

Czepiga & Daly LLC

Planning today for your tomorrow

News You Can Use

Volume 1, Issue 3

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Make sure to check our schedule of speaking events. Czepiga & Daly will be holding Adult Education classes in 13 districts in the area. Check the school near you for dates and times.



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How Parents Can Provide for a Caregiver Child

Taking care of a parent can be a full-time job. Children may have to give up paying jobs in order to provide care to aging parents. Unfortunately, caregiving is usually unpaid work. Parents who want to compensate a child who takes on the burden of caregiving may do so in one of several ways.

- **Caregiver Agreements.** Caregiver agreements are an increas-

ingly popular way to ensure a caregiver child is compensated for their work. A caregiver agreement (also called a personal care contract) is a contract between a parent and a child (or other family member) in which the parent agrees to reimburse the child for caring for the parent. These agreements have many benefits. They provide a way to reward the family

member doing the work. They can help alleviate tension between family members by making sure caregiving is fairly compensated.



[Caregiver Cont'd Page 3](#)

2008 Long-Term Care Insurance Price Index Announced

A 55-year-old individual considering long-term care insurance protection can expect to pay \$709 a year if married or \$1,095 if single, according to the 2008 Long-Term Care Insurance Price Index, an annual report from the [American Association for Long-Term Care Insurance](#), an industry group.

A 65-year-old purchasing comparable coverage will pay \$1,342 (married) or \$1,999 (single) according to the report. Costs for coverage increased about 4 percent over 2007.

The annual index measures current costs for top-selling long-term care insurance policies that offer consumers approximately \$115,000 in current benefits (base-level coverage), with protection increasing yearly as the individual ages. "That coverage will grow in value to over \$305,000 of protection in 20 years," explains Jesse Slome, the association's executive director. The study compares costs for plans that provide benefits for three years or longer with an annual compound infla-

tion option that increases the available insurance benefits by five percent compounded each year.

Below is the 2008 price index:

2008 National LTCi Price Index Average price for a comprehensive long-term care insurance policy (100% home care benefit + skilled care coverage) 90-Day Elimination Period with 5% Compound Inflation Protection Option

[Insurance Cont'd Page 2](#)

What To Do When Medicare Says 'No'

Your doctor suggested you have a minor operation or procedure, you went ahead and had it done, and now Medicare won't pay for it. What should you do? Appeal.

Medicare covers procedures that are deemed medically necessary. "Appealing is easy and most people win so it is worth your while to challenge a Medicare denial," says the Medicare Rights Center, a national nonprofit organization. The denial of coverage may be due, for example, to a simple coding error in your doctor's office.

People have a strong chance of winning their Medicare appeal. According

to the Medicare Rights Center, 80 percent of Medicare Part A appeals and 92 percent of Part B appeals turn out in favor of the person appealing.

The Medicare Rights Center offers the following tips to maximize your success when appealing your denial:

- ◆ Write "Please Review" on the bottom of your Medicare Summary Notice (MSN), sign the back and send the original to the address listed on your MSN by certified mail or with delivery confirmation.

- ◆ Include a letter explaining why the claim should be covered.

- ◆ When possible, get a letter of sup-

port from your doctor or other health care provider explaining why the service was "medically necessary."

- ◆ Save photocopies and records of all communications, whether written or oral, with Medicare concerning your denial.

- ◆ Keep in mind that you only have up to 120 days from the date on the MSN to submit an appeal.

The Center notes that the appeals process is slightly different if you are in a private Medicare plan, like an HMO or a PPO. One difference is that you have only 60 days from the date on the denial notice to file an appeal. ●

Power of Attorney May Not Be So Powerful After All

A Pennsylvania appeals court ruled that a durable power of attorney that allows the agent to "make gifts" does not accord the power to change retirement plan beneficiaries or to make large gifts of personal property absent specific authorization in the document. *In Re: Slomski v. Thermoclad, et al* (Pa. Super. Ct.,

Acting under power of attorney, Mrs. Slomski changed the beneficiary designation on her son's retirement account from his stepchildren

to his siblings and distributed \$115,000 of his assets to his siblings. The power of attorney allowed the agent to "make gifts" but did not elaborate further on gifting powers.

Mr. Slomski's step-children sued his mother, claiming that she lacked the proper authorization to make unlimited gifts. Mrs. Slomski maintained that the power of attorney gave her the right to make unlimited gifts. The trial court ruled that Mrs. Slomski had the power to change the

beneficiaries, but not to make a large distribution of his assets. Both parties appealed.

The Appellate Court found that the power of attorney's phrase "make gifts" does not grant the power to make unlimited gifts or to change beneficiaries of the retirement plan. The court also determined that changes to life insurance and retirement plan beneficiaries be treated as a "gift" subject to the power of attorney gift making statute. ●

Insurance Cont'd

Age 55—\$100 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$709-per-year Individual Qualifies for Preferred Health and Spousal Discounts

Age 55—\$100 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$1,095-per-year Individual is single (preferred health discount)

Age 55—\$150 Maximum Daily Benefit x 3 Year

Benefit Period Cost: \$1,064-per-year Individual Qualifies for Preferred Health and Spousal Discounts

Age 55—\$150 Maximum Daily Bene-

fit x 3 Year Benefit Period Cost: \$1,578-per-year Individual is single (preferred health discount)

Age 65—\$100 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$1,342-per-year Individual Qualifies for Spousal Discounts (standard health)

Age 65—\$100 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$1,999-per-year Individual is single (standard health)

Age 65—\$150 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$2,013-per-year Individual Qualifies

for Spousal Discounts (standard health)

Age 65—\$150 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$2,998-per-year Individual is single (standard health)

Age 65—\$240 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$3,221-per-year Individual Qualifies for Spousal Discounts (standard health)

Age 65—\$240 Maximum Daily Benefit x 3 Year Benefit Period Cost: \$4,729-per-year Individual is single (standard health) ●

New Web Site Invites Reviews of Nursing Homes and Other Senior Care Services

A new Web site, [seniorDECISION](http://www.seniorDECISION.com), features consumer ratings and reviews of nursing homes, assisted living, retirement communities, and home health care agencies. The site is a forum for seniors, caregivers, and aging professionals to share opinions on more than 75,000 senior care and housing services nationwide.

