

Medicaid For Anyone



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Elder Care Services, Inc., 108-18 Queens Boulevard, Suite 801, Forest Hills, NY 11375
www.eldercareservicesny.com (718) 575-5700

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 this individual does not have a rich uncle who is willing to pay for the private home care services this individual will have no choice but to utilize Medicaid even if they never wished to join the program; however, sadly at this point this individual has zero dollars.

Consider the following facts:

Why would any elderly or disabled person wish to spend down all of their life savings prior to applying for Medicaid medical assistance when they can protect all of their assets and still apply for Medicaid services; It's both inconceivable and unimaginable to disregard – we recommend you explore all of your options.

2. PROTECTING YOUR INCOME

In 2019 Medicaid allows Community Medicaid applicants an allowance of \$879 and any amount paid towards supplemental health insurance. 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 do applicants protect their surplus income from Medicaid?

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 in addition to Medicare: Suppose the applicant has a specialist who's not participating in the Medicaid program.

“In 2019 Medicaid allows Community Medicaid applicants an allowance of \$879.”

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 a Medicaid home care applicant is allowed in 2019 a maximum of \$15,450 in resources, 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 with the exception to the spouse; however, there are tools to protect approximately 50% or even more depending on the income, the nursing home cost and other expenses.

4. NYS 2019 MEDICAID REGIONAL RATES

New York City \$12,419

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

Central \$10,068

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

Northern Metropolitan \$12,636

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

Northeastern \$11,280

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

Long Island \$13,407

Nassau and Suffolk.

Western \$10,556

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

Rochester \$12,342

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



Jack Lippmann, President of Elder Care Services, Inc., Medicaid Professional and Consultant with over 23 years of Medicaid eligibility experience.

5. 2019 MEDICAID INCOME & RESOURCE LEVELS

Basic numbers for applicable Medicaid recipients and their spouses:

Home Care Medicaid:	Allowed Resource level:	\$ 15,450.00
	Income:	\$ 879.00
Nursing Home Medicaid:	Allowed Resource level:	\$ 15,450.00
	Income:	\$ 50.00
Supplemental Security Income (SSI),	Resource level:	\$ 2,000.00
Maximum federal Community Spouse	Resource Allowance:	\$ 126,420.00
Community Spouse Minimum Monthly		
Maintenance Needs Allowance (MMMNA):		\$ 3,160.50
Home Equity limit:		\$ 878,000.00



Income & Resources.

Protecting your Income continued from page 1

If there are no specialist(s) issues, applicants can surrender their supplemental health insurance and enroll in a Medicare Advantage Program; however, they have to understand that Medicare Advantage is an HMO and you belong to a network with a primary physician.

One example was to pay for supplement health insurance; however, today an average senior earns much more than \$879 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 \$879 and their health insurance payments), unless applicants joined a Medicaid approved pooled income trust.

How does a Pooled Income Trust assist applicants?

Applicants deposit their monthly surplus income in the pooled income trust. Surplus Income is the amount above the \$879 Medicaid allows. Example: applicant's income is \$3,129 per month, they are allowed to deduct their supplemental health insurance in this case \$250 plus the \$879 they're allowed and the remainder \$2,000 is the surplus which must be deposited in a Medicaid approved pooled income trust. The uniqueness of the pooled income trust is that it allows applicants to use the money to pay their bills. The pooled income trust can only be used to pay applicant's bills.

"Applicant's income is \$3,129 per month, \$250 they pay their supplemental health insurance, \$879 they keep and the surplus of \$2,000 must be deposit in a Medicaid approved 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 for 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 \$878,000; 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 at a later date. 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.

Elder Care Services, Inc.

108-18 Queens Boulevard – Suite 801
Forest Hills, NY 11375
Tel: (718) 575-5700
Fax: (718) 575-5707

Web Site: www.eldercareservicesny.com
E-mail: jlippmann@eldercareservicesny.com

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.

More importantly, with over 23 years of experience dealing with Medicaid, Jack Lippmann of Elder Care Services, Inc., offers 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 Assisted Living or Nursing Homes placement.