SYNERGY® HomeCare

Hayley Sheeks
Mark Haselden

Phone: (832) 803-0011
Fax: (936) 647-1814

Understanding Funding Options to Meet Elder Care Choices

*"It's not the **MONEY** that matters, it's how you use it that determines it's true **VALUE!**"*

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Who Needs Long Term Care?

- 63% of those 65 and older are in need of long term care. 37% of those using long term care are under the age of 65.
- The lifetime probability of becoming disabled in at least two activities of daily living or of being cognitively impaired is 68% for people age 65 and older.
- 33% of Americans don't believe they will be financially prepared to live to 85.

Source: caregiver.org/selected-long-term-care-statistics

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Source: www.longtermcare.gov

Myths & Truths of Long-term Care: Funding Care Options

- *Majority of long term care is provided in a nursing home - **MYTH***
- *The need for long term care is greater than other life trials - **TRUE***
- *Most people are covered by health insurance policies for long term care - **MYTH***

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Medicare

- *Federally funded health insurance program*
- *Four parts to the Medicare program*
  - Parts A and B (referred to as original Medicare)
  - Part C (Medicare Advantage)
  - Part D (Prescription Coverage)

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Medicare – Part A

- *Medicare Part A is referred to as hospital insurance.*
  - Covers inpatient hospital care
  - Limited time in a nursing care facility
  - Limited home health care services
  - Hospice services
- *Most don't pay for Part A as paid through Medicare taxes while you worked*

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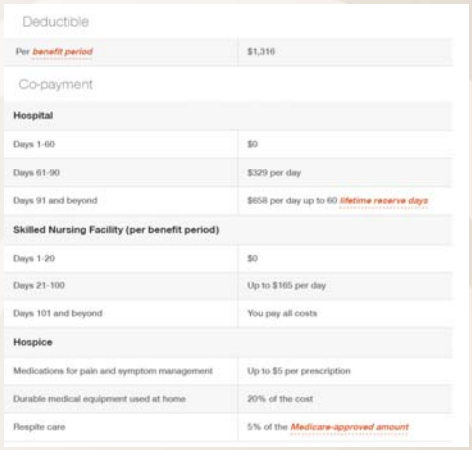
Medicare – Part A

A benefit period begins the day you go into a hospital or skilled nursing facility. It ends when you have been out for 60 days in a row. You may be in the hospital more than once during one benefit period. There is no limit on the number of benefit periods that Medicare will cover. Part A charges a deductible for each benefit period.



Deductible	
Per benefit period	$1,316
Co-payment	
Hospital	
Days 1-60	$0
Days 61-90	$329 per day
Days 91 and beyond	$658 per day up to 60 lifetime reserve days
Skilled Nursing Facility (per benefit period)	
Days 1-20	$0
Days 21-100	Up to $165 per day
Days 101 and beyond	You pay all costs
Hospice	
Medications for pain and symptom management	Up to $5 per prescription
Durable medical equipment used at home	20% of the cost
Respite care	5% of the Medicare-approved amount

Source: www.medicaremadeclear.com

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Medicare – Part B

Medicare Part B is referred to as medical insurance.

- Covers non-hospital medical expenses
- Doctors' office/hospital visits
- Blood tests, X-rays, diabetic screenings and supplies
- Outpatient hospital care

You will pay a monthly premium for this part of Medicare. The fee will increase with income. Fee deducted from Social Security if you receive these or you send to Medicare monthly.

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Medicare – Part B

Medicare-approved amount is the amount Medicare determines to be reasonable for a covered service. Providers who "accept assignment" agree to accept this amount as payment in full. Providers who accept Medicare but not assignment can charge up to 15% above this amount.

Premium	
Per month	$109 to $428.60 depending on income
Deductible	
Per year	$183
Co-insurance	
Most medical services	20% of the *Medicare-approved amount*
Durable medical equipment	20% of the cost Medicare-approved amount
Outpatient mental health care	35% of the Medicare-approved amount

Source: www.medicaremadeclear.com

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Medicare – Part C

Medicare Part C is referred to as Medicare Advantage.

