



Protecting Your Health and Wealth

A MONTHLY RESOURCE FOR PROTECTING YOUR ASSETS
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Nursing Home Expenses Can Haunt Your Heirs

Medicaid is the federal program that pays for specific nursing home expenses when a patient's assets are depleted and they can no longer afford to pay for their care. However, with the aging population and skyrocketing healthcare claims, Medicaid has cost more than Congress ever anticipated, and they want to recover their expenses. Consequently, the states that administer the program must make an effort to recover the money spent. The families of individuals who have benefited from Medicaid may find the government knocking on their doors looking to recover its money. At the very least, a claim could be filed against the estate.

Each state can use whatever means its legislature declares appropriate to collect the money owed, and some have become very aggressive. For instance at least one state can now put a lien on a surviving spouse's home that was owned jointly with a deceased Medicaid recipient. When the survivor dies (or sells the home), the state can take its share of the proceeds first. In addition, the same state can immediately go after the life insurance proceeds that were intended to benefit a surviving spouse. To assure that decedents' debts are paid, insurance companies must notify the state before death benefits are sent to the beneficiaries.

What are the chances that the government will dig out from its budget problems and ease up on chasing after Medicaid money? Nobody

can predict this. Therefore, you need to explore how to provide the money that you may need for long-term care expenses so that your bills don't come back and haunt your family.

There's a good possibility I can come up with a long-term care insurance plan that will meet your budget and future needs. All you have to do is include your age on the enclosed coupon and drop it in the mail. I will send you a free illustration based on the long-term costs in our community.

Insuring for the One Left Behind

Most people don't own life insurance to safeguard themselves. Instead they purchase the policies for their survivors. They want to make sure that in case they die, their beneficiary's standard of living will not decline. Long-term care coverage is much the same way. You really aren't buying it for yourself, you are actually protecting your spouse, or anyone else close to you.

If you require nursing home attention, you are responsible for the costs, and after you have spent your assets, the government might pick up the tab. But what would it be like to have to spend most of your money in order to qualify for Medicaid? Once the meter starts ticking at maybe \$180 per day, the emotional drain can be overwhelming as you exhaust your assets.

Medicaid qualification requirements vary among the states, but the majority allows both nursing home and waiver beneficiaries to retain only \$2,000 in financial assets. Personal residences, as well as a limited number of other possessions such as annuities, might be exempt. Nonetheless, your spouse could have to sell those items just to pay his or her bills. He or she may be left with a feeling of helplessness, worry about facing poverty, and loss of control over the future.

Even though Medicaid is the primary source of public financing for long-term care services in the U.S., you should only think of it as a means of last resort. Long-term care insurance may be a better alternative because it can potentially eliminate your spouse's need to dip into savings to pay bills at home if you require expensive, special treatment.

For a free proposal on a policy that can help your loved one remain financially independent, check off and return the enclosed coupon. Please include your date of birth.

Over 80? Should You Forget about Long-term Care Insurance?

You have probably seen the statistics on the cost for long-term care in your community, as well as the probability of needing it. You may have even thought about buying insurance to cover such expenses, but what if you are over 80 years of age and have a few health problems? Is coverage out of the question?

Long-term care insurance companies generally will conduct medical underwriting before issuing a policy. After all, they want to know the odds of possibly paying a claim. In many cases though, they will go beyond medical questions and give you an opportunity to explain your lifestyle. This could be especially beneficial for older seniors. For example,

suppose that you are 80 years old and had a heart attack three years ago with little damage. Since then, medication has kept your blood pressure under control and you take aspirin daily. Your history could indicate that you have a greater chance of needing special care than someone without your medical problem, but there could be more to the story.

Perhaps you are active as a volunteer for a charity or religious organization. Maybe you swim four times a week in the community pool, or participate in other exercise. Do you manage your own finances, drive, or work in the yard? Do you have an active social life? These are points that many long-term care insurance companies will consider when reviewing your application.

Medical history will certainly play a big part in determining your eligibility for coverage. You must tell the truth, but don't let age or health problems prevent you from protecting your assets from the high cost of long-term care.

For a no-obligation proposal based on local long-term care rates, check off and return the enclosed reply coupon. Please include your birth date. ♦

As federal and state tax rules are subject to frequent changes, you should consult with a qualified tax advisor prior to making any investment purchase decisions.

Get this Valuable Free Information

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Please send me information on these items mentioned in your newsletter:

- I would like learn more about how a Long Term Care plan can benefit me.
- I would like to receive an illustration for a plan for the following
- I would like a quote for my group. I have enclosed a Census
- Name _____
DOB ____/____/_____
Tobacco Use? (Yes) / (No)