

Medicaid For Anyone

Spring - Summer 2017

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1. FINANCIAL BENEFITS USING MEDICAID

By Jack Lippmann

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Suppose an elderly or disabled person saved approximately \$200,000 in their life time and now require assistance at home (home care services), approximately twelve (12) hours per day, seven (7) days a week. If they hire a licensed home care agency it could cost them approximately \$25 per hour and sometimes more depending on their needs. Let us do the math: \$25 per hour times 12 hours equals \$300 per day and if we multiply \$300 by 30 days the elderly or disabled person will be spending approximately \$9,000 a month. At this rate in less than two (2) years this individual is impoverished and if that person does not have a rich uncle who is willing to pay their private home care services they are now forced to utilize Medicaid even if they don't wish to join the program.

Consider the following facts:

Why would any elderly or disabled person wish to spenddown all of their life savings prior to applying for Medicaid medical assistance when they can protect all of it and still apply for Medicaid services is both inconceivable and unimaginable.

"In 2017 Medicaid allows Community Medicaid applicants an allowance of \$825 + \$20 miscellaneous."

2. PROTECTING YOUR INCOME

In 2017 Medicaid allows Community Medicaid applicants an allowance of \$825 + \$20 miscellaneous. Any amount above the allowance is considered surplus income and that amount Medicaid would require the applicant to surrender on a monthly basis unless they protect it.

How does an applicant protect their surplus income from Medicaid?

In addition to the \$845 allowance, applicants are allowed to pay for their supplemental health insurance if they wished to do so. Reason an applicant would wish to keep or acquire supplemental health insurance is if their specialist uses Medicare and supplemental health

Please see [Protecting your Income](#) continued on page 3

3. PROTECTING YOUR LIFE SAVINGS

Let's consider an applicant saved a considerable amount of assets well over \$300,000 during their life time (that includes bank accounts, brokerage accounts, stocks, bonds, life insurance, etc.), and are now in need of home-care services. Considering the amount of resources allowed by a Medicaid recipient in 2017 which cannot exceed \$14,850, they will be denied if they kept their life savings; however, applicants are allowed to transfer their life savings to anyone or even a trust in any one month, and the following month they become financially eligible.

"Applicants are allowed to transfer their life savings to anyone or even a trust in any one month, and the following month they become financially eligible".

The above transfer relates only to Community Medicaid applications. Should one require nursing home Medicaid the above does not apply; however, there are tools to protect approximately 50% or even more depending on their income, the nursing home cost and other expenses.

4. NYS 2017 MEDICAID REGIONAL RATES

New York City \$12,157

Bronx, Kings (Brooklyn), New York (Manhattan), Queens, and Richmond (Staten Island).

Central \$9,511

Broome, Cayuga, Chenango, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence, Tioga and Tompkins.

Northern Metropolitan \$12,198

Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester.

Northeastern \$10,242

Albany, Clinton, Columbia, Essex, Franklin, Fulton, Greene, Hamilton, Montgomery, Otsego, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington.

Long Island \$12,811

Nassau and Suffolk.

Western \$10,078

Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans and Wyoming.

Rochester \$11,237

Chemung, Livingston, Monroe, Ontario, Schuyler, Seneca, Steuben, Wayne and Yates.



Jack Lippmann, President of Elder Care Services, Inc., Medicaid Professional and Consultant with over 20 years of Medicaid eligibility experience.

5. 2017 MEDICAID INCOME & RESOURCE LEVELS

Basic numbers for applicable Medicaid recipients and their spouses:

Community Medicaid and

Home Care Medicaid:	Allowed Resource level:	\$	14,850.00
	Income:	\$	825.00

Nursing Home Medicaid:	Allowed Resource level:	\$	14,850.00
	Income:	\$	50.00

Supplemental Security Income (SSI), Resource level:	\$	2,000.00
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Maximum federal Community spouse Resource Allowance:	\$	120,900.00
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Community spouse minimum monthly

Maintenance needs allowance (MMMNA):	\$	3,022.50
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Home Equity limit:	\$	840,000.00
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Income & Resources.

