Life Transitions: Are You Ready?
Challenging because they force us to let go of the familiar and face the future with a feeling of vulnerability and fear.

- Marriage
- Arrival of a new baby
- Parenting
- Growing up and moving away
- Adjustments to college or the workplace
- Empty Nesting
- Divorce
- Retirement, job loss, or career change
- Financial gain or loss
- Serious illness or disability of self or a loved one
- Declining health, limitations, aging
- Death of a loved one

Life Care Planning is about Transitions

Aging: One of the Longest Life Transitions

Over 10,000 join the 65 plus club every day

Lifespan After 65: Female 19 years Male 18 years

70% of older adults will need long-term care

40% of seniors will enter a nursing home during their lifetime

2.4 years is the average length of stay for current skilled nursing home residents

Leading to Two (2) Primary Fears/Concerns by those Aging Older Adults

(1) Loss of health is retirees' greatest source of worry - Losing Yourself - Alzheimer's has become the most feared condition of age.

70% will need assistance with long-term care

(2) Financial Concerns: **Outliving Your Money**

Retirees' **greatest financial concerns** are costly health issues, rising cost of living, supporting their lifestyle, and outliving their savings.

The Root Reasons for Life Care Planning are Life Transitions and the resulting … anxieties, fears, insecurities, and grief of the unknown and loss.

Life Care Planning is GOOD NEWS!

Life Transitions: Living Alone?

Households headed by someone age 65 or over:

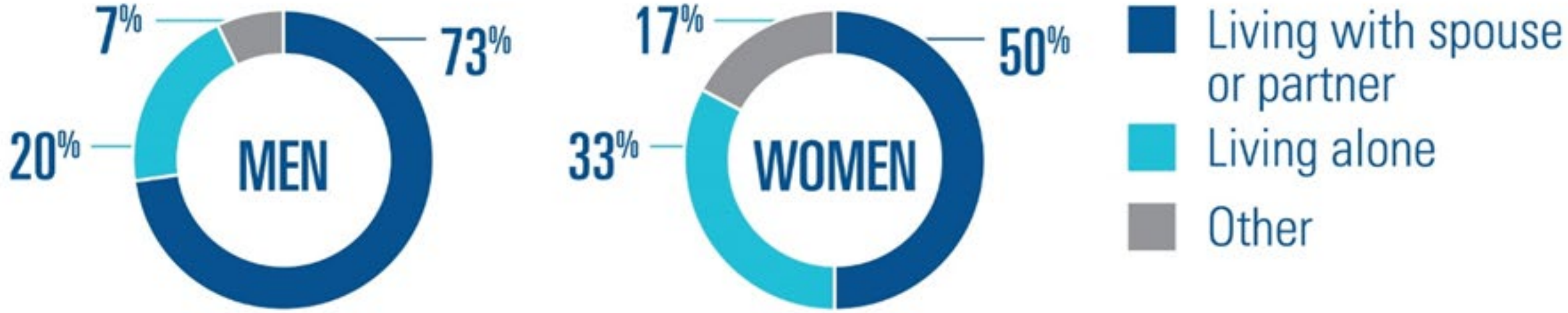
- **37% married couples living by themselves, or**
- **42% single individuals.**

For those 80 & over, the share of solo households increases to 58%.

The numbers of single-person households among the over-80 group will grow dramatically, from 4.7 million households in 2018 to an estimated 10.1 million in 2038

Life Transitions: Living Alone? = More Vulnerable

Living Arrangements of Persons Age 65 and Older, 2020



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement

Life Transitions: Cost of Care?

Genworth Cost of Care Survey 2022

Monthly Median Cost for Kansas City - 2021

In-Home Care	Community	Skilled Facilities
Home Health Aide $4,957 44 Hr/Wk ($59,488)	Assisted $4,585 ($55,200)	Semi-Private $6,464 ($77,563) 2.5 yr/$193,908
	Adult Day $1,733 Care	Private $7,908 ($94,900) 2.5 yr/$237,250

THE 7 YEAR JOURNEY

Life Transitions: Cost of Care – Going Up?

