

A Legal & Financial Guide for New Yorkers Affected by Alzheimer's Disease and Related Dementias

caringkind *The Heart of
Alzheimer's Caregiving*

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About this Guide

Originally prepared by the New York City Department for the Aging's (DFTA) Alzheimer's & Long Term Care Unit, this guide has been updated and amended by CaringKind – The Heart of Alzheimer's Caregiving, with the assistance of attorneys, Douglas Chu and Martin Petroff, to provide an overview of the legal and financial issues associated with long term care for persons with Alzheimer's disease and related dementias in New York City.

This publication is not intended to give the reader an in-depth understanding of the areas of law discussed herein, nor is it intended to substitute for legal advice. Therefore, prior to making any decisions regarding these issues, the reader is advised to seek professional services.

This guide will provide information on:

- Working with long term care professionals
- Consulting an attorney
- Available legal and financial planning instruments
- Managing the costs of long term care
- Applying for government entitlements

Regulations for federal, state and city programs frequently change, especially in the areas of Medicare and Medicaid. Therefore, before making any decisions regarding such programs, make sure your information on the program is complete, current, and accurate.

NOTE: Eligibility for many public benefits and entitlements are based on income and asset guidelines that can change annually. See the insert or call CaringKind's 24-hour Helpline at 646-744-2900 for current eligibility levels.

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Planning for Long Term Care

As people are living longer and our population ages, more and more individuals are in need of some form of regular assistance with either medical needs or activities of daily living. The spectrum of services that provides this assistance is referred to as 'long term' and can take many forms. Services can range from a limited number of home care hours each week to help with personal care, housekeeping and shopping; several hours a week in an adult day care program to provide socialization, supervision and medical monitoring; or 24-hour care in a skilled nursing facility. Care may be provided through an informal network of family, friends, members of religious organizations, or through regulated, licensed home care agencies, day care programs or residential facilities.

Because Alzheimer's disease and related dementias generally progress slowly and become more debilitating over time, the cost of care may become burdensome. For such conditions, where the individual will lose decision-making capacity, legal issues regarding the handling of finances and the provision of care become critical. Early planning not only enables the person concerned to make his or her decisions while still able, but it also relieves family members of many legal complications and financial burdens in the future.

It is essential to keep in mind the needs and interests of the person with dementia, his or her spouse or significant other, as well as those family members and friends who will be involved in the caregiving responsibilities. The entire support system should plan for the future together, where able, reaching out for professional assistance as needed.

When the diagnosis of an illness that causes dementia is received, it is important to become as knowledgeable as possible about the progression of the underlying disease and what care may be needed in the future.

CaringKind is here to assist and support you through this journey. Reach us by calling our 24-hour Helpline at 646-744-2900 or by emailing helpline@caringkindnyc.org.

Getting the Right Kind of Help

In order to develop a comprehensive plan that addresses health care and treatment issues, professional assistance should be obtained. The professionals who specialize in planning for medical and physical long term care needs include geriatricians, registered nurses, nurse practitioners, social workers, geriatric care managers, and case managers. These individuals will help answers questions about types of professional caregiving and payment options.

Elder law attorneys, financial planners, accountants, benefits officers, and government representatives are the professionals to consult for advice on financial and legal matters. Attorneys can offer advice regarding trust and estate planning, insurance issues, public benefits and entitlements, and disability. See Consulting an Attorney for more information.

To find the professionals who specialize in each of these areas, you may contact: CaringKind at 646-744-2900. We have social workers available to work with you around developing and implementing a care plan as well as to ensure your well-being throughout these often-complex and complicated processes.

Working with Professionals

Investigate all caregiving options as early as possible. This includes in-home care, adult day care, respite services, and nursing home care. Awareness of the available options will help in making the best decisions for your unique situation.

Ask questions about the fees of each professional you engage. Do not be afraid to ask for clarification of any points you do not understand. It is important that you clearly understand the details and the cost of the services that are to be provided to you. For more information on the kinds of questions you might want to ask, please contact our 24-hour Helpline at 646-744-2900.

When consulting professionals about legal and financial matters, it is important to provide complete information about bank accounts, pensions, investments, insurance policies, property, mortgages, loans, trusts, and powers of attorney. It is also helpful to have the birth certificate, citizenship papers (where applicable), and the will.

Be prepared to designate beneficiaries of the estate, a caregiver, and/or legal guardian. Alzheimer's disease will result in the person with the disease's inability to handle day-to-day affairs and, as such, at least one of these designees should also be given the authority to manage finances, property concerns, etc., through a power of attorney.

When consulting an attorney, physician, government benefits officer, or any other professional, it is important to be prepared with questions and to take notes during the meeting.

A good idea is to start a notebook small enough to carry to appointments. Record the following:

- Present address, date of birth, marital status, citizenship status, social security number of the individual needing care
- Insurance or policy numbers such as Medicare, Medicaid or private insurance
- Names, addresses and phone numbers of physicians
- Diagnosis, brief medical history, current medications, and any allergies
- Current care needs, services received in the community, and agencies providing services

- Names, addresses and phone numbers of other professionals such as a geriatric care manager or elder law attorney who may be involved in the care plan
- Name and phone number of a reliable person to be reached in an emergency, including an emergency contact for the caregiver as well as the care recipient.

