

## NEW MEDICAID PLANNING TECHNIQUES

A controversial topic in the news over the last two years is the government involvement in healthcare and the amount of money that is spent on healthcare every year. Aside from the President's new healthcare package, the State and Federal governments have over the years constantly changed the rules regarding the money government pays for Medicaid. Medicaid is a program that covers healthcare for individuals who cannot afford healthcare or do not have the assets to cover their own healthcare. Most commonly, Medicaid pays large benefits out to individuals who must enter a long-term care facility or nursing home.

Although individuals try not to or wish not to think about the possibility of entering a nursing home, many of us realize that one day a nursing home could be a possibility. With many individuals who are of retirement age it has become common that their children no longer live in the same geographic area or their children simply cannot take the time away from their own family with responsibilities of children and often multiple jobs just to make ends meet. With this in mind, many retirees may come to realize that a long term stay in a nursing home could be possible in their future.

Many individuals of retirement age have worked many years to have paid off their mortgage and to have saved a modest nest egg. With this in mind many fear that entry into a nursing home could cause them, in a few short years, to spend what it took a lifetime to accumulate. If you are one of these people Medicaid planning could be right for you. Aside from the planning techniques allowing an individual to preserve their real estate for their children by use of a Medicaid Planning Trust or other techniques, new provisions in the law can allow individuals to also preserve some of the nest egg for either their at home spouse or for their children. Although these new planning strategies are too detailed to discuss in a brief article it is suggested that those who are of retirement age and have concerns about entering a nursing home consult an experienced elder planning attorney in order to determine what techniques may available to them. Currently, because of the recent Stimulus Act Pennsylvania is not allowed to alter their Medicaid rules for the entire 2010 year. After 2010 it is unknown what new laws may arise and therefore for some individuals time may be of the essence to plan for the protection of assets.

*This article was authored by Keith W. Strohl, an associate Attorney of the Steckel & Stopp Law Firm with offices at Main Street and Walnut Street, Slatington; Schnecksville and Northampton which has been serving the needs of the Lehigh Valley areas for nearly sixty-five years.*