



LIFE CARE PLANNING



For the aging and those with
long term illness

A RESOURCE GUIDE
for Peace of Mind



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Having a chronic, long-term, debilitating illness such as Alzheimer's Disease, Multiple Sclerosis, Parkinson's Disease, Stroke or Arthritis can be extremely frightening and can create a great deal of uncertainty and insecurity for both the patient and his or her loved ones.

The fear associated with the loss of control over the mind and/or the body coupled with fears of financial ruin can result in all-consuming anxiety and depression for those involved.

It is important to realize that **there are things you can do** to restore some control over your life.

With proper legal and financial advanced planning, you can ensure that those people you trust carry out your plans for the future. Advanced planning can also ensure that the disease does not cause your financial ruin.

Additionally, by educating yourself regarding the services that are available in your community, you can begin to build the support system that you or your loved ones need to manage the effects of a long-term illness.

This booklet *Life Care Planning for the Aging and Those with Long-Term Illness* is dedicated to providing information and answering some of the concerns you might have as you move through the process of dealing with a progressive debilitating illness.

Our clients have found this guide to be a valuable resource, and we hope you will also find it useful.

IF YOU DO NOTHING ELSE...

Questions:

1. If you were unable to manage your financial and legal affairs on your own due to a debilitating illness, who should select the person to handle these matters for you?

- YOU OR THE COURT?

2. If you were unable to make your own health care decisions due to mental incapacity, who should select the person to make these decisions for you?

- YOU OR THE COURT?

Hint:

If you leave the selection process up to the court, it could cost you thousands of dollars in attorney and filing fees, and result in unnecessary delays. Perhaps the worst result is that you would have no say in who is chosen to handle your affairs.

Answer:

IF YOU DO NOTHING ELSE, it is vitally important to sign a Durable Power of Attorney for business and legal matters and a Health Care Directive or Living Will for medical decision-making. These documents allow you to select the person(s) to watch over your health care needs and to manage your legal and financial affairs if you lose the capacity to act on your own.

There is no reason to leave the selection process up to a court when you are in the best position to select the most trustworthy, levelheaded and caring people to handle your affairs. Furthermore, if you become incapacitated, without a Power of Attorney and Health Care Directive, many transactions would come to a standstill, while someone goes to a court to request the authority to act on your behalf. Several months and thousands of dollars in fees later, someone would be appointed to act for you, not necessarily the person you would have chosen or even a person that you know.

**DURABLE
POWER OF
ATTORNEY**

A document in which you select someone and at least one back-up person, to handle your business and legal affairs for you if you are unable to manage on your own. A properly drafted Power of Attorney should include the authority to do long-term care planning.

**HEALTH
CARE
DIRECTIVE
OR LIVING
WILL**

A document in which you select someone and at least one back-up person, to handle your health care decision-making if you are unable to make those decisions for yourself. The document states your wishes about end-of-life care. Many living wills specify that artificial medical intervention be avoided or discontinued where there is no hope of meaningful recovery from a vegetative state or terminal illness. In contrast you may choose to have life sustaining medical treatment be continued.

The value to you and your family of these documents cannot be overestimated. Because they are so crucially important and any mistakes or omissions could be extremely costly, it is vitally important that you consult an Elder Law Attorney to draft these documents for you or to review your existing ones.

IS IT TIME FOR YOUR LEGAL CHECK-UP?

Most people think it prudent to have a medical check-up at least once a year in order to have a competent professional evaluate their medical health. Having professionals check your legal and financial health is equally important and becomes imperative when you or a loved one is faced with the challenges of a long-term debilitating illness.

A PROPER LEGAL CHECK-UP INCLUDES:

REVIEW OF ESTATE PLAN.

Everyone has a plan in place whether they have consciously crafted it or not. Kentucky has a plan for your assets even if you do not have a will. Are you aware of who will get your assets if you fail to put your wishes down on paper? Do you realize that your family could be faced with unnecessary taxes and expenses without the proper plan in place?

REVIEW OF LEGAL DOCUMENTS.

This includes the Last Will and Testament, Durable Power of Attorney, Health Care Directive or Living Will and Trusts. Sometimes documents have errors. Sometimes changes in life circumstances, such as births, deaths and marriages, or changes in health or net worth make revisions to these documents advisable.

REVIEW OF TAX IMPLICATIONS.

Every plan has tax consequences. There are legitimate means to limit or avoid these taxes.

REVIEW OF LIQUIDITY PLANNING.

