

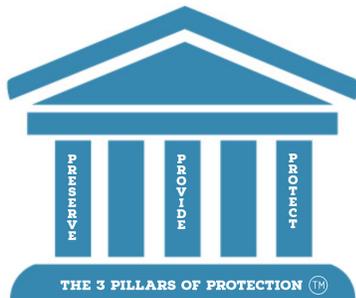
THE 3 PILLARS POST

ALATSAS LAW FIRM NEWSLETTER



What's inside this issue:

- TALKING ESTATE PLANNING WITH YOUR PARENTS
- CHANGES TO NY MEDICAID RULES
- WHY MEDICARE ISN'T ENOUGH



ALATSAS LAW FIRM

How to Talk to Your Parents About Estate Planning

BY THEODORE ALATSAS, ESQ.

Death and money management aren't topics most people want to openly discuss, especially with their children. Even if the talk is awkward, it is still critical to have a frank and honest conversation about estate planning with your parents—sooner rather than later. You want your family to be prepared ahead of time instead of waiting until sudden health problems or life changes take the opportunity away.

The main goal of estate planning is to keep the courts out of your family's business and ensure your mother or father's wishes are known and followed. Someone assigned by a court who has never met you or your family simply isn't the right person to be making important decisions about finances and healthcare.

(continued on Page 4)

Call us at (718)233-2903



Why Medicare isn't enough to cover a long term stay in a nursing home

By Theodore Alatsas, Esq.

Many people believe that Medicare covers nursing home stays. In fact Medicare's coverage of nursing home care is quite limited. Medicare covers up to 100 days of "skilled nursing care" per illness, but there are a number of requirements that must be met before the nursing home stay will be covered. The result of these requirements is that Medicare recipients are often discharged from a nursing home before they are ready.

In order for a nursing home stay to be covered by Medicare, you must enter a Medicare-approved "skilled nursing facility" or nursing home within 30 days of a hospital stay that lasted at least three days. The care in the nursing home must be for the same condition as the hospital stay. In addition, you must need "skilled care." This means a physician must order the treatment and the treatment must be provided daily by a registered nurse, physical therapist, or licensed practical nurse. Finally, Medicare only covers "acute" care as opposed to custodial care. This means it

covers care only for people who are likely to recover from their conditions, not care for people who need ongoing help with performing everyday activities, such as bathing or dressing. Note that if you need skilled nursing care to maintain your status (or to slow deterioration), then the care should be provided and is covered by Medicare. In addition, patients often receive an array of treatments that don't need to be carried out by a skilled nurse but which may, in combination, require skilled supervision. For example, the potential for adverse interactions among multiple treatments may require that a skilled nurse monitor the patient's care and status. In such cases, Medicare should continue to provide coverage.

Once you are in a facility, Medicare will cover the cost of a semi-private room, meals, skilled nursing and rehabilitative services, and medically necessary supplies. Medicare covers 100 percent of the costs for the first 20 days. Beginning on day 21 of the nursing home stay, there is a significant copayment (\$185.50 a day in 2021). This copayment may be covered by a Medigap (supplemental) policy. After 100 days are up, you are responsible for all costs.



*Learn about how our affordable
3 PILLAR PROTECTION PLAN
can Protect your assets, Provide
you help, and Protect your future.*

Call us at (718)233-2903

or visit us at

www.AlatsasLawFirm.com

If you are in a nursing home and the nursing home believes that Medicare will no longer cover you, it must give you a written notice of non-coverage. The nursing home cannot discharge you until the day after the notice is given. The notice should explain how to file an expedited appeal to a Quality Improvement Organization (QIO). A QIO is a group of doctors and other professionals who monitor the quality of care delivered to Medicare beneficiaries. You should appeal right away. You will not be charged while waiting for the decision, but if the QIO denies coverage, you will be responsible for the cost. If the QIO denies coverage, you can appeal the decision to an Administrative Law Judge (ALJ). It is recommended that a patient hire a lawyer to pursue an appeal.

www.AlatsasLawFirm.com

Important changes to New York's Medicaid Rules



As we age, eventually most of us will need some kind of assistance with the activities of daily living. Unfortunately, a nursing home stay or in-home care is extremely expensive. Even people with assets to spare can quickly see their savings drained by a sudden health change. That's why so many New Yorkers end up relying on Medicaid to cover costs, but an applicant must meet extremely strict requirements. Those requirements saw a critical change in April 2021 that may drastically impact your family.

