insurance policy, the [VA Pension Benefit](#), also known as “[Aid and Attendance](#)”, should be mentioned as a way to pay for long term care needs. A veteran or spouse of a veteran who served during a period of war can receive \$2,019 per month for a married veteran or widow or \$1703 per month for a single veteran, to pay for long term care medical expenses. This money can also be used to help with the cost of home health care, independent and assisted living and nursing homes. An [attorney who has](#)

[been accredited the Veterans Administration](#), can help you determine if and how you can qualify for this benefit.

Pre-Need Burial Insurance:

One might ask what [Pre-need burial insurance](#) has to do with long term care. The purpose of pre-need life insurance is to set aside funds for your funeral, before the need arises.

It is an insurance policy that covers the cost of the predetermined expenses of a funeral, cremation or burial. It gives the purchaser the opportunity to pre-plan the services and peace of mind in having it paid for. This is usually an insurance policy that pays at time of death for these expenses. There are many insurance companies that offer these packages as well as funeral homes. An irrevocable funeral trust set up with a Connecticut funeral home is also an alternative to consider.

The saddest cases of long term care needs we hear are:

“Mother can no longer live alone and she has no money to go live in a care facility.”

“Is there someone that can come help me take care of my wife? We live on our Social Security and I cannot afford to pay for home care.”

“Father died last night and we have no money to bury him, what do we do?”

It is important to make the necessary arrangements to cover long-term care and end of life costs. There is no

government program that will cover all those needs. The [Connecticut Care Planning Council](http://www.careconnecticut.org) at <http://www.careconnecticut.org> strives to educate people about long term care services and encourages the planning that needs to be done to prepare for future costs and needs.

Working with Elder Parents in Planning Financially for their Long Term Care

You may be taking care of elderly parents now or looking at that possibility in the near future. According to a report from USA TODAY/ABC News/Gallup Poll, 41% of baby boomers are helping take care of elderly parents by providing personal help or financial assistance or both.

If financial planning and long term care planning have not been done previous to the need for care, the burden falls on the caregiving family member. Decisions about how care will be paid for, who will be responsible for managing the estate as well as how the long term care will be given can cause stress and contention among family members.

It is best for parents and all family members to be involved in planning for future financial needs. The financial resources being used today could change drastically with the occurrence of a stroke, illness or onset of dementia. In order to plan financially for long term care, you need to know what the costs are now and what they will be

in the future.

Every year MetLife does a survey of long term care costs. Their 2010 survey shows that the average daily rate for private nursing home is \$229 which is up from \$219 in 2009. Assisted living monthly base rate cost rose to \$3,293 in 2010 from \$3131 in 2009. Home health aides average \$21 an hour.

Planning financial needs can be very difficult, considering you do not know when long term care will be required or how long it will be needed. You can determine what will be needed in certain living situations. Staying in your home for care will require [Professional Home Care assistance](#), travel accommodations to doctor appointments, help with shopping, meals, medical supplies and medication and possibly a 24-hour attendant. Even if a family member is doing most of the care, eventually professional care will be required or a move to a nursing home facility will be necessary.

When evaluating your present income and assets consider how they would work for future needs.

- What are my care options?
- What type of long-term care can I afford?
- Do I have long term care insurance?
- Are there assets I can sell?
- If I stay at home how will I pay for care?
- Do I have to sell the house to pay for other living arrangements?
- Are there other financing

alternatives?

- Do I have life Insurance or the means to pay for a funeral and burial?
- Will my spouse be cared for financially?
- Should I do Medicaid planning?
- Do I have the legal documents that may be needed?

An article by Thomas Day, Director of the [National Care Planning Council](#), titled "Paying the Cost of Care," reviews some of the financial options that can be used.

"Tangible assets that might produce enough income to pay for long term care might include investment property such as rentals, commercially leased property, land, a farm, second home or a business..."

"Some individuals are heavy into real estate and short on cash. If the intent was to cash out of the investment at some future point, then a sale is warranted. But, it seems a shame to sacrifice in early years to establish an investment only to throw it away to long term care. It would make more sense to use income from the investments to buy long term care insurance."

Long term care insurance is one option for paying for care. Long term care insurance helps pay for the care you need when you can no longer care for yourself. It can protect your family's financial future and your own investments. There are qualifications that need to be met with health and age. This type of insurance is more expensive the older the person and almost impossible to get if age related illness has already occurred.

[Senior Financial Planners](#) and [Elder Law Attorneys](#) can assist you in evaluating your needs and future planning.

Senior Financial Planners are expert in working with seniors and their families to set up long term care plans. They usually work with an Elder law Attorney and [Care Manager \(Professional\)](#) to give you all options and resources for care.

Elder Law Attorneys help with Medicaid Planning and Asset protection as well as legal documents needed for final requests.

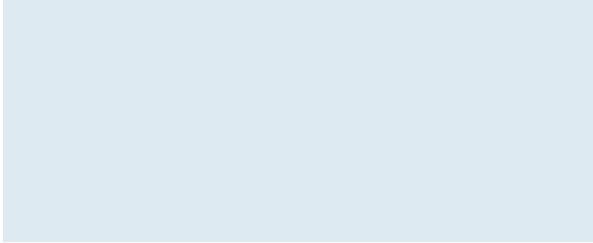
If staying in your home is a desired option, a [Reverse Mortgage](#) can supply the funds to pay for home care.

Another option for veterans who served during a time of war is the [Aid & Attendance Benefit](#). This benefit provides extra income up to \$2,019 to help pay for home care, assisted living and medical costs. It will also pay for widows or widowers of the Veteran. To learn more about qualifications for these benefits contact [Weatherby & Associates, PC](#).

Knowing your needs and financial resources is paramount before making any long term care decisions. Working together, both parents and family members can ease the stress and burden of elder care needs.

Wisdom from the Web

**"You are as young as your faith,
as old as your doubt; as young**



**as your self-confidence, as old
as your fear; as young as your
hope, as old as your despair."
~Douglas MacArthur**

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