A proper plan ensures sufficient liquidity to finance long-term care. It also ensures that after death there is enough money to pay for taxes, expenses, and fund the wealth succession plan.

REVIEW OF DISABILITIES PLANNING.

Discuss options of self-insuring, long-term care insurance, or asset protection planning.

THE LIFE CARE PLAN

The Life Care Plan places special emphasis on issues surrounding a long life. The Life Care Plan connects your concerns about long-term care as you go through the later stages of your life with the knowledge and expertise of the Elder Law Attorney and the Elder Care Coordinator who will be with you every step of the way to assist you in making the right choices.

Quality of Life and Quality of Care

There are three principal goals of the Life Care Plan:

1. Helping you and your loved one obtain good care, whether your care is provided at home or outside the traditional home setting such as an assisted-living facility, or if necessary, a nursing home. This is the most important of all goals, for it goes to the very heart of your quality of life in your later years. Your Life Care Plan is focused first on your good health, safety, and well-being.
2. Helping you make decisions relating to your health care, long-term care and special needs. It is a comfort and a relief to clients and their families to know that they always have a resource of experienced, supportive, knowledgeable, and objective advisors with them every step of the way.
3. Helping you find sources to pay for good care, and helping you spend your money wisely and prudently on your care needs. The Life Care Plan protects and preserves the assets you have accumulated during a lifetime of hard work, thrifty behavior, and astute investment decision-making.

Your Care Questions Answered

Life Care Plans can help answer your questions about your long-term care and health care choices:

- What health care, chronic care, and long-term care services are available to me? How can I get the good care I need and desire, in my own home, a residential community, or assisted-living facility, in a child's home, or in a nursing home?
- How will financial and health care decisions be made for me if I can not make them for myself?
- If I can not take care of myself, who will make sure my spouse continues to have a good quality of life?
- If there is a health care crisis, what will we have to do? Where will we turn for the help we need?
- How do I know I am getting good care? Who will advocate and intervene for me if necessary to ensure my right to quality health care and long-term care?

Other Questions

- How do I assure my financial security as I get older?
- What public benefits am I entitled to?
- Should I rely on Medicaid or other government benefits to help pay for my care? How do I apply for benefits?
- What kinds of insurance do I need? Should I buy long-term care insurance? Should I join a Medicare HMO?
- How and when should I distribute my assets? Can I save taxes?
- Do I have to spend all of my money on my care, whether in my home or in a nursing home? How can I protect my assets to take care of my spouse, to ensure I get good care, or to leave my assets to my children?
- How do I provide for family members with special needs?

BUILD A SUPPORT NETWORK

ELDER LAW ATTORNEY

Find an Elder Law Attorney. An Elder Law Attorney is uniquely qualified to guide you through the complex maze of public entitlements, estate and trust planning, tax law, probate, incapacity planning, and nursing home rights.

PHYSICIAN

The physician is an integral part of the care management team. Choose a physician who shares you and your loved one's values regarding health care and someone with whom you feel comfortable. It is important that you give a copy of the Health Care Directive or Living Will to each physician.

FINANCIAL ADVISOR

A financial check-up is advisable when faced with illness. Have a qualified financial advisor review all investments to ensure that any financial plan takes into consideration your health needs for the coming years.

ELDER CARE COORDINATOR

This professional coordinates services that help people locate the appropriate type of care and advocate - and intervene, if necessary - to ensure the individual's right to quality care. They are equipped to assess the needs of the elderly or disabled; arrange for services; coordinate the various government, private and community services available; and act as a liaison for distant families.

SUPPORT GROUPS

Support groups for caregivers and those with illnesses are an invaluable source of information and community. While you can get sympathy from your family and friends, you can get true empathy from others who are experiencing similar issues. By sharing with others, you can get real-life solutions to your real-life problems.

ADULT DAY CARE

Adults with mental or physical limitations can spend the day in a supervised environment that offers recreation, meals and other services. Having a safe place for your loved one to go can provide the caregiver with much needed respite. Transportation is usually provided.

HOUSING OPTIONS

When living alone is no longer a viable option:

HOME CARE

Home care encompasses a wide range of health and social services delivered at home. These services include skilled nursing care, rehabilitative care, custodial care, hospice and housekeeping services. In the appropriate case, services in the home can be supplemented by community services such as adult day care, where a person can be picked up and brought to an adult center for supervision, recreation, meals and socialization. Home health care services can be provided by certified health care agencies, hospice, home care aide agencies, private agencies and individuals.

