

## Elder Life Group Reduces Medicaid Spend-Down by Over 70%, Protecting More Than \$1M in Family Assets

# Alzheimer's Care Jeopardizes Family Estate

Barbara, 80, had lived alone for 10 years after the passing of her husband, Bob. She was diagnosed with Alzheimer's five years later, and since then her condition had progressed to the point of requiring a memory care facility for her protection.

After only a few months in the facility, Barbara's four daughters became concerned with the massive expense. Their mother's care cost \$8,500 per month out of pocket. Bob had managed the finances, and they discovered that he hadn't accounted for this kind of advanced planning.

Their first concern was taking care of their mother. But, they also knew that doing so properly would put the family's \$1.6M estate at risk along with the financial legacy their parents had worked so hard to provide.

### TRADITIONAL FINANCIAL STRATEGY LEADS TO SERIOUS CONCERNS

The daughters turned to a registered investment advisor Bob had frequently consulted for guidance in their home state of Kentucky. The broker explained that, based on state rules, Barbara wouldn't qualify for government relief until she spent down her entire estate.



However, the broker managed this estate in the stock market and didn't believe Barbara's healthcare costs presented a problem. He assured them that the market would generate enough income through interest to cover everything based on historical returns.

Despite his confidence, the family wasn't so sure. There were no guarantees of any kind on the interest. Long-term care costs can grow quickly as patient function declines, which often requires dipping

into the principle. Quite simply, the broker's plan was antiquated and left control of their mother's future out of their hands.

### EXPERT GUIDANCE OFFERS AN ALTERNATIVE SOLUTION WITH TRUE PROTECTION

With Barbara financially ineligible for Medicaid and no end in sight for any sort of relief, the daughters sought a second opinion. They met an Elder Life Group advisor at a long-term care planning workshop and set up an appointment that would change their entire outlook.

They were delighted to learn that it wasn't too late to plan. To protect their family's assets

(over, please)

the right way, they needed support from both a financial and a legal expert in advanced planning.

Thanks to Elder Life Group's local representative and national network, they looked no further.

## **SPECIALIZED LONG-TERM HEALTHCARE PLAN OFFERS GUARANTEED SECURITY**

Elder Life Group's financial advisor worked closely with a network attorney to execute an advanced plan for the family. The results provided them everything the broker's plan didn't.

- Only \$460k in spend-down to qualify for relief rather than all \$1.6M
- \$1.1M held in trust from Barbara's estate

- Zero potential market loss on the remaining assets held in trust
- 15-year penalty avoided after gifting the \$1.1M to Barbara's daughters
- 5 years of facility expenses covered through a specialized stop-loss strategy
- Medicaid-eligible after 5 years in order to pay for care
- Trust-compliant coverage for increasing costs due to Barbara's declining condition

**Thanks to Elder Life Group's planning options and expert guidance, Barbara's future at the nursing home was fully protected without risk of going broke due to healthcare expenses. And, as Bob and Barbara hoped, their children's legacy was secure.**

Elder Life Group is a leading financial services provider specializing in healthcare and retirement planning. Our advisors work with law firms, insurance professionals, and financial institutions across the country to protect our valued seniors from the high costs of aging.

We find options, you find peace of mind.



101 S. Main St, Suite 200, Janesville, WI 53545

(877) 336-7782 | [info@elderlifegroup.com](mailto:info@elderlifegroup.com) | [elderlifegroup.com](http://elderlifegroup.com)

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