



THE COULSON  
LAW GROUP

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# Your Life, Your Legacy

Volume I Issue 5

June 2008

Dear Readers,

*This month, we have decided to focus on the best, and happiest, aspect of our work: the help we are able to provide to our clients, and the tremendous positive difference it has made for them and their families.*

*The "Success Stories" described in this issue are based closely on actual client situations. The names have been omitted, and the facts altered just a bit here and there, to respect and protect our clients' privacy.*

*The next time you refer an individual or a family to us for help, you will be doing them a very important favor, and we hope you will feel as good about that as we do. The people you so kindly refer to us for help aren't just our "success stories." They're yours, too.*

Cordially,  
Wes

## Success Stories

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## SUCCESS STORIES: MEDICAID PLANNING

**The Situation:** While only 71 years old, Ms. H, a widow, suffered from dementia and had been placed in a nursing home. Her son recognized she could easily live another five years, perhaps longer. Although she still had almost \$250,000 left (her house had been sold), her life savings were being rapidly depleted by care costs that were sometimes as great as \$6,000 per month.

Her son faced a series of difficult questions about which of her remaining assets would have to be liquidated next. Having only been widowed a couple of years before, Ms. H had been forced to take on the burden of managing the family finances at a very difficult time.

Things weren't in the best order. Some well-intentioned but ill-advised transac-

tions would need to be "undone" before planning could be successfully completed.



**The Happy Ending:** Although the process proved time-consuming and difficult, we were able to help Ms. H, through her son, to successfully straighten out her financial situation. We were then able to complete planning that resulted in Ms. H becoming immediately eligible for Medicaid long-term care benefits, with Medicaid paying (continued on Page 2)

## SUCCESS STORIES: MEDICAID PLANNING (CONTINUED)

most of her monthly nursing home costs. In addition, money was set aside in a "moral trust" to pay for her hair care, personal items and other things Medicaid doesn't pay for.

Given the complexity of the transactions necessary in order to straighten out Ms. H's financial situation, her Medicaid application was chosen for audit. Although the auditors went over everything with a fine-tooth comb, they couldn't find any mistakes, and Ms. H's application was approved, with eligibility beginning as soon as we had promised.

**Our Own Happy Ending:** Ms. H's planning has an especially happy ending for us at The Coulson Law Group. Her son sent us a [wonderful letter](#), explaining that while he had experienced "sticker shock" when fees were discussed at our initial meeting, when he was asked by Wes at a final meeting whether we had earned our money, he told us "there was no doubt" in his mind that we had.



To read the full text of his letter – which says it better than anything we could write – please [click here](#).

## Success Stories: Special Needs Planning

**The situation:** Ms. W is in her early 60s. Although her physical health is good, she became disabled about eight years ago as a result of a mental health condition, and has since been completely unable to work. Her son is her conservator and guardian.

She has no income, and although she is clearly disabled, she was turned down for SSI and Medicaid because she has too many assets. She was fortunate to get a "bare bones" health insurance policy, at a considerable (and getting ever worse) expense. She had been spending down her life savings, and all she had left was her condo and a little over \$100,000. Her son knew that money would not be enough to last her remaining lifetime, and that the prescription and

medical expenses her insurance didn't cover presented a constant threat to eat up the rest of her money in a hurry.

**The happy ending:** We prepared a "self-settled special needs trust" for Ms. W, and got approval from the court for her son, as conservator, to sign the trust and transfer her assets into it. As a result, Ms. W will be eligible to receive a monthly SSI check to meet her basic living needs, and she will be eligible to receive Medicaid to cover her medical expenses. She can drop the expensive health insurance. The money in the special needs trust will be available, from here on, to pay for everything the government assistance programs don't pay for. The chance that she will ever run out of money has been reduced tremendously.

**Want To Know More About Special Needs Planning?** Each month we publish a WEB ONLY Special Needs Newsletter which focuses solely on Special Needs issues\*. Contact Steve Held at (314) 567-9292, (618) 659-9292 or via email at [steve@coulsonlawgroup.com](mailto:steve@coulsonlawgroup.com) to be added to our mailing list or to request a copy of those articles.

