

STARTING SOON.....

MEDICAID MONDAYS IN MARCH

“Medicaid Asset Protection Trusts”

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WELCOME!



- We are sharing our webcam: please note your lines are muted
- Type questions into Q&A section at bottom of your screen
- Presentation is posted: pierrolaw.com/resources under “Medicaid Planning”
- Complete the short survey that will appear when the webinar has ended

Technical problems? Email info@pierrolaw.com

Medicaid Monday



MEDICAID ASSET PROTECTION TRUSTS (MAPT)

PRESENTED BY: LOUIS W. PIERRO, ESQ. & AARON E. CONNOR, ESQ.



AGENDA



- Recap: 2022 Medicaid numbers
- Exempt Assets
- Medicaid Asset Protection Trust
- Medicaid Home Care Example using MAPT
- Next Steps



NEW 2022 MEDICAID ELIGIBILITY NUMBERS



Monthly Income

Individual (at home)	\$934 (+\$20) ¹
Couple (both at home)	\$1,367 (+\$20) ¹
Minimum Monthly Maintenance Needs Allowance (MMMNA) ²	\$3,435

Resources

Individual	\$16,800 ²
Couple (both at home)	\$24,000 ²
Comm. Spouse Resource Allowance	\$74,820 (or the spousal share of 1/2 combined resources up to a maximum of \$137,400)

1 - The first \$20 of monthly income per household will not be counted when determining the eligibility of those Medicaid applicants who are aged, blind, or disabled. Income includes monies coming in each month such as Social Security, pension, rent payments, and disability payments

2 – If Community Spouse makes less than \$3,435 of their own income, they will receive a portion of their spouse's to reach \$3,259.50

EXEMPT ASSETS



Some assets that are exempt:

- \$16,800
- Pre-paid burial
- Income producing business assets
- Life insurance – face value less than \$1,500!
- IRA in “Periodic Payment Status”- *major exception, include Roth IRA’s*
- One Car

Non-Exempt Assets= EVERYTHING ELSE!

YOUR HOME



- Exempt if you, a spouse or minor or disabled child lives there
- Transfer exemptions
 - Caretaker Child (2 yrs.)
 - Sibling with an Equity Interest (1 yr.)
 - Disabled Child
 - Spouse
- Intent to return home
 - Subjective Intent OK
- Liens + Estate Recovery





Medicaid Asset Protection Trust

Used to hold assets (house, stock, life insurance with cash value) in excess of Medicaid allowance