Genworth Cost of Care Survey 2022

Cost Increases	Year over Year	5 Year Annual Compound Growth
Home Health Aide	5.92%	12.50%
Assisted Living	4.4%	4.65%
Skilled Nursing	3.29%	1.96%

Life Transitions: Legal Document Framework

SHARE OF PEOPLE AGE 55 OR OLDER WITH THE ESSENTIALS

A WILL	55%
ADVANCE HEALTH-CARE DIRECTIVE OR HEALTH-CARE PROXY	41%
A DURABLE POWER OF ATTORNEY	33%
ALL THREE OF THE ABOVE	18%

Source: Merrill Lynch/Age Wave research

Questions You Need to Ask as You Age

Assess the Risks - Are you ready - prepared for when you (Spouse/Partner) (Parent) (Child) need long-term services and supports?

Who - Who will be your Caregiver(s) – Team Members? Safeguards? Checks and Balances?

Count the Cost - Are your resources sufficient to provide long term care and supportive services for yourself (Spouse/Partner)(Parent)(Child)?

When is the right time to create a Life Care Plan?

Retirement Years

Trigger Event

As you approach your retirement years or immediately after a Trigger Event - any event that leaves you concerned about your future.

Sample Trigger events

- Diagnosis of Cancer, Alzheimer's Dementia or chronic condition.
- Catastrophic event such as a fall, medication mishap, fire, accident in home or car wreck
- Wandering, malnourished, dehydrated or unable to care for self
- Medical Event such as a stroke, heart attack or aneurism
- Burnout of caregiver

