



Facing Financial Issues: Is the Rainy Day Here?

Alzheimer's disease and related dementias are progressive conditions that require increased care as the person's independence declines. Average length of life from diagnosis is 8 to 10 years, but this can vary for each individual. The affected person will require assistance with tasks such as finances, household chores, cooking, medication management, and personal care. Sooner or later, 24 hour supervision will be necessary to ensure that needs are being met and the person is safe. According to the Alzheimer's Association, more than 15 million Americans provide unpaid care for people with Alzheimer's disease or other dementias. As the illness progresses, additional resources may be necessary to aid the unpaid or family caregiver including in-home care assistance, adult day health care or eventual placement in a residential care setting. It is crucial to be aware of the cost of care, understand insurance coverage, and how to apply for benefits that may assist with long term care needs. The total cost of care for Alzheimer's disease and related dementias in 2017 is expected to be \$259 billion with \$56 billion or 22% representing out of pocket costs from the person/family (Alzheimer's Association, 2017). Unpaid caregivers have the additional role of being an advocate for the person with dementia in the health care and financial arena. This is a task that many are unprepared for as knowing options to pay for care can be

complicated and confusing. Spouses worry that they will lose everything that they have worked hard for and have no savings left for their own care needs. Children worry that they may have to stop working to care for a parent reducing their income. Learning about options and creating a financial plan soon after the diagnosis can help to ease fears about the cost of care and aid in planning for the financial issues related to dementia care.

One of the initial tasks in making a financial plan is taking an inventory of the person's income and resources. In many situations, services will be initially paid for from the person's personal funds. This can include monthly income/pensions, savings, investments such as 401Ks, IRAs, or stocks/bonds, and investment property. A trusted representative will need a durable financial power of attorney to access these funds to help initiate necessary services. As funds diminish, or if the person with dementia has limited savings, it is important to explore other options for funding long term care.

If the person with dementia has a private **long term care insurance** policy, it is essential to learn about the specific plan and what may be covered. Benefits provided in long term care insurance policies vary as well as the daily coverage rate and policy maximum. Check into the requirements to activate the policy as many establish

eligibility due to a “cognitive impairment” in addition to needing assistance with activities of daily living. There may be a waiting period in which services have to be paid privately for a set number of days before the plan begins to pay. Long term care insurance covers various services including care in the home, an adult day health center or placement in a residential care facility based on how the policy was written. There may be specific criteria for which types of agencies or placements are covered. In many circumstances, once the policy begins paying for services, the monthly premium ends. The benefit of a long term care insurance policy is that it preserves assets and savings. Know that obtaining a policy once a diagnosis is made is very unlikely.

Government and Assistance Programs:

Medicare, Medicare supplemental plans, and Medicare Advantage plans cover *acute care needs* rather than long term care needs. They will pay for a hospitalization, a short stay in a skilled nursing facility and limited intermittent home care. Coverage is based on needing skilled or rehabilitative care by a physician, nurse or therapist. A person with dementia requires supervision for safety, assistance with personal care needs such as bathing and dressing, help with cooking and household chores, transportation support, and guidance with daily decisions. These are *long term care custodial or supervisory care needs* and not covered by Medicare as they are not considered skilled or rehabilitative. The one exception is at the end of life when hospice services may be needed. Hospice can supplement care in the home or in a residential care facility. They do not provide full time care in either setting but may cover services that traditional Medicare does not cover. Medicare benefits information can be found at www.medicare.gov.

Veteran’s Administration Aid & Attendance benefit is for veterans with 90 days of active duty who served ONE day during a period of war and require care on a daily basis. Qualification does involve financial eligibility, so all assets are considered except the veteran’s house and car. This year, Aid & Attendance can pay monthly benefits up to \$1794 for a single veteran, \$2126 for a married veteran, and \$1152 for a surviving spouse. The V.A. uses a formula based on unreimbursed medical expenses compared to household income to determine the benefit amount. For example, if a veteran is paying \$5000 per month for an assisted living center and qualifies financially, he will receive \$1794 per month to supplement his income. In the Phoenix area, apply for this



benefit at the V.A. Regional Office at 3333 N. Central Ave. or call 1.800.852.8387.