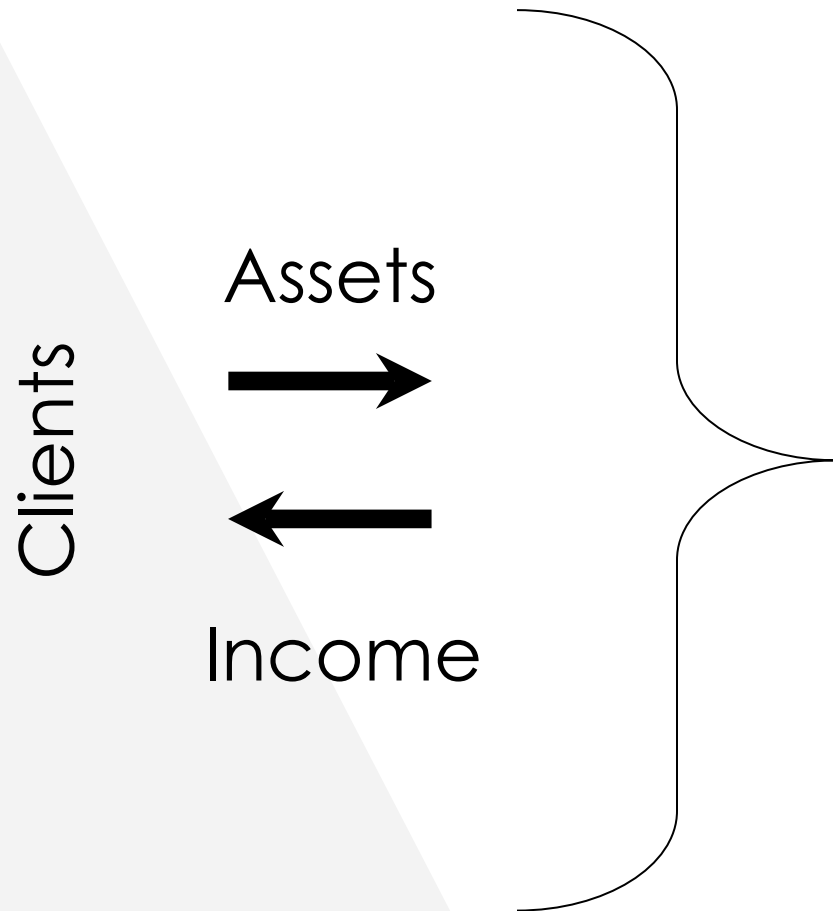
TRANSFER OF ASSETS



- Lookback Period
 - Nursing Home, 5 yrs.
 - Home Care, 2 ½ yrs. (effective 7/1/22)
- Penalties for Transfers
 - Number of Months



MEDICAID ASSET PROTECTION TRUST (MAPT)



- Trustee – manages trust assets
- Beneficiaries
 - Client – income for life and right to use real property
 - Heirs = Remaindermen - inherit when trust ends

MAPT

- ▶ Home
- ▶ Bank Accounts
- ▶ Stocks & Bonds
- ▶ Annuities
- ▶ Life Insurance
- ▶ Business
- ▶ Real Estate

Medicaid Asset Protection Trust

- Income is yours if you want it
- Principal can NOT be given back to you directly, but
- Principal can be given to children or other beneficiaries

MAPT

KEEP OUT

Cash

Bank Acct.

IRA, 401(k)

Security Features

- ❖ Choose initial Trustee, and change at any time
- ❖ Choose initial beneficiaries, and change at any time
- ❖ With the consent of all beneficiaries, in some jurisdictions the trust can be "amended or revoked"

MAPT ADVANTAGES



- › Probate avoidance
- › Ability to distribute assets outright or in further trust upon death of Grantor
- › Ability to hire and fire trustees at any time
- › Access to income and assets within the trust, if done properly
- › Ability to revoke an irrevocable trust with consent of beneficiaries

MAPT ADVANTAGES



- › Ability to qualify for **Nursing Home Medicaid** in 5 years
- › Ability to qualify for **Community Medicaid** immediately*

*** IF you apply prior to July 1, 2022 (we expect rules to phase in a 30-month lookback. Awaiting final guidance from NYS DOH)**

MEET RACHEL



Rachel Brooks | Age 84 | Widow

Last week:

Hospitalized after a fall

This week:

Rehab...future Unknown



BACKGROUND



- Mild memory loss
- Disorientation
- Possible mini strokes
- Still verbal
- Her daughter lives near by and helps when she can



Rachel is a good candidate for Medicaid Home Care (~10 hours a day of personal care)

USING MAPT



Income

Social Security: \$1,345

Pension: \$1,000

TOTAL: \$2,345/month

Assets

Home: \$150,000

IRA: \$75,000

Savings & Checking: \$25,000

Brokerage: \$250,000

First: Rachel creates and funds the Medicaid Asset Protection Trust with her home, brokerage account, and \$8,200 (\$410,000)

Second: Rachel creates a Pooled Trust & sends \$1,391 of income per month to her account

APPLYING FOR MEDICAID



Rachel can now apply for Medicaid- What counts?

- Assets: \$16,800
- Income: \$954

**No waiting period if you
apply before July 1, 2022!**
(Rules are changing – watch next week's
Webinar on Medicaid Home Care)



NEXT STEPS



- **If you are:**
 - a. Planning ahead to qualify for Medicaid in the future, consider a MAPT now
 - b. Caring for someone who needs home care immediately or who is already bringing care aides in, a MAPT can preserve assets and help qualify for benefits
- **Seek guidance from an elder law attorney** – Pierro, Connor & Strauss offers free consultations via phone, Zoom or in person

THANK YOU!

Register for all the Medicaid Mondays in March

March 21 NYS Medicaid Home Care

March 28 Nursing Home Medicaid

www.pierrolaw.com



Download our FREE 2021 NYS Medicaid guide at www.pierrolaw.com/resources

REGISTRATION HAS OPENED!



27th Annual **ELDER LAW FORUM**

<https://www.pierrolaw.com/events/>

- Free to Attend
- Thursday, May 19
- 8:30am-3pm
- The Desmond, Albany
- Or Live Stream
- 6 CEs for Social Workers (\$15/credit)

THANK YOU! QUESTIONS?



**Email us to
Request a copy of our 2022 Medicaid Guide
Schedule a free consultation:**

**info@pierrolaw.com
(866)951-PLAN**

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