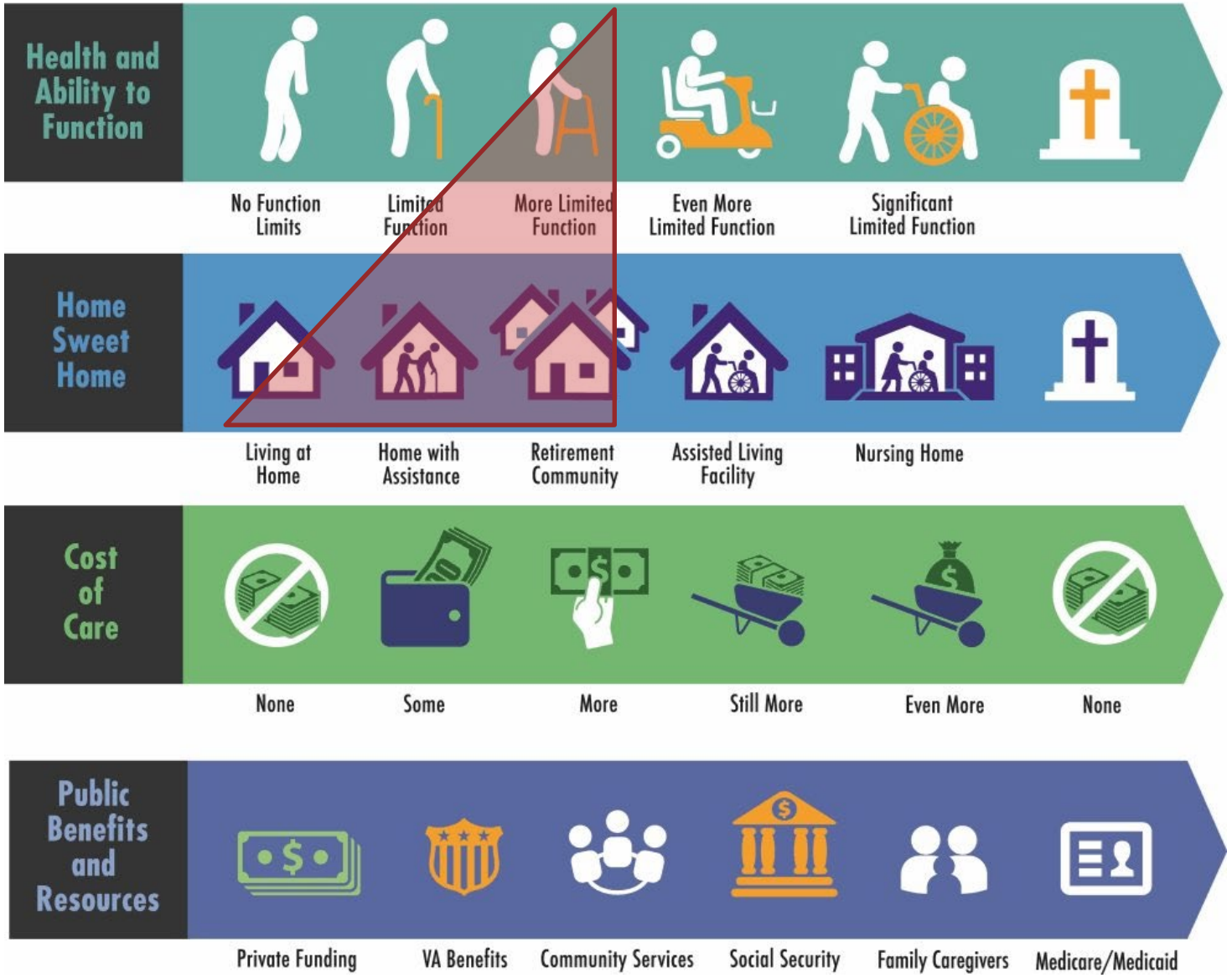
Elder Care Continuum

Trigger Events Lead To The Danger Zone

DESIGNING YOUR Masterpiece LIFESCAPE

LIFESCAPE

LAW & DEVELOPMENT



Life Care Planning

A New Approach to Life Transitions

"So much of life isn't about what happens to you but how you *think* about what happens to you."

Craig Groeschel, Life.Church
Words to Live By

Life Care Planning Transforms Your Thinking

Mission of Life Care Planning

A Holistic, multidisciplinary approach to life and long-term care planning designed to address the emotional, physical, and financial challenges faced by families with older adults and loved ones with special needs.

- **Educate Strategic Partners**
- **Guide and Support Caregivers**
- **Facilitate Family Health and Harmony**

We navigate the complexity of life care planning for older adults and individuals with special needs, and create a sustainable, high quality of life and care for everyone in the family.

Why Do We Do What We Do?

Because, if you don't do what you need to do, when you need to do it, someone else will do (decide) it for you (Doctors, Insurance Companies, Government/Courts) and you will not like it

AND YOU AND YOUR LOVED ONES COULD…..

- Lose Control
- Create Family Conflict, e.g. 2nd marriage and stepchildren
- Be in Poverty
- Be Trapped without good options
- Be abused
- Be neglected
- Be dependent
- Be vulnerable

Keep in Mind – The Keys

- **PREPARE, PREPARE, PREPARE**
- **It’s Never too Soon to Start Planning**
- **Start NOW so that YOU can Participate while you Can**
- **You don’t have to do everything at once– one step at a time**
- **Stay Focused on What You Want (Not What You Don’t Want)**
- **Get a Plan and Work the Plan**
- **You’re NOT alone**
- **It takes a Village**

Today’s Agenda

- **Examine the Why - Life Transitions and Risk Assessment**
- **Identify the Five Elements of Your Life Care Plan**
- **How to Build Your Team & Who are the Players**
- **How to Get Started**
- **Know Your Potential Tools and Resources**

Developing Your Life Care Plan

Start with a Conversation

- What are your current abilities and functional limitations
    - Can I still perform my own daily living tasks, bathing, dressing, etc
    - Can I still cook, clean my home
    - Can I still drive
    - Can I take care of the lawn and perform home maintenance
    - Can I take my medications on time and keep track of dosages
- What are my current fears and concerns
- What do I need help with
- What do I want
    - Do I want to stay in my home or downsize or move
    - Do I want to move to a senior community

DESIGNING YOUR Masterpiece LIFESCAPE
LIFESCAPE
LAW & DEVELOPMENT

Based on this Conversation Create a List

WHAT IS NEEDED TO MAKE THESE GOALS AND WISHES A REALITY?

WHAT GAPS EXIST AND NEED FILLED?

HOW WILL YOU FILL THOSE GAPS? WHO WILL FILL THOSE GAPS?

WHAT COMMUNITY PROFESSIONALS OR RESOURCES CAN BE ACCESSED?

