

9 MOST COMMON MISTAKES IN MEDICAID PLANNING

Medicaid planning is a low-cost way to save your hard-earned assets and income from the government. If you need to qualify for nursing home care, upwards of tens of thousands of dollars - of your money - are at stake.

To take Medicaid planning seriously is to secure you and your loved ones a better way of life. Where many people go wrong is being ill-informed in setting up their planning strategy. After decades of practicing law, here are the most common mistakes we've seen surrounding Medicaid planning.

1 PREMATURELY APPLYING TO MEDICAID

If you jump the gun, this can potentially cost thousands of dollars. By applying to early, you risk a longer period of ineligibility where loved ones will need to foot the bill because your assets will be at a minimum in order to qualify for the program.



2 DELAYING A MEDICAID APPLICATION

If you miss the earliest opportunity, this too will cost you thousands of dollars. Because you'll lose out on months of eligible coverage, your assets will be depleted while waiting for Medicaid to kick in. Your loved ones will lose out on savings and assets that should go to them.



3 THINKING THAT IT'S TOO LATE TO PLAN

It's never too late to start securing your assets from governmental seizure to pay for Medicaid. Even if you or a loved one are already in a nursing home, expert Medicaid lawyers can protect sizable portions of income and assets. Only inaction prevents future savings.



4 NOT SECURING ASSETS FOR A HEALTHY SPOUSE

If you don't purchase an immediate annuity, the healthy spouse of a nursing home resident faces a severely decreased quality of life. By petitioning for an increased community spouse allowance or an increased income allowance, you split resources intelligently and protect for the healthy spouse that much-needed financial stability for the coming years.



5 OVERLOOKING THE DIFFERENCE BETWEEN LIFETIME LIENS ON PROPERTY AND ESTATE RECOVERY

In some states, the government has the right to claim your estate to pay for Medicaid. Medicaid applicants often misunderstand that there are numerous exceptions to take for lifetimes liens on property. By comparison, there is only one deferral and one hardship waiver for a spouse in regards to estate recovery.

**PROPERTY
VS
ESTATE**

6 TRANSFERRING ASSETS TOO SOON

Questionable transfers can seriously jeopardize the security of assets and income from governmental interference. Offloading your assets to loved ones should be performed with care. Why? Your children often aren't the best parties to oversee funds. After all, it's your hard-earned money. If you want something done right, handle your asset transfers with expert care.



7 TRANSFERRING ASSETS TOO LATE

The state reserves the right to "look back" into your financial records for 60 months preceding a Medicaid application. Thousands of dollars are lost every year when applicants make precipitous transfers that delay their eligibility for Medicaid. Ineligibility puts the cost of care on loved ones, meaning that money that was going to be saved instantly becomes into a net loss.



8 OVERLOOKING LEGAL SAFEGUARDS

A number of asset transfers are permitted by state laws (which vary by state) without interrupting Medicaid eligibility:

Transfers to select siblings

Transfers to disabled children

Transfers to caregiver children

You may also transfer assets into a trust for anyone both disabled and under age 65. A pooled disability trust is available for a recipient of any age; over 65, assets must be transferred to a pay-back trust.



9 NOT SEEKING EXPERT LEGAL SUPPORT

As you may have guessed, Medicaid planning is a complicated process between individuals and the state. With livelihoods and lots of money on the line, it's best to seek assistance when navigating this one-time and very important life decision. It's essential to be well informed and to execute the application process - and asset transfer process in years leading up to Medicaid coverage - flawlessly.



Consult our experienced professionals at our law firm in West Palm Beach, Florida to know if you qualify for any of the federally authorized programs. Working with a qualified elder law attorney in West Palm Beach can help you save thousands of dollars if you qualify for Medicaid or veteran benefits.

For more information on any of the services we offer, we encourage you to call 561-623-3615 or request a consultation online. Visit www.mcdonaldlawfirmfl.com