ASSISTED LIVING FACILITIES

Assisted Living Facilities are non-institutional facilities designed for those unable to live independently, but who don't need daily nursing care. Meals, housekeeping, medication management and custodial care are usually provided.

NURSING HOMES

Nursing homes provide both rehabilitative/skilled nursing care and custodial care. Rehabilitative services include skilled therapies such as nursing services and/or physical, speech and occupational therapy, which are often needed after hospitalization. Custodial care includes providing assistance with activities of daily living such as bathing, dressing, eating, etc. Custodial care can include skilled nursing and rehabilitation therapies.

YOUR HOUSING DECISION MAY BE LIMITED BY ONE OR MORE OF THE FOLLOWING:

1. Available funding sources (private funds, long-term care insurance, Medicare, Medicaid, Veterans benefits, etc.);
2. The level of assistance needed and nature and progression of the illness;
3. Availability of family member to provide care; and
4. Personal preference.

HOW ARE WE GOING TO PAY FOR THIS?

One of the most frightening parts of dealing with a debilitating illness is the fear of financial ruin.

If my husband has to go to a nursing home, will I have enough money to live on? Will we outlive our savings? Will there be any money left for our children?

These fears are based upon a real fact: long-term care is very expensive:

- Nursing Homes in our area range from \$70,000 to \$100,000 a year.
- Assisted Living facilities in our area range from \$2,500 to over \$6,000 a month.
- Home Care costs an average of \$844 a week.

WHERE WILL THE MONEY COME FROM?

PRIVATE FUNDS

If you are fortunate enough to have significant private funds, then most housing options are available to you. Tapping into the equity in your home through the use of home equity loans and reverse mortgages can be considered when liquid resources start to dwindle.

LONG-TERM CARE INSURANCE

Long-term care insurance is the best choice if you can afford the premiums and you are insurable. Although premiums are prohibitively expensive for some, the annual cost of premiums pales in comparison to the annual cost of a nursing home. Long-term care policies vary considerably in terms of cost and coverage.

It is advisable to review the decision to purchase a long-term care insurance policy with an Elder Law Attorney. It is also advisable to review any existing policy to ensure that you are adequately protected.

MEDICARE**MEDICARE PAYS FOR THE FOLLOWING:**

- Skilled Nursing Home for Skilled or Rehabilitative Care
- Limited Medical Home Care
- Hospice Home Care
- Durable Medical Equipment for *qualifying conditions* (wheelchairs, canes, etc.)
- Hospital and Doctors' services
- Prescription Drugs (see your Medicare Part D plan guidelines)

Medicare has co-payments, deductibles, and time limitations. Medigap Insurance Policies can cover these additional amounts. Not all Medigap policies are equal. Have your policy reviewed to determine the extent and adequacy of your coverage.

MEDICARE DOES NOT PAY FOR THE FOLLOWING:

- Custodial Care in Nursing Home
- Skilled Nursing Homes after 100 days
- Assisted Living Facilities

MEDICAID**MEDICAID PAYS FOR THE FOLLOWING:**

- Custodial Care in Nursing Home
- Skilled Nursing Home for Skilled and Rehabilitative Care
- Medical Equipment for qualifying conditions
- Dental Care
- Eye Care
- Hospital and Doctors' services
- Deductibles, coinsurance, and premiums for Medicare Part A, B, and D

Medicaid is a federal and state funded health insurance program for low income families. There are certain income and resource threshold requirements which must be met before a person can qualify for Medicaid.

**VETERANS
BENEFITS**

**VETERANS ADMINISTRATION COVERS THE
FOLLOWING:**

- Out-patient medical visits
- Hospital care
- Nursing home care
- Pharmaceuticals
- Psychological assistance
- Medical equipment and assistive devices
- Dental care

Eligibility is for Veterans, based on various factors including income and asset levels, whether the disability is “service connected,” POW status and the severity of the disability, to name a few.

A FOUR-FOLD CRISIS

If you are like most people, this may be the first time you’ve had to deal with the problems that come with age, disability or chronic illness.

Maybe you have been shouldering the burden of care alone. You may be confused, overwhelmed and burned out from trying to coordinate and deliver needed care for months or years.

What happens when it all becomes too much? You’ve got a crisis on your hands.

- 1.** You have a **CARE CRISIS** as you realize you have to make immediate arrangements for long-term care to protect your loved one’s health and safety.
- 2.** You have a **FINANCIAL AND LEGAL CRISIS** because the only way you will be able to pay for care without losing everything involves wading through red tape to qualify for Medicaid.
- 3.** You have an **EMOTIONAL CRISIS** as you realize that the loved one you worked so hard to care for needs more help than you can give.
- 4.** You have a **RELATIONSHIP CRISIS** as the pressure to make long-term care decisions increases and old family conflicts get in the way.