DESIGNING YOUR Masterpiece LIFESCAPE

LIFESCAPE

LAW & DEVELOPMENT

Health and Wellness

Quality Care & Safety

Team/Players

Caring Family & Friends

Rehabilitation Services

Respite Care

Hospitals

Doctors

Companion Care

Team/Players

Life Care Planner

Home Health

Caregivers

RN/LPN/CNA

Dietician/Nutritionist

PTs/OTs

Wellness Coaches

Independent, Assisted, and Skilled Nursing Facilities

Insurance Agents

Legal

Essential Tools
Legal Documents

- **Financial Durable Power of Attorney**
- **Health Durable Power of Attorney**
- Living Will (Healthcare Directive)
- Portable HIPAA
- Last Will & Testament
- POD,TOD, BD, etc.

Team/Player

- Life Care Planning Attorney
- Elder Law Attorney

Optional Tools

- Revocable Living Trust
- Special Needs Trust
- Asset Protection Trust ("Long-term Care Plan for the Middle Class")

Financial

Tools/Options

- Asset Protection Trusts
- Caregiver Agreements
- Private Pay Options
- Use/Order/Prioritization
- Benefits Specialists/ Community Services
- Purchase Life Estate
- Home Sale Leaseback
- Medicare
- Medicaid – Whole/Half Loaf
- Long-Term Care Ins.
- Veterans Benefits – A&A

TEAM PLAYERS

- Financial Advisor
- Banker
- Insurance Agent
- Accountant CPA
- Tax Specialist
- Elder/Life Care Planning Attorney

Asset Protection Trusts

- **Use, Control & Benefit without the Actual Ownership**
- **Not a Countable Asset for Government Benefits**
- **Remain at Home as Long as Possible**
- **Protect Your Assets BEFORE Crisis Strikes**
- **Income Generated in Trust for You or Loved Ones**
- **Insures Assets are safe and Go Where YOU Want**
- **Step-Up In Basis – Avoids Capital Gains on Appreciation**
- **Protects Homestead Exemptions**
- **Requires 5 Years to Mature**

Caregiver Agreement

- **Transparency – Everything is documented – Family Harmony**
- **Obligations Expressed**
- **Allows for Transfer of Assets/Income WITHOUT Gov't Penalty**
- **Details – services to be provided, hourly rate, payment period**
- **May including Room and Board**
- **Child Caregiver Transfer Exemption – Caregiver Agreement plus 2 yrs care = transfer home to child without Gov't Penalty**

Medicare DOES NOT PAY FOR LTC

- Generally *does not* pay for long-term care
- Care is limited to *acute care only*
- 100% Day 1-20 No Copayment
- 80% Day 21-100 Copayment
- Note – Admitted & 3 Night Rule

www.cms.gov/medicare

Center for Medicare & Medicaid Services

Medicaid Planning

LONG TERM CARE FOR THE MIDDLE CLASS

(preserve independence, assets, dignity, integrity)

Medicaid Notes

- **Crisis Planning is MOST Common**
- **Assets and Income are Treated Differently**
- **Singles vs Married Couples are Treated Differently**
- **Married Couples can Usually Keep the WHOLE LOAF**
- **Single People can Usually Keep HALF LOAF (50-65%)**
- **YOU DON’T HAVE TO SPENDDOWN ALL YOUR MONEY TO GET YOUR CARE PAID FOR, EVEN AT HOME, TO QUALIFY FOR MEDICAID.**
- **Remember to Shift the Income**

