

# The Single Greatest Threat to Your Retirement

You've done all the right stuff – saved responsibly, paid off your home, drove the same car for many years, put the kids through college, paid for a couple of weddings, and now it's time to retire and begin living the life you've worked so hard to build. You've even gone so far as to have your Powers of Attorney and Last Will & Testament drafted by an Estate Planning Attorney. Unfortunately, even with all of this planning, you may still be vulnerable to the single greatest threat to all of your hard work and sacrifice – nursing home care.

Did you know that in the Commonwealth of Pennsylvania, the average yearly cost for an individual in a nursing home is approximately \$110,400? Let that sink in for a moment while you think about how long you had to work and sacrifice to save up \$110,400. Wouldn't it be devastating to find out that it could all be gone within a year because you get sick and go into a nursing facility? In such instances, and without proper knowledge and planning, most people will end up paying for nursing home care out of their savings until all of their money is gone.

One possible reason many individuals don't understand the true nature of this threat (until they're in the cesspool of long-term care) is that there is a presumption that health insurance foots the long-term care bill. Health insurance does NOT pay for nursing home care in a facility or at home. Medicare and supplemental health insurance pays for a maximum of 100 days of skilled nursing therapy; however, most people are dropped from their insurance coverage far before the expiration of the 100 days. You are then left with two options – write a check or apply for Medicaid.

However, what many do not realize is that Elder Law Planning options exist to avoid being financially devastated due to nursing home care. Time and time again, clients come to our office frustrated and upset. They cannot understand why the trusted advisors they have met with throughout the years (financial advisors, attorneys, CPAs, etc.) have not advised or educated them on this real threat, let alone provided them with the necessary steps to protect their hard work from financial catastrophe. Careful planning and competent legal representation by an Elder Law Attorney, whether in advance or in response to an unanticipated need for care, will help protect your estate for your spouse and/or your children. This can be accomplished by engaging legal planning strategies to protect your financial assets from complete exposure, and by further understanding that many benefits exist to which you may be entitled under various county programs, Medicare, Medicaid, and/or the Veterans Administration.

Those who are not in immediate need of long-term care may have the luxury of employing certain "pre-planning" strategies to protect their assets in advance. This can serve as a great source of comfort at the time when long-term care is eventually needed, ensuring that a family does not have to experience financial devastation. Even in situations where there is no pre-planning in place when a loved one requires nursing home care, there are still so-called "crisis planning" strategies that can be implemented to preserve some of that individual's assets.

In both the instances of pre-planning strategies and crisis planning strategies, it is extremely difficult to provide general rules for any kind of "Asset Protection Planning" since every client's case is different. Some individuals will have more assets, savings or income than others. Some may own their homes or instead rent an apartment. They can be married or single. They may have plenty of family support or they may find themselves alone when navigating their financial options regarding long-term care.

You have planned, saved and sacrificed. The only thing left to do now is meet with an experienced Elder Law Attorney to make sure your retirement is smooth sailing.



## NURSING HOME WORRIES?

Are you worried about losing your home or life savings to the cost of a nursing home?

Are you concerned about how to pay for your loved one's expensive nursing home care without going broke?

Are you a veteran and are interested in possibly receiving \$2,100 per month?

Are you the spouse of a veteran and are interested in possibly receiving \$1,149 per month?

In Pennsylvania, the average cost of a nursing home is over \$110,677 per year, \$9,223 a month.

**What's at risk? Only everything you own.**



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