

# Your Life, Your Legacy

February, 2008  
Volume 1, Issue 1

The Coulson Law Group - 1001 Craig Rd., Suite 224, St Louis, MO 63146  
101 Southpointe Dr., Suite B, Edwardsville, IL 62025



THE COULSON  
LAW GROUP

## Special Interest Articles

Our Changes

*Temporary Tax Break Offers Opportunity*

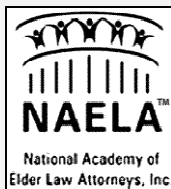
Sage Advice Regarding Nursing Home Admission

\$\$ Benefits for Medicaid Beneficiaries at Home

### Also Of Note...

February Teleseminars 4

Join in via email 4



## A Change Will Do You Good

You can hum along to the Sheryl Crow song while you read this – if you like.

Welcome to our new look! As mentioned in our January editions of our *Medicaid Planning Today* and *Hospice News*, we have combined the two separate newsletters into one, unified publication.

We aim to have our newsletter open people's eyes to all of the ways in which we can help them, and to realize that planning is not a one-time event – but rather a continuing process that can evolve to best

meet each individual's needs. Understanding the process is crucial – and that's how we help our clients.

As elder law attorneys in the 21<sup>st</sup> Century, our practice increasingly involves helping people at a much earlier stage of life than when they are facing the immediate prospect of nursing home placement or dealing with end-of-life issues.

We don't just help people deal with situations when they reach the point where "something needs to be

done", although we still help many folks in those situations. We also help them to prepare for, and help guide them through, the legal/social/medical processes associated with aging that can, for many people, be a source of great uncertainty and worry.

As the saying goes, "Those who fail to plan, plan to fail".

## Temporary Tax Break = Great Time to Plan!

A temporary tax break that goes into effect this year offers a good opportunity for many seniors to engage in asset preservation planning that can be carried out in a tax-friendly way. From 2008 to 2010, taxpayers in the 10 and 15 percent tax brackets will pay zero percent in capital gains taxes. That means that people in those brackets – which cover taxable income up to \$65,100 for a married couple filing jointly and \$32,550 for a single taxpayer – will be able to sell stocks, bonds, real estate and other assets without having to pay any capital gains taxes.

Many seniors would benefit greatly from planning directed toward preserving their assets from the risk of financial devastation that can often accompany a need for long-term care. Although the benefits of the planning have always outweighed tax concerns, this temporary change in the law means that, for the next few years, many seniors will be able to carry out their planning with the benefit of a tax break that will, in many cases, more than pay for the cost of the planning.

For example, let's say that a couple is considering setting up an asset

preservation trust this year. As part of that process, they will decide which assets to protect from long-term care costs by putting them into the asset preservation trust, and which assets to keep in their own names. Knowing that assets that will generate a capital gains tax upon sale can be sold, either now or within the next couple of years, without a capital gains tax, can help them to plan in a way that will not only preserve assets, but also save them taxes in the process.

(Story continued on next page)



"Hospices now care for over half of all Americans who die from cancer and a growing number of patients with other chronic, life-threatening illnesses, such as end-stage heart or lung disease."

**Illinois Hospice and Palliative Care Organization**

## Temporary Tax Break (continued)

As with any tax law, there are limitations on what can be done, and things that will need to be taken into consideration in order to assure that gaining this tax advantage does not cause other unintended consequences. For example, because the income realized from the sale of investments will be added to your other income, you could be pushed into a higher tax bracket. In addition, any planning that involves making gifts must be carried out very carefully so that it does not cause later

problems with Medicaid eligibility. Finally, just because you can sell an asset free from capital gains tax doesn't necessarily mean that you should. As always, professional legal, tax and investment advice will be essential to successful planning.

