

DON'T WRITE ANOTHER CHECK TO THE NURSING HOME UNTIL YOU READ THIS!

How do you keep life savings from being depleted by nursing home costs?

Quick Overview

Mary recently had a stroke and will have to be placed in a nursing home facility. She doesn't want the cost of nursing home care to drain all of her savings.

Edwards Group Elder Care Advisors worked to maximize Medicaid benefits as quickly as possible, created a trust to preserve assets, prepaid funeral costs, and preserved more than 50% of Mary's assets.



Edwards Group
ELDER CARE ADVISORS

WHO: Mary Sample, age 86, has been staying at home alone, with help from her daughter. But last week she had a stroke and now will be unable to return home. She will need to be placed in a nursing home facility.

THE PROBLEM: Nursing home costs will be about \$7,000 per month. Mary's only income is a small social security check and nominal interest she earns on CD's.

CONSEQUENCES: Mary lived her life frugally, saved, and wanted to leave something to her kids one day. She has a house that is paid off, worth \$100,000, and another \$75,000 in CD's at the bank. It is expected that all of her assets will be gone in several years unless something can be done.

HOW WE HELPED: We helped the family understand there were still planning options available. We looked at options to maximize Medicaid benefits as quickly as possible. We helped sort through Mary's financial records, and discovered some stocks and a life insurance policy that the family did not know were there before. Finally, it was determined that Mary's total wealth was \$195,000. We told the family with proper planning we may be able to protect 50% of her wealth, all with legal and permitted strategies under the Medicaid rules.

Total Savings: more than \$100,000 We helped cash in the stock and the life insurance policy. The house was sold to one of the children. Funds of \$100,000 were gifted to a trust to be held for the family later. The remaining funds were used to pre-pay a funeral and purchase a Medicaid compliant annuity. We then completed the Medicaid application, which requires documenting all financial transactions within the last 5 years (gifts, purchases, investments, assets sold or cashed in, and assets transferred). The result was that Mary was approved by Medicaid. There was an expected delay in benefits because of the gifts we had made. But the family had the cash flow to provide for her care during that delay. In the end, we protected more than 50% of her assets—\$100,000 out of the \$195,000 of Mary's wealth.



If your loved one is in a nursing home, call 217-726-9200 to speak with one of our Elder Care Advisors to find out how we can help you protect their life savings. It's NEVER too late!