Record information received from various professional sources in the notebook.

Consulting an Attorney

Because laws and regulations are complex and often amended, the attorney you choose to work with should specialize in elder law and be familiar with health care law, long term care financing, trusts, estates, and Medicare/Medicaid provisions. Hearing impartial advice from a third party about estate planning, trusts and other legal and financial issues may help put you and your family at ease.

It is important to keep in mind that the attorney is working for you. If you are not comfortable with the first attorney you contact, consider speaking with another. You are paying for these services and are entitled to hire an attorney who will best represent you and your family's interest. CaringKind can help you to identify options for attorneys who might best meet your needs.

Following are several steps that will save time and money:

Documentation

Prior to the initial consultation, ask the attorney what information you need to bring to the meeting. Gather personal documents, including information relating to medical and financial status. Giving the attorney access to complete background information will help make the planning process flow smoothly. It is very important that the attorney be informed of any medical condition that presently includes or may result in dementia or mental incapacity. Do not withhold any information as it may undermine any planning.

Fees

Before meeting with the attorney, ask about initial consultation fees. After the meeting, request an estimate of the remaining fees. Attorneys charge by the hour or on a fee-for-service basis for drafting documents such as trusts and wills. Some attorneys charge for telephone time following the initial conversation. Be sure you ask about all related fees and how they are assessed.

Interview

Make a thorough list of questions to ask the attorney before your appointment. Do not be afraid to ask questions that seem simple. It is important to have a complete understanding of the plan that you and the attorney develop. If the person for whom the planning is being done is too ill to participate, issues should be handled in a manner consistent with his or her known preferences.

The initial attorney meeting may be overwhelming. It is highly recommended that you write down important information. Do not feel obligated to give immediate answers during your first meeting. If possible, bring a trusted relative or friend to help listen and take notes. Take time to think about all the options the attorney presents. Remember, the objective in meeting with an attorney is to formulate the best plan to preserve the financial resources and manage the affairs of the individual with long term care needs.

For referrals to an Elder Care Attorney throughout NYC, please call CaringKind's 24-hour Helpline at 646-744-2900.

Legal and Financial Planning Tools

Once the financial status has been assessed, planning and managing finances becomes a top priority. Income may be in the form of dividends, interest, disability income, retirement benefits or government benefits such as Social Security, Social Security Disability (SSD), Supplemental Security Income (SSI), Retirement, or Veterans Administration (VA) benefits.

There are several tools to ensure that these payments are received and properly utilized. Tools include: direct deposit, a representative payee, joint accounts, supplemental needs trusts, power of attorney, and/or guardianship. Following is a brief discussion of these methods for managing the finances of individuals unable to do so for themselves.

Direct Deposit

Direct or automatic deposit into the person's bank account protects against loss, theft, or the destruction of checks. It also eases the task of getting the check in the bank. To arrange for the direct deposit of government funds, file a standard authorization form obtained from the bank or government agency from which the individual is receiving benefits. Contact the source of any non-governmental payments, such as retirement benefits, for information on its direct deposit procedures.

Representative Payee

The appointment of the representative payee ensures receipts of checks from Social Security Administration (SSA), Railroad Retirement Administration (RRA) and the Veterans Administration (VA). This arrangement is useful when it becomes necessary to access the income of the ill person in order to pay his/her living and health care expenses. To arrange for a representative payee, contact the administration that provides the benefit. A representative payee does not automatically gain access to other income or resources.

Joint Bank Account

A joint bank account is an account held in more than one person's name, such as "John Doe and/or Jane Doe." Such account can be set up so that either party can access the account independently, or that more than one person must sign in order to withdraw funds. While joint accounts are useful to maintain access to another person's assets for their care, complications can arise when applying for Medicaid or other government benefit. While there may be two persons named on an

account, many benefit programs assume that any money in the account belongs exclusively to the person applying for the benefit. Be sure to review any joint account with an attorney or other benefits expert prior to application.

Supplemental Needs Trusts

Supplemental needs trusts are widely used planning tools for persons with disabilities. Such trusts, also referred to as special needs trusts, are intended to enhance the lives of disabled individual without jeopardizing their eligibility for Medicaid and Supplemental Security Income (SSI). Supplemental needs trusts pay for the personal needs of beneficiaries, including both necessities and luxuries. The trust may include cash, stocks, bonds, and a house, a condominium, or a cooperative residence.

Durable Power of Attorney

The power of attorney is a relatively simple legal form that can be purchased at stationery stores. The principal (in this case, the individual with long term care needs) authorizes another person, often a family member, to act on his/her behalf as their agent. The agent can deal with a wide variety of financial and property matters, ranging from the management of a single bank account to buying and selling assets, including real estate, as stipulated within the power of attorney. It is critical to execute the power of attorney while the principal has the capacity to make sound judgments. In case of progressive dementia, once the individual has been determined to lack capacity, a power of attorney cannot be instituted and serious financial difficulties may result.