**If you would like to learn more about how asset preservation planning could benefit you or any seniors you know who might benefit from this planning, call 314-567-9292 or 618-659-9292 to request**

**a copy of our free "white paper" called "Questions and Answers on Asset Preservation Trusts," or our free "seminars on CD" on this subject, called "Advanced Legal Planning for Asset Protection", "Asset Protection Planning – Annie's Case Study", "Asset Protection Planning – Tom & Donna's Case Study" – or better yet, ask for a copy of each. You may also email Steve Held at [steve@coulsonlawgroup.com](mailto:steve@coulsonlawgroup.com)**

## Good Advice on Nursing Home Admission

The National Senior Citizens Law Center ([www.nslc.org](http://www.nslc.org)) has recently published a helpful guide for prospective nursing home residents and their families entitled "Nursing Home Admission Agreements: Think Twice Before Signing."

The guide discusses common admission agreement problems, based on a recent study of 175 Missouri nursing home admission agreements. It is meant to inform and empower nursing home residents, their families, and others with an interest in improving nursing home care. As the guide explains, the federal Nursing Home Reform Law provides many protections for residents and families. If aware of those protections, they can act to obtain the best quality of care for the family member who needs it.

The fact that someone is prepared to speak up for a loved one, and to do so in an informed way, does not mean that they are choosing to enter into an adversarial relationship with a nursing home. As with any other important relationship, each

party has important and legitimate interests to protect. A good nursing home will be interested in meeting its own needs and objectives in a way that also respects and advances the rights and needs of its residents. But as in so many other situations, it is important for people to speak up on matters of concern.

The choice of a nursing home is obviously one of great importance. It will, after all, become the new home of the senior whose care needs can no longer be adequately met in another setting. Because of (or perhaps despite) the fact that so many people unfortunately view nursing home admission in such a negative way, it is very important to manage that life transition in the best and most positive way possible.

The choice of a nursing home is also a multi-faceted decision, and just because a given nursing home is the best choice for one person doesn't necessarily mean that it will be the best choice for someone else. For example, one nursing home may excel in its therapy and rehab

programs. That would be very important to someone who will benefit from rehab, but of no importance to someone whose condition would not be responsive to therapy. Another nursing home's strong social programs would be very beneficial to a resident able to participate in them, but not to someone who is no longer able to do so.

**If your family is facing a current or anticipated future decision on nursing home placement, please call or e-mail us and we will be happy to send you a free copy of our "St. Louis Area Nursing Home Guide" and the NSCLC guide on Nursing Home Admission Agreements. For more helpful information on nursing home admission and planning, visit our Medicaid-planning web site, [www.QualifyForMedicaid.com](http://www.QualifyForMedicaid.com). For more information regarding the legal rights of nursing home residents, including the detailed study which formed the basis for the Nursing Home Admission Agreements guide, visit [www.nslc.org](http://www.nslc.org).**

## CASH ALLOWANCE FOR MEDICAID BENEFICIARIES AT HOME

Medicaid beneficiaries who need help living at home could soon choose to receive a cash allowance to hire their own home care workers or even pay a family member to deliver their care.

Currently Medicaid beneficiaries who need help with activities of daily living like bathing and dressing (at least those fortunate enough to live in an area with a funded Medicaid home-care program) must work with personnel employed by a home-care agency. But beneficiaries often have limited choices about how or when their care is provided, especially since agencies generally do not provide care on weekends or outside normal business hours.

The federal Center for Medicare & Medicaid Services (CMS) has proposed a new rule that would give Medicaid beneficiaries a cash allowance to hire, direct and train their own personal care workers to help with things like preparing meals, household chores and other services that help a person to live

independently. Beneficiaries could even hire qualified family members who may already be familiar with the individual's needs to perform personal assistance (but not medical) services.

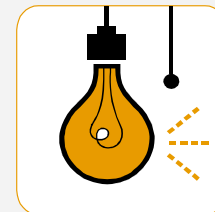
In addition, the allowance could be used for assistive technologies or home modifications, such as a wheelchair ramp or an accessible sink, that could reduce dependency on human assistance. Beneficiaries would also have the option to have their cash benefit allowance managed for them.

The proposal would put into place a provision of the Deficit Reduction Act of 2005 that allows states to elect a state plan option to provide care in ways that previously required "waivers" of federal Medicaid laws. States would have to apply for approval of this state plan option in order to be able to provide these self-directed services.

Enrollment by beneficiaries would be optional and the state would still have to provide traditional agency-delivered services if a beneficiary chose not to elect, or to discontinue, self-directed care.