Wartime Veterans or Spouse -2022 "AID & ATTENDANCE" – Tax Free

Up to…

Surviving Spouse - $1,318 Monthly

Single Veteran - $2,050 Monthly

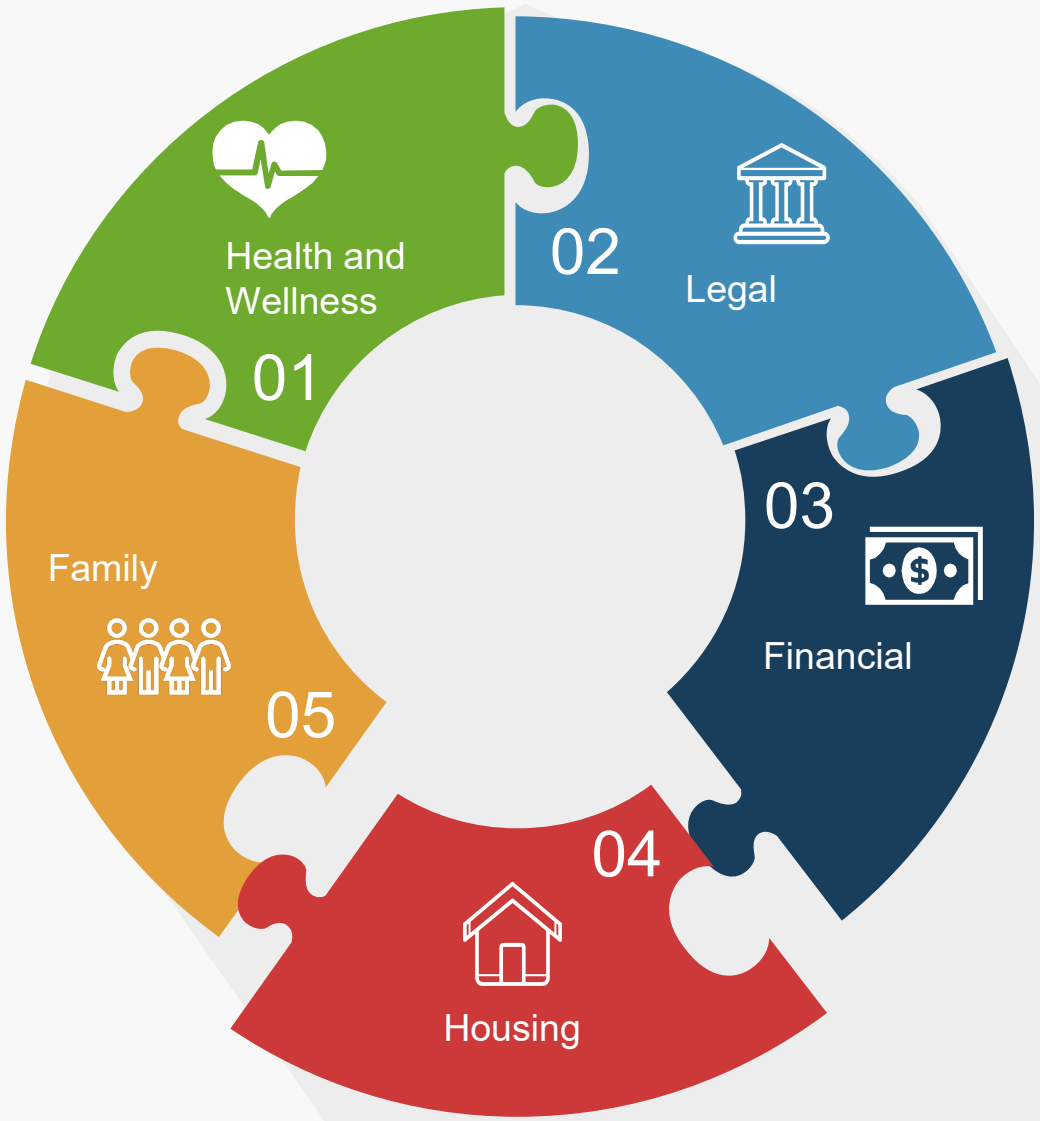
Married Veteran - $2,431 Monthly

2 Vets Married - $3,261 Monthly

Examine Housing Options

- Assess Limitations
- Age Restrictions
- Home/Family
- Memory/Secure Dementia Assisted
- Day Care
- Assisted Living
- Independent
- Medicaid Waiver
- Public Housing
- Retirement Community
- Skilled Nursing Facility