- Must be enrolled in both Part A and B to join a Medicare Advantage plan.
- Still in Medicare program, but you are receiving your benefits through the plan instead of through Original Medicare.
- May have higher premium cost which would be in addition to what you pay for Part B
- Have an out of pocket maximum, unlike original Medicare

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Medicare – Part C

- Help cover or help cover certain deductibles, co-insurance and out of pocket costs
- May offer higher or lower than the 20% coinsurance charged by Original Medicare.
- Still in Medicare program, but you are receiving your benefits through the plan instead of through Original Medicare.
- Certain Medicare Advantage programs cover vision, dental, nursing home care
- Must enroll during open enrollment period. Most State Area Agency on Aging programs will help to sort out options available in your state.

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Medicare – Part D

Medicare Part D is referred to as Prescription Drug Coverage

- Original Medicare does not cover prescription drugs.
- Many add a prescription drug plan (Part D) or choose a Medicare Advantage plan that includes Part D.
- Part D plans are required to cover certain types of drugs, but each plan may choose specific drugs it covers. Important to review each plan's drug list to see if your drugs are covered.

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Medicare – Part D

Premium	
Per month	Plan premiums vary. You still pay the Part B premium to Medicare (and the Part A premium, if you have one).
Deductible	
Per year	Some plans charge an annual deductible, and some don't.
Co-payment	
Most new prescriptions and refills	Some plans charge co-pay each time you fill a prescription.
Co-insurance	
Some new prescriptions and refills	Some plans charge a percentage of the cost when you fill a prescription.

Source: www.medicaremadeclear.com

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Medicare and Long-term care services: Skilled Nursing Homes

Medicare will help pay for a short stay in a skilled nursing facility if you meet the following conditions:

- You have had a recent prior hospital stay of at least three days
- You are admitted to a Medicare-Certified nursing facility within 30 days of your prior eligible hospital stay
- You need skilled care, such as skilled nursing services, physical therapy, or other types of therapy

If you meet all these conditions, Medicare will pay for some of your costs for up to 100 days. For the first 20 days of eligibility, Medicare pays up to 100 percent of your costs. For days 21 through 100, you pay co-pay of $165.00 and Medicare pays the balance. The copay may be covered under Medicare Advantage plan dependent on the policy.

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Medicare and Long-term care services: Home Health Care

Medicare will help pay for home health care if you meet the following conditions:

- Physician ordered
- Part time or intermittent skilled nursing care, physical therapy, occupational therapy, and speech-language pathology from a Medicare-certified home health agency. OT alone will not qualify
- Medical social services to help cope with the social, psychological, cultural and medical issues from an illness. May include help accessing services and follow-up care
- Medical supplies and durable medical equipment with 20 percent copay (physician ordered with specific guidelines)
- Homebound

Home health aide services are only covered while Medicare is covering skilled services through a home health agency.

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Medicare and Long-term care services: Hospice

Medicare will help pay for hospice care if you meet the following conditions:

- Physician ordered
- Not expected to live more than six months from start of hospice
- Accepts hospice philosophy of care
- Medicare covers drugs to control symptoms of the illness
- Care can be provided in any home setting as long as that setting is not receiving other Medicare payments for your stay
- Services include intermittent RN, Social Worker, Chaplain, Volunteer, Home Health Aide for bathing, Grief counseling. May also include Music Therapy and/or Massage Therapy (covered through other funds)
- limited continuous care services for pain or other symptoms for typically up to 72 hour, in hopes to avoid hospitalization

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What Medicare Does Not Cover

Medicare does not cover

- Custodial Care (non-medical assistance -either at home or in a nursing or assisted-living facility that includes the activities of daily life (such as bathing, eating, dressing, using the toilet) for someone who's unable to fully perform those activities without help)
- Meals delivered to your home
- Certain durable medical equipment (unless part of Hospice) such as bath chair, grab-bars, certain walkers, etc.

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Medicaid

- *Federally funded program administered by the states.*
- *Referred by different names in different states. For example: Medi-Cal, Medical Assistance, Medicaid.*
- *Available to certain low-income individuals and families based on eligibility criteria recognized by federal and state law.*

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Medicaid

To be eligible you must have limited income and assets. There is a 5-year look back period.