Comments on the proposed new rule can be submitted online to CMS through February 19, 2008, at <http://www.cms.hhs.gov/eRulemaking>.

***If you would like to discuss how a client or family member might establish eligibility for Medicaid or, in the case of a veteran or a veteran's spouse or widow, Veterans Administration benefits, to help pay for care provided in a home or assisted living setting, without unnecessarily jeopardizing later eligibility for Medicaid nursing home benefits, give us a call at 314-567-9292 or 618-659-9292, or send an e-mail to [info@coulsonlawgroup.com](mailto:info@coulsonlawgroup.com).***



*"In 2006, the most current data year, 12.4% of the population was 65 or older (37.5 million people). By 2030 that number could grow to more than 20% (71.5 million people) "*

**U.S Department of Health and Human Services – Administration on Aging**

## TRENDS AND ISSUES - DID YOU KNOW?

There are more than 7,000 geriatricians in the United States. That works out to about one for every 2,500 people age 75 and older. By 2030, the ratio is projected to be one geriatrician for every 4,200 adults in that age group. – As reported in the Journal of Geriatric Medicine, December 2007.

"It takes as much energy to wish as it does to plan." – Eleanor Roosevelt

**Advertising Material:** Commercial solicitations are permitted by the Missouri and Illinois rules of professional conduct but are neither submitted to nor approved by the Missouri and Illinois Bar or the Supreme Court of Missouri or Illinois. The choice of a lawyer is an important decision and should not be based solely on advertisements.

Your Life, Your Legacy is written by the attorneys of The Coulson Law Group, Wesley J. Coulson and Joseph Ilges, and is published as a service of The Coulson Law Group, 1001 Craig Road, Suite 224, St. Louis, Missouri 63146; 101 Southpointe Drive, Suite B, Edwardsville, Illinois 62025. This is for general purposes only and does not constitute legal advice. For specific questions, you should consult a qualified attorney.

**The Coulson Law Group**

1001 Craig Rd.  
Suite 224  
St. Louis, MO 63146

**Phone**  
314.567.9292

**Fax**  
314.567.9294

101 Southpointe  
Suite B  
Edwardsville, IL 62025

**Phone**  
618.659.9292

**Fax**  
618.659.9207

*Your Life, Your Legacy, Your  
Lawyers*

**On the web**

[www.betterestateplanning.com](http://www.betterestateplanning.com)

[www.qualifyformedicaid.com](http://www.qualifyformedicaid.com)

## February Teleseminars – Come Join Us

What are you doing over your lunch hour? Did you know that you can listen from the comfort of your office, car, home, or any other place you have access to a phone? This month's topic is

**"Medicaid Planning in Action: Case Studies."**

The teleseminar will be offered on:

Monday, February 25th

Thursday, February 28th

Each teleseminar will begin at 12 noon. Registration is FREE! All you need to do is contact Steve Held at 314-

567-9292 or 618-659-9292, email him at [steve@coulsonlawgroup.com](mailto:steve@coulsonlawgroup.com).

Each teleseminar participant will also receive free cd recording of the seminar as well as supporting documents. The hour you spend will be well worth it!! Contact us today.

## JOIN THE EMAIL REVOLUTION!

Tired of traipsing out to the mailbox? Terrified of papercuts? Just want to do something positive for the environment? If you answered yes to any of these questions then you are ready to take the next step – TO RECEIVE THE NEWSLETTER VIA

EMAIL. It's as easy as 1+ 2:

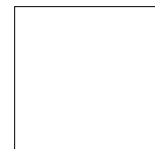
1. Call our offices at 314-567-9292 or 618-659-9292
2. Ask for Steve Held, Education and Outreach Manager

Steve will take your information and add you to our email list. He likes receiving email, too, so drop him a message at [steve@coulsonlawgroup.com](mailto:steve@coulsonlawgroup.com)

**THE COULSON LAW GROUP**

1001 Craig Rd., Suite 224  
St. Louis, MO 63146

101 Southpointe Dr., Suite B  
Edwardsville, IL 62025



ADVERTISING MATERIAL