



The Anchor

ELDER LAW PRACTICE OF TIMOTHY L. TAKACS

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Summer 2009

Issue 31

The Long-Term Care Insurance Partnership

Private insurance and Medicaid come together to pay for care

Coming Events

July 15, Alzheimer's Disease: Help & Hope for Caregivers,

workshops with author Jo Huey at 10 a.m. and 6 p.m., Hotel Preston, Nashville. Sponsored by the Estate and Elder Planning Center. Register at (800) 862-7541

July 21, Tim Takacs guest on OpenLine, NewsChannel 5+

(Comcast Cable Channel 50) 7:00 p.m.

August 3, Tim Takacs guest on Morning-Line, NewsChannel 5+

(Comcast Cable Channel 50) 8:00 a.m.

Mental Health Association Education & Events,

call (615) 269-5355 for dates, times and locations.

Alzheimer's Family Care Network,

call (615) 292-4938, ext. 15 for dates, times and locations closest to you.

Caregiver Support Group at St. Joseph's Church, Madison

(615) 860-0128, first Tuesdays 6:30-8:00 p.m.

In October 2008, Tennessee became one of 25 states to implement a Long-Term Care Insurance Partnership, a program designed to encourage the purchase of private long-term care insurance. In states where the program is offered, individuals who purchase a policy and use up its benefits can then apply for Medicaid. If these individuals meet Medicaid's criteria for income and degree of impairment, they can receive Medicaid-covered long-term care services while protecting some or all of their financial assets that would otherwise make them ineligible under Medicaid's means testing requirements.

How It Works

Assume that a person buys a long-term care policy worth 100,000. That person later

enters a nursing home, and her policy eventually pays out \$100,000. She can then apply for Medicaid to cover her nursing home bills from then on and, if approved, can protect \$100,000 in assets that would otherwise have had to be liquidated and spent for her long-term care before Medicaid would approve her application. This arrangement is a "dollar-for-dollar" partnership. The amount of protected assets equals the amount that the private insurance policy has paid out.

What Is Protected

Assets that may be protected under Partnership policies include assets Medicaid would otherwise count, such as cash savings, securities and most property, among other items. Partnership programs do not

shelter income such as Social Security and pension income.

Critics of the program argue that more needs to be done to help the millions of Americans

Partnerships may give middle-income families a new way to protect assets.

who may never purchase private long-term care

insurance. State officials hope that the Partnership program will fill an important financing gap for middle-income older people who have the ability to purchase long-term care insurance.

Will the program deliver on its promise to ease care expenses for families while slowing Medicaid's soaring costs? Only time will tell. For more information, contact the Tennessee Department of Commerce and Insurance at (800) 342-4029.~

Questions & Answers

Q *Will the State of Tennessee recognize qualified Long-Term Care Partnership policies purchased in another state?*

A Yes. The Bureau of TennCare will recognize qualified Partnership plans purchased outside Tennessee.

Q *Will Medicare pay for my spouse's nursing home costs?*

A Medicare will only cover up to 100 days of skilled nursing home care within a benefit period (copays apply after the first 20 days).

Medicaid covers nursing home costs but only for those who are medically and financially qualified, meaning that income and assets must be below certain limits.

Q *Can I exchange my existing long-term care policy for a policy meeting the qualified Long-Term Care Partnership policy requirements?*

A It depends. Only those individuals who currently own a long-term care insurance policy purchased on or after February of 2006 that would otherwise meet the

Long-Term Care Partnership policy requirements may exchange their policy for a Long-Term Care Partnership policy.

Q *If I am already receiving monthly payments for a service-connected disability, can I get a VA pension, too?*

A You cannot receive a VA non-service-connected pension and service-connected compensation at the same time. However, if you apply for pension and are awarded payments, VA will pay you whichever benefit is the greater amount.~



"There can be no rainbow..."

Workshop Series Continues

The *Community Spouse Workshop Series* continues with free educational programs open to all Life Care Plan clients and their families. Each workshop will include a brief presentation by a member of the Practice staff followed by Q&A.

**Medicare:
It's Not as Easy as ABC**
Thursday, July 30
2:00—3:00 p.m.

The Medicare Program is more complicated than ever with rules, options and timeframes. Medicare Specialist Bonnie Woodard

covers what you need to know in order to make the right choices.