Amount of income you can have varies by state. Income will include:

- Regular benefit payments such as Social Security retirement or disability payments
- Veterans benefits
- Pensions
- Salaries
- Wages
- Interest from bank accounts and CDs
- Dividends
- Payments to which you are entitled even if you don't receive all of the payment. For example, if you have earnings from which income taxes are withheld, Medicaid will count the entire amount of your earnings, including the amount that is withheld for taxes. If you and your spouse receive joint payments, such as rental income, the state allocates half to you and half to your spouse.

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Medicaid

Amount of assets you can have varies by state – in most states can retain $2,000 in assets and married couples can retain $3,000 in assets. Community spouses may keep additional assets under certain circumstances.

Assets that are typically counted:

- Checking and Savings accounts
- Stocks and bonds
- CDs
- Real property other than your primary residence*
- Additional motor vehicles if you have more than one

Assets not counted for eligibility:

- Your primary residence
- Personal property and household goods
- One motor vehicle
- Life insurance with a face value under $1500
- Up to $1500 in a burial fund
- Certain burial arrangements such as pre-need burial agreements
- Assets held in specific kinds of trusts (varies by state)

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Veteran Programs: Veteran Aid and Attendance

- One in three seniors in this country is a veteran or a surviving spouse of a veteran.
- *Veteran Aid and Attendance* is a little known program that many do not explore because they are not aware of the program.

General Eligibility Guidelines

- Veterans, or a surviving spouse of a veteran who served 90 consecutive days of active duty with at least one day during wartime period.
- Must have a non-service related medical condition. The condition must require assistance with daily activities such as bathing, dressing, eating, medication management, housekeeping, and laundry or meal preparation
- Must meet asset requirements (excludes home and care)
- Must meet medical expense to income ratio
- Range of monthly benefits from $1380-$2716

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Veteran Programs: Veteran Aid and Attendance

The VA does not allow anyone to receive payment for assisting with VA paperwork. Often attorneys will assist with VA Aid and Attendance paperwork as part of an Estate Plan. Family members can assist with filing the application through the **VA.gov** website. Be aware that other entities that will assist with filing applications and getting veteran's approved may also try and develop a financial plan for remaining assets including annuities. It may be prudent to seek a second opinion with a certified financial planner prior.

Receiving VA Aid and Attendance Pension may make you in-eligible for Medicaid and other income based programs as could be counted towards your monthly income, putting you over guidelines. Many States require all veterans to apply for VA Aid and Attendance at the time they are applying for Medicaid benefits.

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Long Term Care Insurance

When you are 50-something it is hard to imagine that one day you will not be able to take care of all your personal needs and that others would need to assist you in day to day care.

Chances of losing a home to fire? 1 in 1200
Having a car accident? 1 in 240
Needing Long term care? Over 70% of adults

LTCi helps to finance long-term care services. It can be purchased individually or through an employer (however not all employer plans are portable once you leave the employer). Today, most policies cover a variety of care options including home care, adult day care, assisted living and nursing home care.

LTCi can ensure that you have options when care needs increase and that decisions about your care will be made based on need, choice and goals and not on conserving assets.

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Long Term Care Insurance

What affects the cost of LTCi?

- Age at policy issue
- Policy plan design
- Protection riders such as automatic inflation
- Health
- Marital/couple status
- Group sponsorship
- Elimination period
- Benefit period
- Daily or monthly benefit
- Conversion and pay-out options when not utilized

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Long Term Care Insurance

Other Considerations for LTCi

- Tax benefits (talk with your CPA)
- LTC partnership insurance policies (varies by state)

If the premiums for LTCi would jeopardize other payments for necessary items such as housing, food, or medication or your retirement income would not allow you to continue covering premiums you will want to carefully weigh this purchase as you may qualify in the future for Medicaid.

