

Connecticut Care Planning Council



July 2013 Newsletter

Volume 5, Issue 6

Featured Board Member: Henry C Weatherby

CT Care Planning Council Advisory Board Members:



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

[Henry C Weatherby](#)



[Henry C Weatherby Jr.](#)



[Brian Turly](#)

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[Will the Government Pay for My 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 the public will recognize and turn to for expert help in dealing with the challenges of long term care.



[Elaine Pavasaris](#)



[John Carmon](#)



[Brian Cosker](#)



[Paul Tarasuk](#)



HEBREW HEALTH CARE
for health, for life

Upcoming Seminars

Don't Go Broke in a Nursing Home

Wednesday,

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

Social Security - A Safety Net for Retired Americans, their Survivors, and the Disabled

Our council is dedicated to helping families recognize the need for long term care planning and to help implement that planning. All elderly people, regardless of current health, should plan for the myriad of financial events and challenges they might face. Social Security retirement benefits alone will not adequately help us meet these challenges; however, the program itself, how it is funded, and how the payouts work must be understood by every retiree.

About Social Security

Social Security can act as a financial safety net for retired Americans, their survivors, and the disabled. Social Security is a term used to describe the Old-Age, Survivors, and Disability Insurance (OASDI) federal program. In 2008, Social Security paid \$615,344,000,000 to over 50 million beneficiaries and is currently estimated to keep 40% of these individuals out of poverty. As of December 2011, 19 % of all beneficiaries were disabled workers and their dependents and 11 % were survivors (such as the widowed and children). The remaining 81% are, of course, retirees.

Social Security was established in 1935 by the Social Security Act during President Roosevelt's first term. The

July 9, 2013

2:00 PM

OR

6:30 PM

in Manchester, CT

Please call Haley at
860-769-6938 to
register!

Don't Go Broke in a
Nursing Home

Thursday,
July 11, 2013

2:00 PM

in Manchester, CT

Please call Haley at
860-769-6938 to
register!

Don't Go Broke in a
Nursing Home

Thursday,
July 17, 2013

5:30 PM

in West Hartford, CT

Please call Haley at
860-769-6938 to
register!

Offers & Info:

program functions on contributions each worker makes into the program. While employed, an individual pays / contributes into Social Security; they receive benefits later on, when they choose to retire. Contributions are withheld as taxes from paychecks under the Federal Insurance Contributions Act (FICA).

For an individual retiring in 2013 at the full retirement age of 66, the highest monthly amount available is \$2,533. In December 2012, the average monthly Social Security benefit for a retired person was around \$1,261.

As mentioned, disability and survivor benefits are included in the Social Security program. Contributions can provide a form of insurance in the event that a worker becomes disabled; they may also cover disabled adult children if the disability developed before their 22nd birthday. Furthermore (assuming that one has worked enough to qualify for retirement benefits), a surviving spouse and/or children may receive Social Security survivor benefits if that the worker dies, even if the death occurred before retirement.

Eligibility for Retirement Benefits

We do not automatically qualify for retirement benefits from Social Security. Instead, we (meaning those of us born in or after 1929) must work and pay a minimum level of Social Security taxes for a minimum of 40 quarters (or 10 years) during our lives. Fortunately, these 40 quarters do not need to be consecutive. As of 2012, we earn a credit for each three-month period in which we earn at least \$900. Once we have worked and paid Social Security taxes for the required 10 years, we qualify to receive Social Security retirement benefits.

Even if an individual has accumulated his or her required 40 credits, they may not start getting payouts until age 62 or older. The longer we wait to start collecting after we become eligible, the higher the amount we will receive. For each year delayed, Social Security benefits increase between 7 percent and 8 percent up to age 70. If an individual is nervous about dying relatively early it would be wise to initiate payouts as soon as possible (right at age 62). However, if the individual feels like they will live to a ripe old age, the best strategy is to put off taking payments closer to age

Veterans Aid & Attendance Benefits

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

(860)769-6938

Forward-to-a-Friend

70.

Working While on Social Security

Drawing on Social Security benefits when still working full-time is typically not a wise choice. If a worker decides to start collecting benefits before retirement, the government will cut the payouts according to an earnings based formula.

After the beneficiary reaches full retirement age (which is currently age 66 ½), there is no offset for working full time. In other words, the beneficiary can receive full social security benefits as well as any amount of earned income.

Enrolling in the Program

To sign up simply apply online - [Social Security Benefit Application](#), visit your local office or call toll free (800) 772-1213. To collect full retirement benefits, be sure to apply to the SSA three months before you wish to receive your first payment.

If you are too young to retire and would like to know what kind of benefits to expect, the annual benefits statement sent by the Social Security Administration (SSA) will provide an estimate of how much your retirement benefits will be. You can also estimate your benefits by using the [administration's online calculators](#).

Death and Survivor Benefits

As a side note, Social Security benefits can be received by a surviving spouse based on the earnings of their former spouse. The marriage must have been deemed valid for 10 years and the surviving spouse cannot have remarried. If the widowed remarries, the individual is eligible to claim Social Security benefits under the ex-spouse's earnings if they turn out to be higher than their own.

