

Nursing Home and Medicaid FAQ

Submitted by Edwards Group

Using a government benefit such as Medicaid is a fairly common way to pay for long-term care. According to AARP, 65 percent of nursing home residents use Medicaid to pay for their care. Unfortunately, there is a lot of misinformation out there, which makes this very stressful time of life even harder for everyone involved. Here are seven common questions about Medicaid that we frequently are asked:

Q: My loved one needs nursing care, and I don't know how to pay for it. How can an elder law attorney help?

A: An elder law attorney can help get more benefits more quickly, all while protecting as

much as 50 percent or more of the life savings. This protected money is then available to the family so they can provide extras for the loved one in care. Ultimately, whatever funds are unused will stay with the family. Without Medicaid planning, the family will have to use their own money to help provide things that are needed. Remember, under Medicaid, you can only keep \$30 a month for spending money. Good planning helps your family provide those extras.

Q: My mother is already in a nursing home. Isn't it too late to plan?

A: As long as you (or somebody you know) are

writing checks to a nursing home, then it's not too late. Good planning can gain access to benefits sooner than you thought possible, and in bigger amounts than you thought possible, even if your loved one is already in a facility.

Q: I was told there was nothing that could be done except to "spend down" all the money.

A: This misinformation usually comes from nursing home caseworkers. As nice and knowledgeable as those workers are, they are not experts in the financial planning or legal field. You need an advocate, so you have more options and more resources available. Experienced elder law attorneys help families find solutions for these challenges every single day.

Q: How much money can be saved by consulting an elder law attorney?

A: This answer varies from family to family, depending on your income, monthly expenses, and assets. With Medicaid planning, most families protect 50 to 90 percent of the assets. If there is a healthy spouse at home, then it can often be 90 percent or more. Also, if you plan more than five years before applying, by using a "nest egg trust," then 100 percent of the trust assets are safe.

Q: Won't the help of an attorney be too expensive?

A: Medicaid planning is not cheap, and there is a lot of

legal work involved, but it is the best money that many families will ever spend in their lives. The cost of the planning will be only a fraction of what is saved. Many families protect assets equal to three to ten times the amount of the legal fees. Also, remember that without planning, the money will all go to the nursing home anyway.

Q: This sounds too good to be true. Is it legal and ethical?

A: Medicaid planning is legal and ethical. In fact, the rules for doing it properly are in the public statutes and regulations! Everything is disclosed to the Medicaid caseworker during planning. Think about filing your income taxes — do you use all the deductions, credits, and exemptions you can? Of course! Similarly, Medicaid planning is using all the rules to get the best result for your family.

If you need to speak to someone right away about your current situation, feel free to call or email Edwards Group LLC. One of our Client Coordinators will be happy to help you by phone at 217-726-9200 or email at info@EdwardsGroupLLC.com. For more information about long-term care planning, visit our website at www.EdwardsGroupLLC.com.

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