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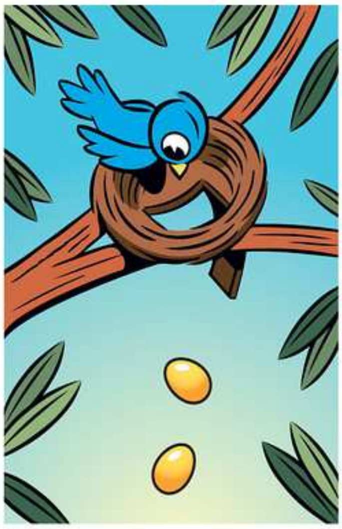
FAMILY VALUE By Kelly Greene

Inoculating Estates From Health Costs



Comments
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There is no need to question your ethics when you force Medicaid to pay for your long term care. The involuntary federal and state taxes you pay over the course of your lifetime fund the Medicaid programs you should utilize. You are not 'sticking' Medicaid with your tab – you earned it, you deserve it.

Over the last three years, many states have introduced long term care Partnership Programs based on the Deficit Reduction Act (DRA) of 2005. These Partnership Programs allow long term care insurance policyholders to protect their assets in part or in whole, from Medicaid, through asset disregard. For example, the New York State Partnership for Long-Term Care allows you to protect an unlimited amount of assets.

Unlike some sophisticated elder law planning techniques that could fail the five-year look-back test used by Medicaid, the Partnership Programs provide for asset protection without look-back periods. Unlike some annuities, where you give up control of your assets, the Partnership Programs allow you to keep your assets in your own name.

According to the state of New York, "…a small number of nursing facilities in New York State do not accept Medicaid." Many long term care facilities will be more receptive to admitting you if you can begin paying for your care through a long term care insurance policy. After your long term care insurance benefits expire you can remain a resident, as Medicaid becomes the new payer.

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