Housing

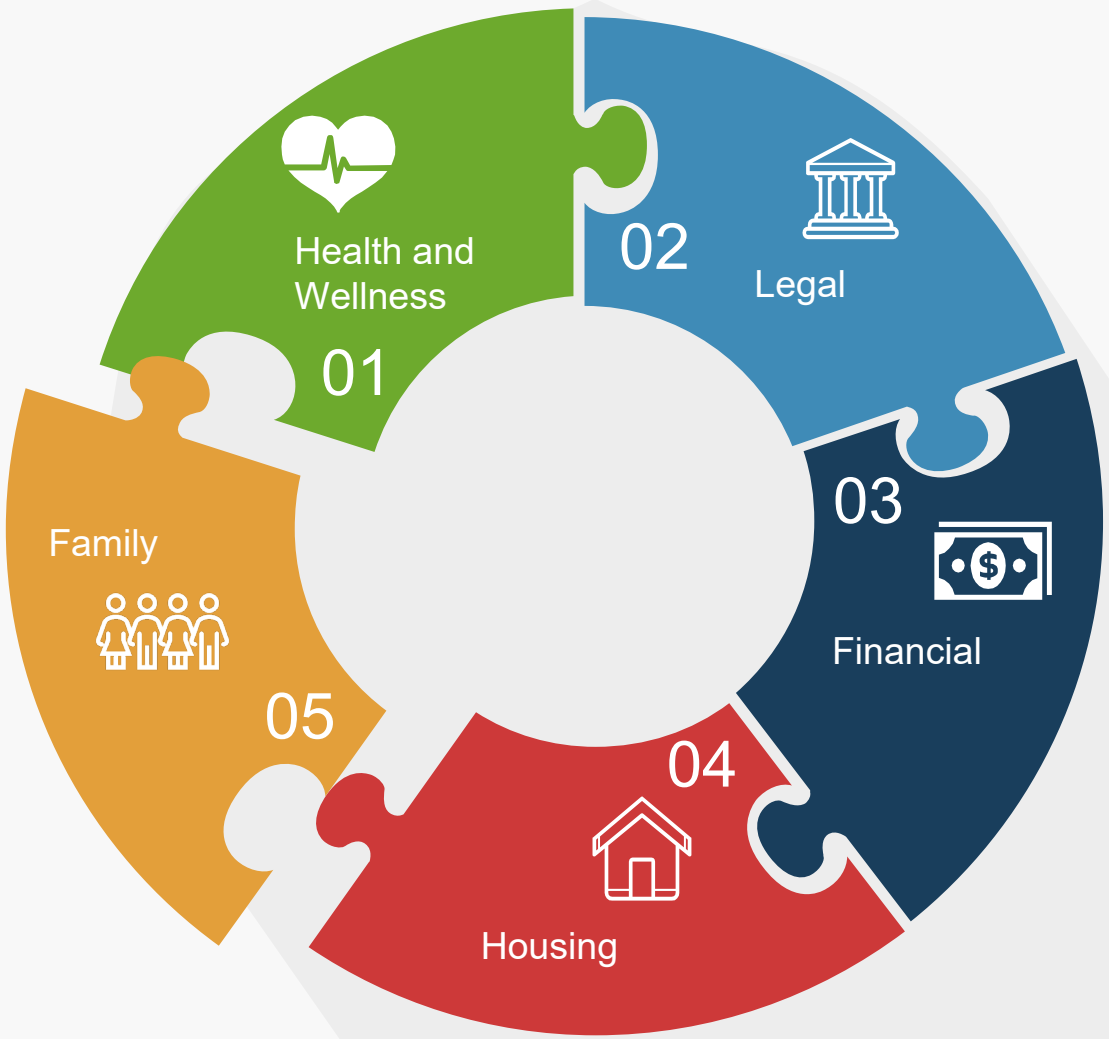


TEAM/PLAYERS

- Realtors
- Housekeepers
- Home Modification Services
- Utility Services
- Professional Organizers
- Movers

Family

- Caregiver Support
- Respite
- Caregiver Agreement
- Transparency
- Communication
- Harmony
- Brainstorm
- Boots on the Ground



What is the role of each family member?

How will we communicate?

TEAM PLAYERS

- Family
- Friends
- Neighbors
- Ministries/ Religious Organizations
- Lead Coordinator
- Respite Care

A Life Care Plan Achieves Three (3) Goals

Makes

Makes sure **you get**

Quality Care & Safety

Best appropriate care

Locate

Locates private and public sources to pay for the best long-term care

Gives

Gives peace of mind, preserves family harmony and assets

Questions You Need to Ask as You Age

Assess the Risks - Are you ready - prepared for when you (Spouse/Partner) (Parent) (Child) need long-term services and supports? Honestly!

Do you have a Workable, Realistic Life Care Plan?

Who - Who will be your Caregiver(s) – Team Members? Safeguards? Checks and Balances?

Count the Cost - Are your resources sufficient to provide long term care and supportive services for yourself (Spouse/Partner)(Parent)(Child)?

What is the Next (First) Step(s)?

LIFESCAPE LAW & DEVELOPMENT, LLC

A HOLISTIC, MULTIDISCIPLINARY LIFE CARE PLANNING LAW FIRM

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