The **LIFE CARE PLANNING** solution helps you respond to every part of the long-term care crisis.

CAREGIVERS SUPPORT

Steps to take after a Diagnosis: Become Informed.

STEP ONE

- Books and internet sites on the illness.
- Books and internet sites on caregiving.

STEP TWO

Contact the nearest chapter of associations relating to the illness

- Helps you to stay current with treatment options.
- Provides education about the illness.
- Provides education on coping with the illness.
- Provides support groups and other caregiver services.
- Helps you to identify resources in the community providing support.

STEP THREE

Consider joining a support group

- Gives you the opportunity to share your experience and feelings with others in similar situations who can understand and validate your frustrations and sadness.
- Gives you the opportunity to learn from others' experiences about how to cope.
- Helps you to identify resources in the community providing support.

STEP FOUR

Talk to the Doctor

- Make sure the doctor has the patient's Health Care Directive or Living Will on file.
- Make sure the doctor shares your loved one's philosophy about health care.
- Make sure the doctor is aware of the patient's wishes regarding end-of-life matters.

STEP FIVE

Meet with an Elder Law Attorney

- Long-Term Care Planning is very time sensitive. The earlier the planning is begun, the more options are available.
- Ask if the Elder Law Attorney offers a Life Care Plan. Having a Life Care Plan will ensure quality of care and quality of life in making the right choices for you or your loved one regarding legal and health care needs. You'll have expert legal and health care planning advice every step of the way.
- Estate plans may need to be updated in light of the diagnosis. Health Care Directives or Living Wills are essential.
- Make sure that the attorney you select devotes his or her practice to Elder Law.

Find out more about...

PROFESSIONALS WHO CAN HELP

ELDER LAW ATTORNEYS

Elder Care Law of KY
Elder Law & Life Care Planning

1-888-953-4229

To receive our free, monthly email, Elder Law Newsletter, please call, email or visit our website.

<https://eldercarelegacy.com/>

1-888-953-4229

KY Bluegrass Region

ELDER CARE COORDINATORS

Elder Care Law of KY
1-888-953-4229 Kentucky

Call Elder Care Law of KY for more information about the following services:

**GERIATRICIANS - VISITING HOME CARE PHYSICIANS
HOME HEALTH CARE, REHABILITATION, AND
COMPANION SERVICES**

ADULT DAY CARE

HOSPICE PROVIDERS

HOME CARE

Find out more about ...

HOUSING OPTIONS

ASSISTED LIVING AND NURSING HOME FACILITY INFORMATION

Find out more about ...

HEALTH INFORMATION

American Cancer Society	American	800-227-2345
Diabetes Association	Alzheimer's	800-342-2383
Association		800-272-3900
Arthritis Foundation		800-283-7800
American Heart Association		800-242-8721
American Stroke Association	Mental	888-478-7653
Health America of Kentucky		859-684-7778
Multiple Sclerosis Society	National	800-344-4867
Parkinson Foundation		800-327-4545

PHARMACEUTICAL ASSISTANCE

Find out more about ...

SENIOR SERVICES

TRANSPORTATION SERVICE

RESIDENTIAL REPAIR

HEALTH INSURANCE COUNSELING

MEDICAL ALERT SYSTEMS

GOVERNMENT SERVICES

STATE OF KENTUCKY

KENTUCKY DEPARTMENT OF HEALTH
AND HUMAN SERVICES
www.chfs.ky.gov

800-372-2973

The Kentucky Department for Aging and Independent Living (DAIL) oversees administration of statewide programs and services on behalf of Kentucky's elders and individuals with disabilities.

In partnership with Kentucky's Area Agencies on Aging and Independent Living, community mental health centers, Center for Independent Living and other community partners, DAIL provides leadership and addresses issues and circumstances that stand in the way of elders and individuals with disabilities achieving the best possible quality of life.

Mission Statement

To preserve individual dignity, self respect and independence of Kentucky's elders and individuals with disabilities through leadership, education and delivery of programs and services.

FEDERAL GOVERNMENT

Social Security Administration (www.ssa.gov)	800-772-1213
US Department of Veterans Affairs (www.va.gov)	800-827-1000
Medicare (www.medicare.gov)	800-633-4227
Medicaid (www.medicaid.gov)	877-267-2323



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