

EDWIN LEE LAW

How to Pay for High Nursing Home Costs with Long-Term Care Planning



The Law Office of Edwin E. Lee

It's essential to plan for the future long-term care needs of you or a loved one entering your golden years of life. Medicaid planning is a vital part of safeguarding your financial security for you or your loved ones. Qualifying for Medicaid can mean the difference between leaving a legacy for your family or spending down all your hard-earned assets.

The Difference between Crisis Planning and Non-Crisis Planning

Crisis planning in Texas is defined as planning for Medicaid eligibility with immediate or near immediate health care needs. If you or a loved one find themselves in need of immediate Medicaid coverage in Texas, legal guidance from a long-term care planning lawyer, like Ed Lee, can help you identify critical issues and develop a plan for your specific health care needs.

If long-term care is not immediate and you're planning for the possibility of future elderly care in your home or at a nursing home in Texas, this is referred to as non-crisis planning or long-term care planning. The most efficient way to save your assets from being drained by long-term care costs is to plan for the future. No matter which stage you need long-term care in Texas, Ed Lee can help.

What is Long-Term Care Planning?

Long-term care planning helps aging Americans plan for the high cost of different health care services as they age into their golden years of life. Proper long-term care planning can assist you or a loved one avoid the worry and drain that the cost of health care will have on your savings and your hard-earned assets you may have planned to pass

down to your family members.

Long-term care is designed to meet health needs for an extended time. These services help aging Americans live as independently and safely as possible when they can no longer perform everyday tasks and activities on their own.

Types of Long-Term Care Services Include:

- Home Health Care
- Homemaker and Personal Care Services
- Friendly Visitor and Senior Companion Services
- Senior Transportation Services
- Emergency Medical Alert Systems
- Community Care Facility
- Nursing Home Facility
- Adult Day Care
- Hospice Care
- Respite Care
- Assisted Living Facility



The Cost of Long-Term Care in Texas

The cost of long-term care often shocks retirees and can place an extreme burden on you or your family. Long-term care expenses are uncertain and can fluctuate from very little to over \$1 million. Attempting to plan for this yourself without a professional's help is dangerous, and even the most carefully thought-out retirement plans would not be able to handle this spending shock.

TEXAS ANNUAL MEDIAN COST OF CARE (2019)

IN-HOME CARE	COMMUNITY/ASSISTED LIVING	NURSING HOME FACILITY
Homemaker Services \$47,476	Adult Day Health Care \$8,447	Semi-Private Room \$58,400
Home Health Aide \$48,048	Assisted Living Facility \$45,000	Private Room \$77,015

Resource: <https://www.genworth.com/aging-and-you/finances/cost-of-care.html>

How to Pay for Long-Term Care?

Understanding how to pay for long-term care can be overwhelming. Depending on your individual needs for care, there are some options to consider for paying for long-term care services. Some of these options include:

- Medicaid Coverage
- Medicare Coverage
- Long-term Care Insurance

Each option holds its eligibility requirements and drawbacks depending on what type of services you may need.



Questions to Consider When Transitions to Long-Term Care

Who Should Plan for Long-Term Care?

Everyone should plan. If you plan and don't need long-term care during your life, then great. You still have the peace of mind knowing that you protected your property for your loved ones. You can rest easy at night, knowing that you did the right thing and were prepared. However, should you be one of the millions who will need nursing home care, you can access this needed care without depleting your whole life savings in the process.

When Should Your Loved One Plan?

Planning for the possibility of long-term care is best when done early. If there isn't an immediate need for nursing home care now, then you have the best chances of protecting all of your money. Because of the five-year look-back period for Medicaid, it is best to plan at least five years before nursing home care is needed. No one can predict when the need for nursing home care will arise. Planning now assures you will rest easy knowing you have set yourself and your family up for the best possible outcome for future health care needs.

