

WYTYCHAK ELDER LAW NEWS

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September Greetings from Wytychak Elder Law



Thank you to all who attended Kate's speech at the Coeur d' Alene Library on August 11! It was wonderful for her to have so many familiar faces in the audience!

In The News:

- Wytychak Elder Law will be closed on **Monday, September 5, 2011** for the Labor Day Holiday.
- On **September 21, 2011** Kate will give a speech regarding legal issues for the elderly at Luther Park (510 S. Olive Avenue) in Sandpoint, Idaho from 10 a.m. to 12 noon. This event is FREE and open to the public. Reservations are not required. Please call the office or the Alzheimer's Association at 666-2996 for more information.
- **September 21, 2011** is also World Alzheimer's Day! Make sure to wear purple. To find out what events are taking place in our area, contact the Alzheimer's Association at 666-2996.
- Mark your Calendars: the WALK TO END ALZHEIMER'S will take place on **October 1, 2011** at River Stone Park in Coeur d' Alene. For more information, contact Angie Spleiss at (509) 473-3390.



PROTECTING YOUR NEST EGG- BY MICHAEL WYTYCHAK III

A frequent question that clients ask us is how they can protect their financial nest egg from the cost of a nursing home. Clients have heard horror stories about Medicaid. They're not sure how much Medicare will pay for a nursing home. They've heard about ways to hide money.



There are several things about human nature that are at stake in these situations. First, everyone wants to live long and be healthy. Second, everyone wants to leave a legacy, either financial or otherwise. Clashing with our human nature are the economic realities that health care is expensive and seniors have limited financial resources.

For most seniors, there are four possible ways to pay for nursing homes.

- 1) Private payment – i.e., out of their income and/or assets.
- 2) Insurance – e.g. Medicare, supplements, or long term care insurance

- 3) Veteran's Administration
- 4) Medicaid

Medicaid pays for part of the bill for more than half of the people in nursing homes. Those people have exhausted the first three options. They are the ones who want to know if there is a way to not spend the nest egg that they worked so hard for.



When people plan ahead, there usually is a way to preserve some portion of the nest egg. The answer varies from case to case (because of people's circumstances), and from year to year (because of changing laws and court cases). One option is to make a substantial gift of property and not apply for Medicaid for five years. Of course no one knows what the next five years will bring in terms of health expenses for that senior. The gifted property (e.g. money, land, etc) might be needed to pay for health expenses. Underlying the gift option is deciding whether the nest egg should be kept for the benefit of the senior or passed on (i.e. a legacy). It's a terrible choice for a person to have to make.



The ultimate solution to these situations is a better health care system for seniors. The Patient Protection and Affordable Care Act passed by Congress and the President in 2010 was an attempt in that direction. Time will tell how it turns out. In the mean time, long term care remains the largest threat to the finances of senior citizens. The best anyone can do is learn about the options in order to make an informed choice.



**"By all these lovely tokens
September days are here,
With summer's best of weather
And autumn's best of cheer."**

- Helen Hunt Jackson, *September*, 1830-1885



If you haven't already done so, please take a look at our website at:

www.wytychakelderlaw.com