If you can easily self-fund your long term care with out jeopardizing your spouse or partner's ability to also self-fund their own long term care needs than you may not need LTCi. However, some who can self-fund, prefer to have the peace of mind of this back up insurance for care and that they can leave a larger inheritance to their heirs.

Consider working with a broker than an agent who only represents one insurance plan, as the policy benefits and premiums will vary based on your specific needs.

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Aging with options

Where do you plan to age?

- Based on Assessments and Care Planning

-Home Safety

-Financial support

-Family support

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Aging with options

Plan of Care/Care Planning

Plan of Care: *A document developed after the patient assessment that identifies the nursing diagnoses to be addressed in the hospital or clinic. The plan of care includes the objectives, nursing interventions, and time frame for accomplishment and evaluation. (May be specified in LTCi policies)*

VS

Care Plan: *Care plans provide direction for individualized care of the client. A care plan flows from each patient's unique list of diagnoses and should be organized by the individual's specific needs. Continuity of care. The care plan is a means of communicating and organizing the actions of a constantly changing nursing/non-medical staff.*

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Aging with options

Start with the "A"

A client's needs assessment will begin the process of determining what kind of assistance a client may need. An assessment will be performed by a doctor, nurse, or medical professional that will base the assessment on medical diagnosis and limitations with activities of daily living (ADL's).

ADL'S INCLUDE : Activities of Daily Living (ADLs)

- *Bathing*
- *Dressing*
- *Grooming*
- *Eating*
- *Transferring*
- *Walking*
- *Toileting*

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Level of Care

Acute Care: *Medicare Part A (Hospital Insurance) Hospitalization for acute treatment and stabilization (duration 4.5 days). Medical attention supervised daily by MD, nurses, therapist, and social workers.*

Long Term Acute Care: *Medicare Part A (Hospital Insurance) Further stabilization of client requiring 24 hour nursing care and medical supervision. Requires a 25-30 day stay with certain medical needs to be admitted for stay. Medical attention supervised at least once a by MD and daily by nurses, therapist, and social workers.*

SNF/Rehab*: Medicare Part A (Hospital Insurance) covers skilled nursing care provided in a skilled nursing facility (SNF) under certain conditions for a limited time. Usually client receives Rehabilitation services for Occupational Therapy, Physical Therapy, and skilled nursing daily.*

Assisted Living: *Not Covered by Medicare/Medicaid. Provides basic assistance with ADL's, meals, and some transportation to medical. Average stay up to 36 months with average cost of 2700/month. Client may not be allowed to stay if needs change.*

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Level of Care cont.

Home Health: *Skilled Nursing, therapy, and home health aide visits covered by Medicare Part A or Medicaid. 60 day limitation. Must meet certain criteria to be eligible. One hour visits are provided up to 5 days a week in clients home.*

Non-medical HomeCare: *Covered by some Long Term Care Insurance policies, Veteran's assistance, Area Agency on Aging and Medicaid in some cases. No Medicare funding for non-medical. Services provided to client to assist with ADL's in home by a non-licensed professional.*

Adult Day-Care: *A daytime program for functionally impaired adults that provides a variety of social, medical and related support services in a protective setting. Some Medicare Advantage Plans (Part C) may provide partial coverage for these services, but they are not required to do so. However, Medicaid will typically provide some type of coverage, but acceptance into these programs can be challenging.*

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Resources

- *Medicare.gov*
- *LongTermCare.gov*
- *VA.gov*
- *FinancingLongTermCare.umn.edu*
- *SSA.gov*
- *NAELA.org - (National Academy of Elder Law Attorneys)*

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SYNERGY HomeCare has offices nationwide that are always interested in speaking with individuals wanting to work with home care clients and provide supportive care. If you are wanting a career that makes a difference, contact us at 1-877-432-2692 or apply online at www.synergyhomecare.com

There are families and clients nationwide that are looking for home care resources. If you are interested in learning about becoming part of the SYNERGY HomeCare system, we have franchise opportunities we would like to talk with you about. Contact us at: 1-888-659-7771 or contact us at www.synergyhomecarefranchise.com

To learn more about how SYNERGY HomeCare services can assist you, a client, patient or someone you are caring for contact us at:

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