Take, for example, a couple named Henry and Beth. They have been married for 30 years and are looking forward to entering into their retirement years. They have three children and seven grandchildren. Henry and Beth have worked hard their whole life. They own their home, two cars, a savings account worth about \$50,000, an investment account worth \$200,000, and Henry has an IRA worth \$300,000. Henry and Beth heard about their neighbor who entered the nursing home and lost everything they owned due to the excessive costs associated with nursing home care. Henry and Beth are worried this could happen to them; they wanted to leave a legacy for their grandkids to go to college. Henry had heard about elder law and long-term planning from a co-worker. He and Beth were able to engage in proactive planning and set their family up for success. Now, they have a plan. If either of them enters into a nursing home, they know exactly what will happen with their money and how much they can still be protected while getting the care they need. So, if a health care crisis strikes, finances and qualifying for Medicaid will be one less thing they have to worry about in their golden years.

If you didn't know about the need to plan and haven't engaged in this critical planning, there are still options. You can still plan even if a health crisis is imminent or if you are already in a nursing home. Planning late is still better than not planning at all. You wouldn't be able to protect as much as you would have had you engaged in proactive planning, but you will likely still be able to protect some of your money for your family.



How Do you Plan for Long-Term Care?

Work with an experienced elder law attorney.

This partnership is vital because of the complex rules regarding Medicaid eligibility. It is best to have a lawyer like Ed Lee on your side. His knowledge and experience can help you avoid delays, help protect the most amount of money, and get qualified for Medicaid benefits as soon as possible. What are some strategies that may be implemented in your case?

- Transferring an exempt asset
- Purchasing an exempt asset
- Using trusts – a Medicaid Asset Protection Trust, a Miller Trust, or a Sole Benefit Trust
- Purchasing an annuity
- Paying for exempt home renovations
- Many more options and legal strategies

What Are Your Rights Once in a Texas Nursing Home?

A resident of a nursing home has certain rights.

Most of these rights are derived from the Nursing Home Reform Act of 1987. As a resident, you have the right to:

- Participate in your care plan
- Be informed about the choices available to you
- Make independent decisions about the choices available to you
- Share a room with a spouse that is also a resident of the nursing home
- Participate in religious and social groups

- Engage the services of an advocate to help you
- Engage in discourse with other nursing home residents about how to improve the care you receive
- Be free from physical restraints, except if they are required for your specific medical condition

Also, once you are a resident in a nursing home, you can only be asked to leave under specific circumstances.

Those circumstances include:

- If your health improves to the point that nursing home care is no longer necessary.
- If your medical needs are such that the facility can no longer care for you.
- If the nursing home closes down, they can ask you to leave.
- If your actions endanger the health and safety of the other residents.
- **The big one:** you can be discharged for non-payment in certain situations after the required notice is given. However, if you have an application for Medicaid pending, the nursing home cannot kick you out.

Nursing homes are expensive, and they may try and trick you into thinking you must leave, or you must sign specific paperwork for admissions. Nursing homes are strictly controlled by state and federal law. Don't let the staff at a nursing home force you into doing anything you find strange, illegal, or uncomfortable.



LONG-TERM CARE PLANNING CHECKLIST

You should consult with an elder law attorney if you answer YES to any of the following questions.

Do you worry about paying for long-term care?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Do you want to know what options you have to receive medical care, like being able to stay in your home?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Do you want to ensure your desires regarding medical care are carried out if you cannot communicate them?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Do you want to ensure your money and legacy are preserved for your family or loved ones instead of being spent down on the high cost of nursing home care?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Do you want to ensure your family's inheritance is protected from creditors, divorce, and overspending?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If you answered YES to any of these questions, we could help!

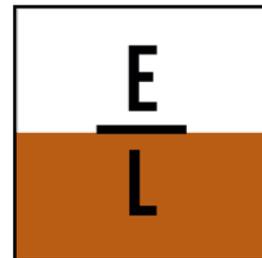
How Can Ed Lee Law Help Your Loved One Transition into Long-Term Care?

Ed Lee Law can help you or a loved one protect your assets from the cost of long-term care with specialized long-term care planning strategies. Our Houston law firm can offer you and your family legal guidance through a wide range of services.

Our services include:

- Prepare for the financial costs of long-term care
- Protect your money from being spent on nursing home care
- Protect your home from being spent down on long-term care
- Help submit a Medicaid application
- Navigate the nursing home admissions process
- Engage in Medicaid and long-term care planning
- Create Powers of Attorney
- Create Health Care Directives
- Conduct the probate process
- Ensure your loved ones are protected in their golden years of life

If you or a loved one need help navigating long-term care, we can help. Contact our office today and schedule an appointment to get started with your legal matters.



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