More information can be found at www.caregiver.va.gov or www.benefits.va.gov/pension including the eligible war time periods.

Medicaid long term care is a combined federal and state program that will cover medical and long term care needs for applicants who *qualify financially and medically*. Eligibility criteria varies from state to state. In Arizona, the program is called **Arizona Long Term Care System** or **ALTCS**. It is important to be aware of this program even if private pay funds are available as they may eventually be used up. Additionally, there is a provision to protect some of a married couple’s shared assets for the well spouse which is called the Community Spouse Resource Deduction.

Financial eligibility for ALTCS includes income and countable resources limits.

Requirements for 2017

- Single person – monthly income below \$2205
- Married couple – either the couple’s monthly income is below \$4410 or the applicant’s individual monthly income is below \$2205
- Note: If the monthly income is over the limit, an Income Only Trust or Miller’s Trust can be established to assist with eligibility. This can be completed by an Elder Law attorney who is familiar with ALTCS.

In an effort to be efficient with our community’s generous donations and better preserve the environment, the Beacon will be moving to an electronic version. Please email us at bannerresearch@bannerhealth.com to sign up for our web version. If you require a printed newsletter, please contact us at 602.839.6850.

Resources:

- Countable resources include checking, savings, and credit union accounts, cash, stocks, bonds, certificates of deposit, IRAs, 401Ks, cash value of life insurance policies, and property not living in.
- Non-countable resources include the primary residence (unless in a trust), one vehicle, burial plots, irrevocable burial plans, \$1500 designated for a funeral, and household/personal belongings.
- Single person – Countable resources cannot be over \$2000
- Couple – Community Spouse Resource Deduction protects a portion of the shared resources for the well spouse.

Community Spouse Resource Deduction:

- Total the countable resources when the spouse who needs care is placed in a residential care facility, payment begins for home or community based services, and/or when the applicant needs daily assistance with care as noted in the medical eligibility assessment.
- Resources are divided in half to determine the spousal share.
- The well spouse can keep between \$24,180 and \$120,900.
- Once the resources for the ALTCS applicant are spent down to \$2000, eligibility will be in place.

In addition to financial eligibility, the person applying must qualify medically for this program. A screening assessment called the Pre-Admission Screen or PAS is completed during the application process. The applicant is evaluated in their living situation by a nurse or social worker to include assistance with activities of daily living (bathing, dressing, grooming), mobility, medication management, toileting or incontinence issues, safety concerns, and behavioral issues. Be very specific about the changes and dependency needs of the applicant in order to qualify medically. Medical records to support a dementia diagnosis can be helpful. Additionally, it may be necessary to speak to the PAS assessor away from the applicant once they have been evaluated in order to be open about the current care needs as the person with dementia is likely to report being independent in all of these usual activities of daily life.

ALTCS will look back 5 years for transfers of funds or resources from the applicant or couple. This can result in a penalty wherein there is a period of ineligibility if funds were transferred. More information on the ALTCS program can be obtained at www.azahcccs.gov/Members/Publications.

Social Security Disability may be necessary for a person under age 65 with a young onset dementia. In most cases, the person has to have worked and contributed to Social Security 5 out of the 10 years before the disability began. Dementias are listed under the Social Security Compassionate Allowances program which can help to expedite the application process. These include Early Onset Alzheimer's disease, Frontotemporal dementia and Lewy Body dementia. Medicare will not begin until 2 years after the start of Social Security Disability so it is necessary to maintain other health insurance coverage in the interim. Visit www.SSA.gov for more information and how to apply.

Other considerations for financial planning

The Area Agency on Aging provides direct support to caregivers for respite care through the National Family Caregiver Support Program (Title III E of the Older Americans Act), which can fund some hours of adult day health care or in-home care for the person with dementia. In many cases, there is a wait list but it is beneficial to apply as the list is reduced when recipients leave the program if other services are established and/or when additional federal funding is received. To begin an application in Maricopa County, call the Area Agency on Aging Help Line at 602.264.4357 or 888.264.2258. Additional information can be obtained at www.n4a.org/caregivers.



www.banneralz.org
602.839.6900

Sentiments and Situations

Group is a support group to help caregivers to share and problem-solve difficult situations and feelings related to caregiving and dementia. Please join us on Thursday, November 9, 2017 from 12:30 – 2:00pm at Banner Alzheimer's Institute, 901 E. Willetta St. Phoenix, First Floor Education Center.

