

Preparing for Nursing Home life.

What you need to know.

Disclaimer: I am not an expert.
However, I am happy to share what I
know. And I am happy to help anytime.

. Everyone needs a Durable Power of Attorney

- A **durable power of attorney** is essential because if a person becomes incapacitated or incompetent without preparing this document, family and friends will not be allowed to make many important financial decisions, pay bills or make important healthcare decisions on behalf of their parent.
- If a person becomes incompetent, the court process will become necessary to acquire the necessary rights. This is expensive and time consuming.

How will you pay for your stay?

Nursing Homes cannot keep people for free. Please pay them. Thank you!

- Private Pay – Approximately about \$6500 monthly for room and board. This includes meals, nurses, aide, activities, - Normal everyday life. Drs fees, medications and many other items are separate. However, they can be billed to Medicare or other insurance.
- Private Insurance – A few individuals have private Long Term Care Insurance, but not many. These policies vary greatly and most only cover a portion of the daily rate. There are requirements that must be met before the Insurance Company will begin paying, like waiting periods, daily payment amounts, and total payout. **So know your policy.**

- Medicaid - Medicaid is a type of public assistance; therefore certain financial requirements must be met. There are several types of Medicaid but 2 main types for NH care.
- **SSI recipients** automatically qualify for the current month.
- May qualify for a 90 day stay if you plan to go home. During this 90 stay, the resident will continue to receive his/her income for household expenses. However, if the resident becomes a permanent nursing home resident, the check will drop to \$30.00
- In you decide to stay may need to complete a new Medicaid application. Please don't wait until the last day to decide.

Income limit for nursing home is \$2205. However, you may still qualify but a special account called a QIT (Qualifying Income Trust) may have to be established. This happens most often when VA money is being received. We will assist you in this process.

- To Qualify for Medicaid
- Less than \$2000 in your bank accounts (all accounts collectively) on the first day of the month prior to any deposits.
- DO NOT GIVE AWAY ANY MONEY OR CLOSE ACCOUNTS. THIS WILL BE AN AUTOMATIC PENALTY BY THE ALABAMA MEDICAID AGENCY AND RESULT IN INELIGIBILITY.
- Cannot own property (unless married spouse is still living at home) However, if you own your own home, Medicaid will allow a lien against the property. DO NOT DEED AWAY ANY PROPERTY – THIS IS AN AUTOMATIC PENALTY AND WILL RESULT IN INELIGIBILITY. Medicaid will look back 5 years.
- Home spouse (legally married – common law does not count) gets to keep the first \$25,000 of savings.

If eligible for Medicaid, all income regardless of type must be applied to your care at the nursing home.

Example:

Resident receives

- Social Security of \$1030.
- Medicare supplement (Blue Cross C plus or another type) of \$140 per month.
- Drug plan, any amount over \$32.00 per month.
- She has a life insurance policy of \$10,000 with \$4000 cash surrender value. Cost \$40 per month – no allowance.

	\$1030.00	
Less	140.00	supplement
Less	8.00	Drug plan (Ex \$40-\$32)
Less	30.00	Personal allowance
	\$820.00	Amount to be applied to NH
		in this scenario