A Caregiver's Journey
Thursday, August 20
3:00—4:00 p.m.

Is it possible to be a caregiver without neglecting yourself? Elder Care Coordinator Carol Moseley discusses caregiving stories, statistics and pitfalls, and offers self-care strategies and inspirations.

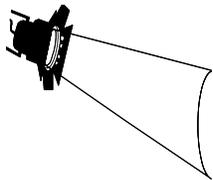
Being an Advocate
Thursday, September 17
3:00—4:00 p.m.
Elder Care Coordinator

Patsy Gentry discusses care quality, care advocacy and how to resolve problems with providers.

Workshops are held at the Elder Law Practice office at 201 Walton Ferry Road in Hendersonville.

Pre-registration is required. Call (615) 824-2571 to reserve your seat.~





GUEST COLUMN

The Facts about Adult Day Services

In Middle Tennessee, the number of Alzheimer's disease patients has increased more rapidly than in many other areas of the nation, largely due to the region's population growth. Today, more than 30,000 Middle Tennesseans suffer from Alzheimer's disease and experts say that the number of people affected by this disease will exceed 50,000 by the end of the decade.

The impact on Middle Tennessee families will be profound. For each person with the disease, at least two other family members' lives will be impacted because they care for a loved one with the disease. That's where Adult Day Services can help.

What Are Adult Day Services?

Adult Day Services Centers are community-based group programs designed to meet the needs of functionally and/or cognitively impaired adults through an individual plan of care. These structured, comprehensive programs

provide a variety of health, social and other support services in a protective setting. Adult Day Services Centers generally operate during normal business hours five days a week.

Adult Day Services Centers provide viable alternatives to institutionalized care and its associated financial and emotional costs. This is especially important for family caregivers who remain employed after they move older relatives into their home. Family caregivers are often overworked as they juggle the added duties.

Who Uses Adult Day Services?

Adult Day Services Centers are designed to serve adults who are physically or mentally impaired and may require medical treatment, supervision, increased social opportunities, assistance with personal care or help with other daily living activities.

Benefits to Families

Adult Day Services Centers ease the pressure on families. Caregivers

who utilize Adult Day Services Centers develop more confidence in their caregiving skills. They get sick less often, suffer less depression, have better stress management skills and feel more thankful for the time they have with their elderly loved ones.

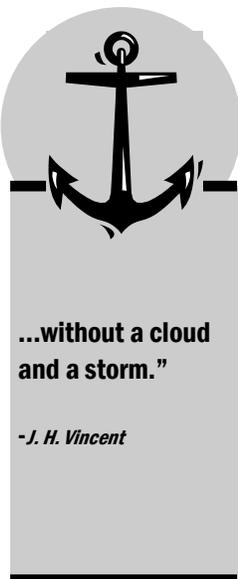
How Many Adult Day Centers Are Operating?

It is estimated that about 4,000 Adult Day Services Centers are in operation in the United States. Forty Adult Day Services Centers are currently operating in Tennessee.

Are Adult Day Services Centers Regulated?

Yes. Tennessee has specific regulations and a process in place for licensure.

Tina O'Brien, M.A. is Executive Director of Elders First Adult Day Services, a nonprofit Adult Day Services Center in Murfreesboro. Contact Tina at (615) 542-4371 or at eldersfirst@dtccom.net. For more information, visit their website at www.eldersfirst-ads.org. ~



...without a cloud
and a storm."

-J. H. Vincent

Medicaid Basics—Part 1

Getting to Yes—The Approval Process

EDITOR'S NOTE: This article is the first of a three-part series on Medicaid by Bryson Eubanks, Public Benefits Specialist.

The Medicaid approval process can seem long and intimidating. This article answers a few of the most common questions about the application process.

Why are so many months of financial records requested when the application process begins?

In February 2006, the Deficit Reduction Act instituted a new five year “look back” period, two years longer than it had been up until that time. Clients supply financial records from two months prior to the date of institutionalization, which is the date a nursing home resident entered the hospital or nursing home for the first time without returning home for at least 30 days. Financial information for the last three to five years may be needed if gifts have been given or if the caseworker requests it.