Dementia Dialogue Webinar: Facing Financial Issues: Is the Rainy Day Here?

Join the discussion on Wednesday, November 15, 2017, 12N – 1pm (AZ time). Registration required: www.banneralz.org/dementiadialogues. If you need to register for audio only, call 623.832.3248.

Is the thought of estate and financial planning overwhelming?

In a nutshell, estate planning is really what you want done with what you own. The good news is that you can provide for the people and causes important to you, such as Banner Alzheimer's Foundation, by taking simple steps now. Creating your plan for the future can be easy and even enjoyable. To learn more, please contact us at 602.747.GIVE (4483) or plannedgiving@bannerhealth.com.

Please help us expand our viewership. If you enjoyed the article, please free to share the link with family, friends and on social media.

Have a Question?

To submit your question for future consideration email us at: bainfo@bannerhealth.com



Facing Financial Issues: Is the Rainy Day Here? (con't)

Elder law attorney consultations can be beneficial for long term care financial planning. An elder law attorney knowledgeable about ALTCS/Medicare long term care and Veteran's benefits can assist a family in making good decisions about finances and how to best plan for care. They can be especially helpful in managing the ALTCS Community Spouse Resource Deduction and when an Income Only Trust or Miller's Trust needs to be established if a person is over income for ALTCS. They can even apply for the ALTCS or Veteran's benefit. An elder law attorney can be located through the National Academy of Elder Law Attorneys, www.naela.org.

Paying for long term care for a person with Alzheimer's disease or a related dementia is very costly.

Establishing a financial plan is necessary to be prepared to meet these substantial costs. Being aware of benefit programs that the person may be eligible for and when to apply is crucial. Taking advantage of educational resources to become knowledgeable about options can help to make this process less stressful and frustrating. An online video about Planning Ahead for Care can be found at <http://www.banneralz.org/education-events/online-education.aspx>.

TIPS THAT THE RAINY DAY IS NEAR

For the person with dementia:

- No longer safe to live at home alone
- Not safe to be left at home alone
- Driving has stopped or refuses to stop unsafe driving
- Requires physical assistance with bathing, dressing and/or grooming
- Resistive to care or assistance
- Begins to have bowel or bladder accidents
- Safety concerns increase, such as wandering or physical violence

For the caregiver:

- Needs to continue working and cannot provide necessary supervision
- Overwhelmed with or unable to manage added responsibilities
- Unable to keep the person with dementia busy or occupied
- Transportation limitations
- Feelings of depression and increased stress
- Personal medical conditions limit caregiving abilities
- Difficulty managing behavioral changes in the person with dementia