Protecting you Income continued from page 1

insurance; otherwise, applicants can surrender their supplemental health insurance and proceed with Medicare and Medicaid only.

One example was to pay for supplement health insurance; however, today an average senior earns much more than \$845 and paying for their supplemental health insurance still leaves them with a surplus. That means Medicaid would expect applicants to surrender the surplus (the amount over \$845 and their health insurance payments), unless applicants join a Medicaid approved pooled income trust.

How does a Pooled Income Trust assist the applicant?

Applicants deposit their monthly surplus income in the pooled income trust. Surplus Income is the amount above the \$845. Example: applicant's income is \$3,095 per month, they are allowed to deduct their supplemental health insurance in this case \$250; \$845 they keep and the remainder \$2,000 is the surplus which must be deposited in the pooled income trust. The uniqueness of the pooled income trust is that it allows applicants to use that money to pay their bills. The pooled income trust must pay applicant's bills with the money they receive from the applicant.

"Applicant's income is \$3,095 per month, \$250 they pay their supplemental health insurance, \$845 they keep and the surplus of \$2,000 must be deposit in the pooled income trust."

Utilizing a Medicaid approved pooled income trust allows applicants the ability to live in the community and use their surplus income to pay their personal bills, such as, rent, telephone, cable, credit cards, leases, etc.

6. PROTECTING YOUR HOME

The Home or Primary Residence is an exempt asset when applying for Medicaid medical assistance providing the equity in the home is less than \$840,000; however, if the home or primary residence is not protected properly Medicaid can reach out and secure their expenses from the proceeds of the home or primary residence at a later date.

That being said, there are several transfers of the home or primary residence which would not create a penalty period and are actually considered exempt transfers:

- 1) to a spouse;
- 2) to a child under 21, or disabled, or blind;
- 3) to a brother or sister who have an equity interest in the home and have lived in the home for at least one (1) year prior to applicant's nursing home admission; and
- 4) to a child who cared for his/her parent, and lived with the parent at their home for a period of at least two (2) years prior to parent institutionalization.

Doing nothing or neglecting to transfer the home of a Medicaid recipient, while they are alive, may have negative and unwelcomed results. Fundamentally, when a single person passes away their primary residence, home, condominium or cooperative apartment falls into their estate, and before the Executor of their estate distributes the property they will need to settle any lien imposed by Medicaid as a creditor.

Community Medicaid applicants can transfer their homes at any point in time prior to their death and they will not incur a disqualification period.

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The Care:

A big misconception that worries many, is the care. Some are under the impression that when applying for government assistance the care is less than the private pay care one would receive. This conception is totally wrong! Medicaid does not have home-attendants or nursing homes, they simply pay the private sector which the applicant chooses to use. Either home care agencies or the nursing home of their choice.

One alternative of many:

Many individuals wishing to keep their resources and receive home care services or nursing home care are encouraged to check Long Term Care Insurances, when they are preparing their estate planning. There are several insurance providers in NYS with several alternatives allowing applicants the ability to retain some or all of their assets and at the same time receive government medical assistance at home or nursing homes.

Overview:

Medicaid eligibility is possible for "Anyone" who is willing to comply with Medicaid's rules and regulations. With proper and professional assistance elderly and/or disabled applicants can achieve Medicaid eligibility and receive Medicaid medical assistance, while at the same time protect their income, life savings, and homes.

- Why miss out on some or full time assistance at your own home?
- Why miss out on Day Care Programs?
- Why miss out on the nursing home of your choice?
- Why miss out on what is owed to you?

We at Elder Care Services, Inc., strive to reach and achieve these goals, by offering the elderly and disabled the ability to tap into such programs which are available to everyone.

More importantly, with over 22 years of experience dealing with Medicaid, Elder Care Services, Inc., offers their clients the ease of mind dealing with the bureaucratic system, 100% assistance with Medicaid eligibility, Medicaid acceptance, choosing an MLTC, and if need be assistance with either home-care or nursing home services.