What are the financial records used for?

The financial records show the state of the elder's finances when he or she entered the nursing home, along with the elder's status at the moment he or she qualifies. The process can vary somewhat if the applicant is a single person or the case involves a spouse, but in the end, the financial records are used in connection with the “spend-down” documents to prove the nursing home resident's eligibility.

How long does the Medicaid application process take?

In theory, the ideal application takes 45 days from the date it is filed. Quite a few steps happen in those 45 days, including the Department of Human Services interview for the client, the presentation of all documentation for the case, the caseworker's review of the information, and, finally, the decision to approve.

In practice, applications sometimes take more than 45 days to process. Medicaid policy says that

the 45-day processing period is the target, but the agency is not necessarily bound by that policy.

Should I worry if my application takes longer?

Clients often worry when 45 days pass with no word about the approval of their applications. However, delays are common. The Department of Human Services lost employees during a recent restructuring of their county offices and districts. The agency also lost many workers to buy-outs offered months ago by the state. The result is fewer employees and bigger caseloads for those who remain.

Clients who experience delays are urged not to panic. The Elder Law Practice staff will make sure that the Department of Human Services has everything they need and then follow up on a regular basis to keep the case moving. Getting to yes often means a long wait—often a bit more than the 45 days the agency promises—but the results are well worth it. ~



"Kind words can be short and easy to speak..."

Takacs Tidbits

Tim is pleased to introduce Chelle McMahan, the latest addition to the Elder Law Practice staff.

As Office Assistant, Chelle is often the first person clients interact with when they call or visit the Elder Law Practice. She answers the phones, makes appointments and provides administrative support to the Elder Law Practice staff.

Before joining the Elder Law Practice in late 2008, Chelle held administrative

positions in the real estate industry, working as closing manager for a high-profile Hendersonville realtor, and as a processor at a title company where she processed closings for loan officers, realtors, and buyers and sellers.

She enjoys her work at the Elder Law Practice and likes providing support to professionals who bring such compassion and heart to their work with the elderly.



Chelle lives in Hendersonville with her daughter and spends most of her free time as a taxi service to her daughter's sporting events.

Reach Chelle by telephone at (615) 824-2571 or by email at cmcmahan@tn-elderlaw.com. ~

Know the Warning Signs of Suicide

Elder adults make up 12% of the U.S. population but account for 18% of all suicide deaths. This is an alarming statistic, as the elderly are the fastest growing segment of the population.

The most common cause for elderly suicide, as for all suicides, is untreated depression. Some believe that depression is a normal part of being elderly, which is completely untrue. Depression is not normal for people of any age. Many elderly people will hide their depression because they do not want

to be seen as weak, crazy, or suffering from dementia. So it is critical to watch closely for warning signs. Here are a few of the most common:

- ♥ Loss of interest in things or activities that are usually found enjoyable
- ♥ Cutting back social interaction, self-care, and grooming
- ♥ Breaking medical regimens (such as going off diets or prescriptions)
- ♥ Experiencing or expecting a significant

personal loss (spouse or other)

- ♥ Feeling hopeless or worthless
- ♥ Putting affairs in order, giving things away, or making changes in wills
- ♥ Stock-piling medication

If you notice these behaviors in a loved one, keep the lines of communication open and seek help from a physician or mental health professional. ~



...but their echoes are truly endless."

-Mother Theresa

The Anchor is a quarterly newsletter designed to enhance the service we provide to our clients. We hope you enjoy the publication and welcome your feedback.

Elder Law is a unique specialty of law intended to serve the needs of the elderly, disabled, and their families. The costs of utilizing such services are usually offset by the financial benefits gained as well as peace of mind.

Some clients who seek our services might feel like they are being tossed in a storm. Forces beyond one's control can catch a family off guard and easily drift them into a crisis situation. With professional assistance, including careful analysis and strategic planning, costly mistakes can be avoided while enhancing the quality of life for those involved.

While the Elder Law Practice of Timothy L. Takacs cannot stop the storm, we can provide the necessary anchor to help steady families during their season of turmoil.~

Information contained herein may contain general explanations of laws. It should not be considered as legal advice. Please seek counsel from an attorney regarding legal planning.
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