




**Understanding Medicaid & Long Term Care Benefits**

Presented By: Michael L. Rutkowski

www.RutkowskiLawFirm.com 248.792.9193 Serving Client Families Throughout Michigan with our Virtual Proven Process


### What is Medicaid?

- Medicaid is a needs-based healthcare program for low-income individuals
- Medicaid v. Medicaid Long Term Care
- Federal and State funded program



### What is Medicaid Long-Term Care?

- Medicaid covers the cost of long term care for seniors and disabled individuals who meet their state's eligibility requirements. There are several Medicaid programs from which one can receive long-term care services.
- Medicaid, the largest public payer of long-term care services, covers **ongoing and emergent medical care**, like doctor visits and hospital costs but also provides coverage for: Long-term care services including nursing homes, including custodial care, for all eligible people age 21 and older.




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**How do you qualify?**

- Physical Disability
- Asset Test
- Income Test



**Physical Disability – “7 Doors” of Medicaid**

- Door 1: Activities of Daily Living
- Door 2: Cognitive Performance
- Door 3: Physician Involvement
- Door 4: Treatments and Conditions
- Door 5: Skilled Rehabilitation Therapies
- Door 6: Behavior
- Door 7: Service Dependency



**Asset Test**

- Single vs. Married Couple
- Countable vs. Exempt Assets



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**Income Test**



- What is done with income? Institutional v. Community
  - Social Security
  - Pension
  - VA Aid and Attendance
- Minimum Amount Community Spouse – Maintenance Needs Allowance




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**Medicaid Planning**



**Estate Planning + Medicaid Planning**

- How can we plan to utilize Medicaid's long-term care rules?
- What does it typically cost to work with an attorney?




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**Planning for Incapacity**



- Powers of Attorney
  - Durable Power of Attorney (financial matters)
  - Healthcare Power of Attorney
    - Advance Directive, Healthcare Proxy, etc.
    - HIPAA Waiver
    - Living Will




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**What if you didn't plan for it?**



- Guardianship
  - Who? – order of priority
- Conservatorship
  - Court involvement

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**Estate Planning 101**



- Financial Power of Attorney
- Healthcare Power of Attorney
- Will
- Trust(s)
- Funding

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**Revocable Living Trust**



- Avoid Probate
- Private Matter
- Planning Flexibility
- \*\*Asset Protection for Beneficiaries

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**What is Asset Protection?**

- Asset Protection Planning – “legal planning” to place your assets beyond the reach of future creditors
- How it works?
  - Ownership and Control

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**Asset Protection Trust**




- Avoid Probate
- Private Matter
- Planning Flexibility
- Asset Protection for **YOU** & Beneficiaries
  - Long-Term Care Costs
  - Law Suits
  - Creditors & Bankruptcy

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**Long-Term Care**




- What is Long-Term Care?
  - 3 ADLs (Activities of Daily Living) – Personal Care
    - Bathing
    - Dressing
    - Using the toilet
    - Transferring (to or from bed or chair)
    - Ambulation
    - Eating

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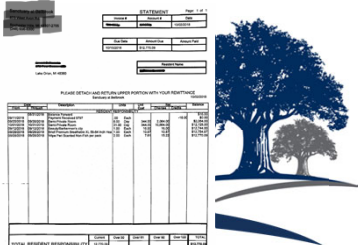
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### What does Long-Term Care cost?



The screenshot shows a complex form with various fields for personal information, financial details, and care needs. A tree logo is visible on the right side of the form.

### Long-Term Care Costs

- How to pay for Long-Term Care?
  - Private Pay
  - Friends/Family
  - Long-Term Care Insurance
  - Medicaid
  - VA Aid and Attendance Pension



### Long-Term Care Costs

- Medicaid
  - What it covers?
    - In-home Care (PACE & MI Waiver)
    - Nursing Home
  - How it works?
    - Asset Test
  - 5 year look-back
  - Estate Recovery



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**Estate Recovery**

- **2007 Estate Recovery** – Michigan is one of the few states where they don't automatically place a lien on your home when you apply for Medicaid.

\*\*Estate Recovery ONLY happens when you go through Probate




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**Long-Term Care Costs**

- **Veteran's Aid & Attendance Pension**
  - Wartime Veteran or Spouse
    - Any **wartime veteran** with 90 days of active duty, 1 day beginning on or after September 8, 1950, and ending on or before August 7, 1951, is eligible to apply for the Aid & Attendance Improved Pension. A spouse who has ended due to death of veteran) of a wartime veteran may also be eligible. Veterans and their spouses must qualify both medically and financially.
  - **World War II:** December 7, 1941 – December 31, 1946
  - **Korean Conflict:** June 27, 1950 – January 31, 1955
  - **Vietnam Era:** August 5, 1964 – May 7, 1975; for Veterans serving "in country" before that start date, the period is extended to February 28, 1961 – May 7, 1975
  - **Gulf War:** August 2, 1990 – a set date to be determined by Presidential Proclamation or federal law

\*\*\*Gulf War Veterans are a special case, as the conflict as of 2023 is still ongoing. Service requirements for these Veterans is different than other conflicts and may be more lenient in some cases. Requirements, whichever is most lenient, if the Veterans is deceased, surviving family members are eligible if the Veterans were eligible at the time of their death.




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**Long-Term Care Costs**

- **Veteran's Aid & Attendance Pension**
  - Net Worth Test – In 2024, assets plus income less liabilities, excluding house and cars
  - 3-year look-back
  - Max Pension Benefit Individual- \$27,609 annually
  - Max Pension Benefit Married Couple (both spouses) - \$35,392 annually




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Leave a Review!



A graphic with a dark blue header containing the text "Leave a Review!". Below the header, there are seven QR codes arranged in two rows: four in the top row and three in the bottom row. The QR codes are intended for linking to Google reviews. In the background, there is a stylized tree and a path leading towards it. The Rutkowski Law Firm logo is in the top right corner of the graphic.

Thank you!

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Questions?

Visit us at [www.RutkowskiLawFirm.com](http://www.RutkowskiLawFirm.com) or call (248) 792-9193 for more information

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