CAREGIVER EDUCATION PROGRAM SCHEDULE

November/December 2017

November

Date	Time	Name of Class	Location	To Register
Nov. 1, Wed.	10:00am – 11:30am	Planning Ahead	BSHRI	623.832.3248
Nov. 7, Tues.	10:00am – Noon	As Dementia Progresses: Next Steps for Caregivers	BAI	602.839.6850
Nov. 8, Wed.	10:00am – 11:30am	Finding Meaning While Living with Loss	BSHRI	623.832.3248
Nov. 8, Wed.	1:00pm – 2:30pm	Dementia Friendly Tempe Presents: Helping Caregivers Find Meaning While Living With Loss	Tempe Public Library	602.839.6850
Nov. 10, Fri.	1:00pm – 3:30pm	Banner Brain Health Program	BAI	602.230.CARE (2273)
Nov. 13, Mon.	10:00am – 11:30am	After the Dementia Diagnosis (formerly COMPASS)	BAI	602.839.6850
Nov. 14, Tues.	1:00pm – 3:30pm	Banner Brain Health Program	BSHRI	602.230.CARE (2273)
Nov. 14, Tues.	4:00pm – 6:00pm	Planning Ahead Class for Caregivers	BAI	602.839.6850
Nov. 15, Wed.	10:00am – 11:00am	Talk with the Doc: Dementia Q & A with Expert Dr. Spann	BSHRI	623.832.3248
Nov. 15, Wed.	Noon – 1:00pm (AZ Time)	Dementia Dialogues Webinar: Facing Financial Issues: Is the Rainy Day Here?	Online	www.banneralz.org Under Events & Education
Nov. 16, Thurs.	10:00am – 11:30am	Residential Care: When Moving Becomes the Best Option	BAI	602.839.6850
Nov. 21, Tues.	10:00am – 11:30am	Denial: Understanding Why Your Person Doesn't Understand	Mesa Red Mountain Library	602.839.6850
Nov. 22, Wed.	9:00am – 10:30am	Travel: Planning for Success	BSHRI	623.832.3248
Nov. 29, Wed.	10:00am – 11:30am	Activities: Filling the Day with Meaning and Purpose	BSHRI	623.832.3248

Banner Alzheimer's Institute (BAI Downtown Phoenix)
901 E. Willetta St., Phoenix
Register at: 602.839.6850

Banner Sun Health Research Institute (BSHRI Sun City)
10515 W. Santa Fe, Sun City
Register at: 623.832.3248

Mesa Red Mountain Library
635 N. Power Rd., Mesa
Register at: 602.839.6850

Tempe Public Library
3500 S. Rural Rd., Tempe
Register at: 602.839.6850

Dementia Dialogues Webinar Series
Register at: www.banneralz.org/dementialogues
Please note that all webinars are recorded and archived on website 24-48 hours after live session or call 623.832.3248



December

Date	Time	Name of Class	Location	To Register
Dec. 5, Tues.	12:30pm – 2:00pm	Denial: Understanding Why Your Person Doesn't Understand	BAI	602.839.6850
Dec. 6, Wed.	10:00am – 11:30am	As Dementia Progresses	BSHRI	623.832.3248
Dec. 7, Thurs.	4:00pm – 5:30pm	After the Dementia Diagnosis (formerly COMPASS)	BAI	602.839.6850
Dec. 11, Mon.	10:00am – 11:30am	Medications for Dementia: What Are They and What Can I Expect?	BAI	602.839.6850
Dec. 12, Tues.	10:00am – Noon	Planning Ahead Class for Caregivers	BAI	602.839.6850
Dec. 13, Wed.	1:00pm – 2:30pm	Dementia Friendly Tempe Presents: Mindfulness Matters	Tempe Public Library	602.839.6850
Dec. 19, Tues.	10:00am – 11:30am	Help at Home: Support for the Person Living at Home	Mesa Red Mountain Library	602.839.6850
Dec. 20, Wed.	9:00am – 10:30am	Behaviors: Expressing What Words Cannot	BSHRI	623.832.3248
Dec. 20, Wed.	Noon – 1:00pm (AZ Time)	Dementia Dialogues Webinar: Visiting Notes for Families	Online	www.banneralz.org Under Events & Education

Banner Alzheimer's Institute (BAI Downtown Phoenix)
901 E. Willetta St., Phoenix
Register at: 602.839.6850

Banner Sun Health Research Institute (BSHRI Sun City)
10515 W. Santa Fe, Sun City
Register at: 623.832.3248

Mesa Red Mountain Library
635 N. Power Rd., Mesa
Register at: 602.839.6850

Tempe Public Library
3500 S. Rural Rd., Tempe
Register at: 602.839.6850

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To learn about upcoming education and support programs dates at:

- Banner Alzheimer's Institute, visit www.banneralz.org and click on "Events Calendar" icon or call Deidra Colvin, Events Coordinator at 602.839.6850
- Banner Sun Health Research Institute, visit www.bannershri.org and click on calendar or call Veronica Flores, Events Coordinator at 623.832.3248

These programs are made possible by the generous support of the Banner Alzheimer's Foundation.