When someone dies, the SSA receives reports of beneficiary deaths from family members, funeral homes and other government agencies. It is highly recommended that you inform the SSA as soon as

possible when a person dies.

Conclusion

In closing, when thinking about retirement and Social Security, be sure to plan for the long term. There is no "best age" to start receiving benefits. Each person should make an informed decision about when to apply for benefits based on their individual and family circumstances. We hope the above information will help you understand how Social Security can fit into your retirement decisions.

Remember, "If you live to the average life expectancy for someone your age, you will receive about the same amount in lifetime benefits no matter whether you choose to start receiving benefits at age 62, full retirement age, age 70 or any age in between. However, monthly benefit amounts can differ substantially based on your retirement age. If you die before your spouse, he or she may be eligible for a survivor benefit based on your work record, particularly if you have earned more than your spouse over your lifetime. If you begin receiving Social Security benefits early, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after the full retirement age to get benefits, your surviving spouse—if he or she is at least full retirement age—generally will receive the same benefit amount that you would have received.♦ ♦♦ - SSA

Sources

45. Orr, D. (November – December, 2004). "Social Security Isn't Broken: So Why the Rush To 'Fix' It? In C. Sturr & R. Vasudevan (Eds.), 2007, Current Economic Issues. Boston: Economic Affairs Bureau.

Ultimate Guide to Retirement – Money Magazine

Social Security Administration - SSA Publication No. 05-10147 ICN 480136

How Today's Social Security Works, By David C. John – The Heritage Foundation

Will the Government Pay for My Long Term Care?

A study by the U.S. Department of Health and Human

Services says that "people who reach age 65 will likely have a 40 percent chance of entering a [nursing home](#).

About 10 percent of the people who enter a nursing home will stay there five years or more. This year, about nine million men and women over the age of 65 will need eldercare. By 2020, 12 million older Americans will need eldercare. Most will be cared for at home; with family and friends as the sole caregivers for 70 percent of the elderly". [Medicare.gov](#)

A new population of seniors and those nearing the senior status are looking for some type of [financial means](#) to pay for long term care (eldercare) in case of failing health. Many have taken care of family members who had no means to pay for their care or have seen their parents entire retirement savings wiped out because of medical and nursing home costs.

Does the government Medicare program pay for eldercare costs?

A statement on the [Medicare.gov](#) website clarifies what Medicare will pay for.

"Generally, Medicare doesn't pay for long-term care. Medicare pays only for medically necessary skilled nursing facility or home health care. However, you must meet certain conditions for Medicare to pay for these types of care. Most long-term care is to assist people with support services such as activities of daily living like dressing, bathing, and using the bathroom. Medicare doesn't pay for this type of care called "custodial care". Custodial care (non-skilled care) is care that helps you with activities of daily living. It may also include care that most people do for themselves, for example, diabetes monitoring. Some Medicare Advantage Plans (formerly Medicare + Choice) may offer limited skilled nursing facility and home care (skilled care) coverage if the care is medically necessary."

How does [Medicaid](#) cover long term care costs?

Fortunately, there is a government program that will help pay for long term care costs – Medicaid. Unfortunately, this program is unfairly discriminatory and will only pay for care for individuals who have less

than \$1,500 to \$2,000 in assets (and in about 22 states, the program will only cover individuals who fall below a certain income threshold). All other individuals wanting help from Medicaid must impoverish themselves paying for their own eldercare services first, before Medicaid will help them.

Planning for the final years of life and dovetailing government programs, care provider systems and funding sources can be invaluable yet complicated. This area of planning can be one of the most challenging endeavors undertaken by anyone attempting to help seniors in this final phase of life.

The [National Care Planning Council](#) has introduced a new long term care planning tool called "[Life Resource Planning](#)". It is impossible to predict what your future eldercare needs will be. You cannot determine in advance if you will need home care, assisted living or even nursing home care, but you can have a plan in place that will provide the financial, [legal](#) and family support as well as protecting your assets, no matter what happens.

The goal of [Life Resource Planning](#) is to provide strategies and solutions pertaining to any or all of the items outlined below that may be unique to the client's situation.

1. Understand and Use Eldercare Support Systems

- Objective 1 -- Understand the Nature of Eldercare
- Objective 2 -- Understand Living Arrangements for Eldercare
- Objective 3 -- Understand How to Use the Life Resource Planning Team

2. Identify Sources of Final Years Funding and Services

- Objective 4 -- Identify Programs to Increase Income
- Objective 5 -- Identify Government Programs to Pay Costs
- Objective 6 -- Understand and Use Community

Aging Support Services

3. Protect the Estate from Depletion

- Objective 7 -- Understand Strategies to Protect Assets
- Objective 8 -- Review and Update Legal Arrangements and Insurance
- Objective 9 -- Identify Tax Saving Strategies

With the help of a trained professionals who understand all of the issues pertaining to eldercare, a plan can be prepared to protect assets, locate appropriate funding and provide the necessary support to ease the burden for the final years of life.

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 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?

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