**\*This month's issue features articles entitled "The Advantages of a Stand-Alone Special Needs Trust" and "Does Your Estate Protect a Child at Risk?"**

## SUCCESS STORIES: HOSPICE PLANNING

**The situation:** Ms. S, in her 40s, was dying of cancer and had only a short time to live. Hospice has been called in. She considered her estate fairly modest, but like a lot of people, she was “worth more dead than alive.” Her retirement benefits would become payable, and there was also a decent-sized life insurance policy on her through her work. She called us in “to prepare a simple will,” because she was concerned about her three children. Two of the three are minors, and one of those two is a special needs child. Like most people that age, she had no estate plan in place.

**The happy ending:** We were able to very quickly prepare for Ms. S a living trust, a “pour-over” will, and financial and health care powers of attorney. The living trust would, after her death, continue to hold and distribute the shares of her two minor children, in the case of her son until he reached age 25, and in the case of her daughter for her remaining lifetime through a special needs trust. Working with the agent under the financial power of attorney she signed, we were able to transfer ownership of her assets into the living trust before she died, and to name it as beneficiary of her retirement plan and life insurance.

The first great benefit was felt immediately. Ms. S was able to part this life with the peace of mind that came from knowing that, with our help, she would be able to provide for her children in the best possible way. Her estate did not have to go through probate, so there was no interruption in the availability of funds to help her children, and her estate was spared a considerable expense and delay. Her minor son’s share of the estate will be safe and sound, and there whenever he needs it, until he is old enough to handle his own finances. So will her special needs daughter’s share of the estate, and her eligibility for Medicaid and the other assistance she needs has been preserved.

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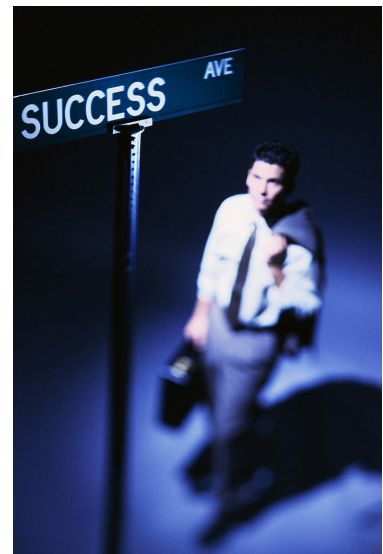
## Success Stories: Asset Preservation Planning

**The Situation:** Mr. B is in his late 70s, and in good health. Mrs. B is in her early 70s, but has a disabling neurological disorder. She is fine at home for now, with Mr. B there to care for her. But if her condition gets worse over time, or if Mr. B isn’t there to care for her, there’s a good chance she would need nursing home care.

Mr. and Mrs. B own a home and have around \$300,000 in other assets. They were concerned about the possibility that future long-term care costs could deplete their estate, threatening both their financial security and their ability to leave an estate to benefit their four children.

**The Happy Ending:** Through planning, we were able to move the assets that would otherwise have needed to be spent down if Mrs. B needed nursing home care while Mr. B is still alive into an asset preservation trust. The assets will be safe from spend-down there, and the trust was structured so that Mr. and Mrs. B still receive the income from the investment assets put into the trust.

The other assets are in a living trust for Mr. B. If Mrs. B needs nursing home care during Mr. B’s lifetime, the Medicaid rules will allow him to keep those assets. When he dies, they will, if Mrs. B is still alive, be held in a special needs trust, which means they will be available for her benefit, but in a way that will not require them to have to be spent down to pay for her care. For that reason, she will qualify immediately for Medicaid to



"Your Life, Your Legacy, Your Lawyers"

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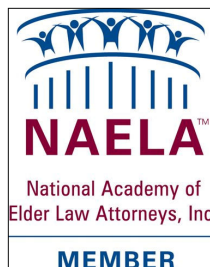
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Your Life, Your Legacy is written by the attorneys of the Coulson Law Group, Wesley J. Coulson and Joseph Ilges, and is published as a service of the Coulson Law Group, 1001 Craig Road, Suite 224, St. Louis, Missouri, 63146; 101 Southpointe Drive,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



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## Teleseminar to Focus on Special Needs Planning

### June Teleseminars—Sign Up Now!!!

**Topic:** Special Needs Planning  
**Date(s):** Wednesday, June 25  
Monday, June 30th  
**Time:** 12 Noon

**Get your space reserved today! Call Steve Held at (314) 567-9292, (618) 659-9292, or email him at [steve@coulsonlawgroup.com](mailto:steve@coulsonlawgroup.com).**