What You Need to Know About Medicaid Lookback in New York

Chronic Medicaid that covers nursing home stays in New York has always used a five-year lookback period set at the federal level. That lookback checks to see if you've transferred large amounts of money or given assets like a home to family members. In those cases, applicants have to pay for costs up to the value of the transfers before Medicaid coverage kicks in.

That stumbling block to coverage previously didn't apply to Community Medicaid, however, which is used for home care. Under newly enacted rules, Community Medicaid programs that provide nursing home-style coverage at home also require a 30-month lookback period.

That means something you did up to two and a half years ago, potentially long before you were even sick or had developed a disability, can prevent you from getting coverage. You might end up paying out-of-pocket for financially devastating care that you can't live without.

Early planning has always been crucial, but this new change to the New York Community Medicaid requirements drives home the importance of preparing in advance for a medical crisis. You don't want to be left in a difficult situation where you can't get coverage because of financial decisions made years ago.

Without proper planning, you may end up needing to spend down your assets, reverse gifts given to family members in previous years, or scramble to find ways to pay costs directly. A better option is to take action before you need long-term care by utilizing trusts or other asset protection strategies.

What are the 3 Pillars of Protection?

The 3 Pillars of Protection is our patented method of **Preserving** your assets, **Providing** you help, and **Protecting** your future.

Contact us to learn more.

Call us at (718)233-2903

(continued from page 1)

Probate is also lengthy, expensive, and emotionally draining

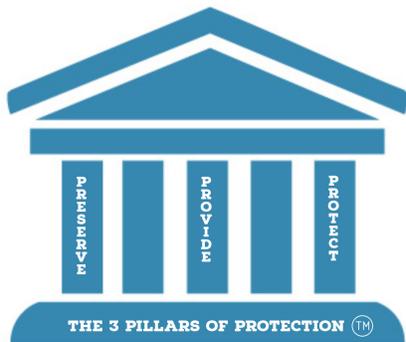
It's better to have a legal plan in place drafted by a skilled attorney to bypass those estate issues altogether. Your parents worked hard to earn their assets, and they deserve to have their estate distributed according to their wishes while utilizing the best tax strategies possible to avoid losing anything that should stay within the family.

Estate planning isn't just about divvying up property, though. Mom and Dad also need to plan ahead for health changes while they are still alive. Putting together advance directives and planning for covering expensive long-term care costs should also be included as part of the estate planning process. In particular, your parents need to:

- Ensure all accounts and beneficiaries are up to date.
- Draft a will, or update it if one already exists.
- Consider if they have specific wishes for heirlooms or want their money to go towards children's education funds, providing for disabled family members, and so on.
- Plan for who should serve in key roles like the executor of the will, overseeing trusts to disperse assets, and making medical decisions.
- Think about the type of end-of-life care they want to receive.

Beginning the conversation with your parents

The important thing is not to pass the buck by assuming someone else in the family will start the conversation, or that a DIY estate plan will cover everything when your parent eventually passes away. Not sure how to initiate the talk? Here are some important tips for starting the estate planning conversation:



ALATSAS LAW FIRM

- **Start the discussion with empathy, not numbers.** Stress that you want to know how to best follow their wishes in accordance with their values. This can help avoid resentment from parents who may not want to accept the realities of aging or the possibility that they need help.
- **Acknowledge the conversation could be uncomfortable.** No one wants to think about being bedridden or dying, and parents don't typically enjoy having the roles reversed so that children are caring for them.
- **Use specific examples.** Talk about family or friends who went through probate, or bring up the topic by mentioning an article you've seen about the importance of estate planning.
- **Schedule a specific time to have the conversation in full after bringing up the topic initially.** Of course, in some situations, this may not be feasible. You know your parents best, and in some cases having a less formal structure may get better results.
- **Bring everyone who will be impacted to the meeting.** This helps avoid problems later so no one in the family feels left out of the process, and lets everyone know your parent's wishes at the same time.
- **Avoid judgment of your parent's financial or medical decisions.** The goal is to have a productive conversation that convinces family to take action towards estate planning quickly, not have the meeting devolve into an argument.
- **Utilize an estate planning attorney for the family discussion.** Having someone who isn't connected to your family but who has extensive knowledge of elder law keeps the conversation grounded in calm facts, rather than being swayed by emotion.

At Alatsas Law Firm, we provide the one-on-one guidance you need when you're struggling to resolve a **family law, elder law, asset protection, or bankruptcy** concern. We explain complex legal concepts in easy-to-understand terms and encourage all of our clients to fully participate in the decision-making process so they can face their future with confidence.