Unlike many Web sites that provide nothing more than text lifted from company-produced brochures, seniorDECISION offers first-hand accounts from people who are receiving senior care services, living in senior housing, or by their family members. Site visitors can choose to write a review, read previously posted reviews, and keep abreast of the latest news on senior issues provided by industry experts.

There is no cost to use seniorDECISION and the site does not accept industry advertising.

The site's seniorACTIVE subscription service notifies providers when reviews are posted about them and gives them the opportunity to respond publicly to consumer reviews. "We designed the site to be a win-win for caregivers and those in the senior care and housing industry," said Rob Liebreich, founder of seniorDecision.

Consumers are invited to post reviews, which can be done anonymously. Reviewers rate providers and share opinions on topics ranging from cost to cleanliness, administration to activities. Detailed compliments or complaints are encouraged, not just to speak one's mind, but to give others a

helping hand as they navigate the myriad care and housing options available for loved ones.

Posting a review on the Web site takes less than five minutes and can be accomplished in five easy steps:

Go to www.seniordecision.com

- Click on the green box that reads "write a review"
- Type in a Provider's name
- Rate the Provider on a scale of 1 to 5 (5 is highly recommend); write a comment

Fill in the registration boxes and click "submit." It's free and anonymous. ●

Caregiver Cont'd

In addition, they can be a key part of Medicaid planning, helping to spend down savings so that the parent might more easily be able to qualify for Medicaid long-term care coverage, if necessary. The downside to caregiver agreements is that the income is taxable. For more information on caregiver agreements, contact a qualified elder law attorney. Note that such agreements should not be drawn up without the help of a qualified elder law attorney.

- **Estate Plan.** A parent can leave a caregiver child an additional amount in the parent's will or trust. The problem with this method of compensation is that it can lead to conflict between siblings or other family members. If a parent chooses to go this route, it is

important that the parent explain his or her reasoning to any other children or family members that might be upset. Communication between family members can prevent problems later. In addition, to avoid any appearance of undue influence, the parent should not involve the child in drafting the estate plan. For more information on preventing a will contest, contact a qualified elder law attorney.

- **House.** If a parent doesn't have cash to compensate a child, the parent may transfer the parent's house to the caregiver child. The parent can transfer the house outright and retain a life estate for him- or herself or the parent could make the child a co-owner of the house. If the

caregiver child has lived with the parent for at least two years, transferring a house can have Medicaid planning advantages as well. However, transferring a house can have serious tax and other consequences, so before taking this step it is important to consult with an elder law attorney.

- **Life Insurance Policy.** Another option for compensating a caregiver is to take out a life insurance policy in the child's name. The benefit of this method is that the life insurance policy will go directly to the child, avoiding probate, but the problem is that the life insurance policy could be very expensive. ●

Firm News

Attorney Paul T. Czepiga has been elected President of the Connecticut Chapter of the National Association of Elder Law Attorneys.

The National Academy of Elder Law

Attorneys, Inc. is a non-profit association that assists lawyers, bar organizations and others who work with older clients and their families. Established in 1987, the Academy provides a resource of information, education, net-

working and assistance to those who deal with the many specialized issues involved with legal services to seniors and people with special needs.



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If you would like to receive this newsletter via email, please contact our office at (860)-594-7995 or email to korrie@czepigadaly.com. Please be sure to include your name and company name. Thank you!

Speaking Engagements

All Adult Education Classes start at 6:30 p.m. unless noted otherwise—Please contact the school districts to enroll.

SEPTEMBER

September 12

New Britain YMCA – Estate Planning Basics

55 Pearl Street, New Britain. 860-826-3553 Please contact the YMCA to attend.

September 22

Bristol Adult Education - Should I Give my Home to My Children– Strategies that prevent you from going broke at a Nursing Home Part 1

Newington Adult Education - Should I Give my Home to My Children– Strategies that prevent you from going broke at a Nursing Home Part 1

September 23

Windsor Adult Education—My Neighbor Has a Living Trust—Should I??

September 24

West Hartford Adult Education—My Neighbor Has a Living Trust—Should I??

September 25

Manchester Community College—My Neighbor Has a Living Trust—Should I??

September 29

Bristol Adult Education - Should I Give my Home to My Children– Strategies that prevent you from going broke at a Nursing Home Part 2

Newington Adult Education - Should I Give my Home to My Children– Strategies that prevent you from going broke at a Nursing Home Part 2

September 30

Meriden Adult Education—Should I Give my Home to My Children– Strategies that prevent you from going broke at a Nursing Home Part 1

OCTOBER

October 1

Berlin Adult Education—What to do when you need medical assistance—Understanding the Long-Term Care Continuum

My Neighbor Has a Living Trust—Should I??