

21st Century Planning and Assessment



In years past, Estate Planning was essentially focused on a minimization of taxes and a maximization of assets being available to, first, care for your spouse for life, and then to pass the remainder on to your children or other surviving loved ones. Things have changed. Notice that the title to this article does not use the word "Estate." Planning for one's future as one ages encompasses much more than one's estate only. Planning involves making certain that one has sufficient assets to pay for one's long-term care costs, and the long-term costs of one's spouse.

People, by and large, do not enjoy doing this sort of planning. And when the necessary time comes, pandemonium sets in and everyone scrambles. The consequences can be dire. Someone ends up in a nursing home who does not want to be there, the family has long-term care costs that they cannot afford, and decision making is rash and oftentimes in error.

To do it right, a family must first take an assessment of where they are financially, and create a plan that addresses these issues:

- What is our income now? What will it be in the future? What will the income of each spouse be if the other dies first? Is there a survivorship benefit for the pension?
- What are our costs of living now? What will they be if one or both of us goes to a personal care home?

- What benefit programs might be available to us? Am I eligible for veterans benefits?
 - What of our own assets can and should we use to prepare for long-term care costs?
 - Should we have a special investment portfolio set aside for our care costs? Which assets should be earmarked for care costs and in what order?
- How is our life insurance situated? Should we look at changes in ownership? Beneficiaries? Should it be held in a trust fund?
 - If one of our children is caring for one or both of us, should we consider paying him or her a fee for the care? (This must be in writing.)
 - Do we have all of the legal documents we need? Do they say what they need to say? When was our estate plan last updated? Is it time now?

After finances are projected and considered, you might want to take the time to discuss future residence options. If you had to go to a care facility, which ones should be considered? If one is to remain in the one's home, how will care be provided? Are there options for living with one's children, or vice versa?

Perhaps even more important today is to take a medical assessment. How often does it occur that a person has a bad reaction to a medication because the prescribing physician was unaware that the patient was on another medication that causes an adverse reaction to the first? You need to sit down and document your medical history. It should begin with how old each of your parents were when they died, what they died from, and what other conditions they had when living. From there you should note your own current condition: allergies; diagnoses; who your physicians are (primary care and each specialty); prior hospitalizations; medications; and treatments. This information should be kept updated and current. It should be available along with a Health Care Power of Attorney to give any health care provider a quick snapshot summary of your medical history and be able to provide a better diagnosis and provide better care to you simply by having this information on two or three sheets of paper.

Finally, an assessment does and should include a review of your health insurance. Plans can include Medicare with a supplement, a Medicare Advantage plan, or group insurance. Most people choose health insurance with no help or guidance. There are far too many options available. A good assessment review must include a review of your coverage by a professional.

As attorneys we spend most of our time working on crisis situations where there was no planning. Taking the time to do an assessment and plan and document these items can be a real life saver, physically, emotionally and financially.

Nursing Home Worries?

Are You Worried about Losing Your Home or Life Savings to the Cost of a Nursing Home?

Are You Concerned About How to Pay for Your Loved One's Expensive Nursing Home Care Without Going Broke?

Do You Want to Avoid Placing Your Loved One in a Nursing Home?

Are you a Veteran and Interested in Possibly Receiving an extra \$2100 a Month?

Are you the Spouse of a Veteran and Interested in Possibly Receiving an Extra \$1100 a Month?

In Pennsylvania, the Average cost of a Nursing Home is over \$97,000 per year.

How Much Can You Afford? Are You Prepared? Call Zacharia & Brown



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