Prior to executing the instrument, read it carefully. If there are any provisions that are unclear, seek professional assistance.

There are several types of powers of attorney. If the individual's disease or condition currently includes early stage dementia or may result in dementia or other incapacity, a durable power of attorney is the preferred form. A durable power of attorney gives the agent power that continues after the individual becomes disabled or incapacitated.

Even if you have a properly executed "Statutory Short Form Power of Attorney", some financial institutions (banks, insurance companies, and brokerage firms ...etc.) may insist that you use their own in-house power of attorney form or similar document. Under New York State Law they are required to accept a properly executed "Statutory Short Form Power of Attorney", however, in practice they often ignore this law. That being said, if the person with dementia is able to

complete the in-house legal forms provided by the financial institution, it a good idea to have him or her do so to avoid difficult situations and/or long delays arguing with the financial institution or their legal department.

Several copies of the power of attorney form should be filled out, signed and left with the attorney or kept in a safe place until needed. Carefully verify that the power of attorney confers the desired powers.

If the individual owns assets in other states, then powers of attorney drafted according to the laws of those states should also be executed.

In some states, the principal can use the power of attorney form to give their agent the power to make health care decisions, as well as to grant control over financial matters. In New York State, a health care power of attorney, known as a health care proxy, is a separate document from general power of attorney. See Health Care Proxy discussion.

The statutory gift rider (SGR) allows you to authorize your agent to make gifts in excess of an annual total of \$500 for all gifts described in the Power of Attorney form. The gift rider acknowledges that gifting could fundamentally change the grantor's estate plan and specifically outlines options for gifting. The SGR must be signed, dated, acknowledged and witnessed by two witnesses. The rider also expands the amount of the gift to any amount and allows gifting to the agent with a caution that the agent must act in the best interest of the grantor. The rider gives the grantor the opportunity to give instructions about the gifts and their purpose.

Powers of attorney, and statutory gift riders, are complicated legal documents. We strongly recommend that you seek council from an elder law attorney to be sure your document is executed accurately and appropriately.

Note: The law regarding powers of attorney changed in 2010. Powers of attorney completed prior to the change in law remain valid; however, if the person with dementia is able to, you might want to consider completing a new Power of Attorney form.

Delegating Medical Treatment Decisions

Many people want to ensure that their wishes concerning their health care will be carried out in the event they become incapacitated. Instructions can be provided for their future care through a health care proxy and a living will.

The Health Care Proxy

New York State law limits family members from making certain treatment decisions for individuals unable to make their own decisions, unless a court guardian is appointed or a health care proxy has been signed. A properly signed health care proxy may avoid a time-consuming and expensive guardianship.

New York State's health care proxy law allows for the appointment of a person (the health care agent) who can act on behalf of the patient (the principal) and participate in the health care decision-making process just as the principal would. The agent is empowered to make decisions only when the principal's attending physician, who by a reasonable degree of medical certainty, determines that the principal has lost the capacity to make health care decisions.

The agent has the power to make decisions regarding life-sustaining treatment, especially artificial hydration and nutrition. However, in that event, the health care agent must have specific knowledge of the principal's wishes; otherwise the agent is not authorized to act. The principal should clearly state on the proxy itself that they have discussed artificial hydration and nutrition with their agent. Prior to making decisions about life-sustaining treatment, a second physician's opinion regarding incapacity of the principal must be obtained.

If the principal spends an appreciable amount of time in another state, then a health care proxy approved under that state's law should be completed.

Copies of the health care proxy should be given to the principal's doctor to be placed in the medical record, to the health care agent, home health care provider agency, day care program, hospital, and family members or close friends.

The Living Will

The living will allows a person to declare their wishes regarding the use of technologically advanced medical care and procedures that can delay death. New York State does not have a specific statute recognizing living wills but the New York State Court of Appeals has upheld the right of an individual to have life-sustaining treatment withheld when such a decision has been clearly indicated in

advance, as in a living will. An appropriately drafted living will should meet the court's standard for 'clear and convincing evidence' of an individual's desires regarding medical treatment and should be consistent with the health care proxy.

The living will should be discussed with personal physicians, family members, and caregivers, and should be accessible when the need arises. It should also be reviewed periodically.

Medical Order for Life Sustaining Treatment (MOLST)

The MOLST form is one way of documenting a patient's preferences concerning life-sustaining treatment. Providers may choose to use other forms; however, under State law, the MOLST form is the only authorized form in New York State for documenting both non-hospital Do Not Resuscitate (DNR) and Do Not Intubate (DNI) orders that can be used in a variety of health care settings (i.e., hospital, sub-acute, ambulance). The patient and/or the patient's health care agent or surrogate must confer with their physician to discuss treatment preferences. The form should be printed on bright "pulsar" pink, heavy stock paper and is available online at www.compassionandsupport.org.

Guardianship

The guardianship proceeding is another option for managing the affairs of a person unable to do so on their own and has no family member or significant other legally designated to assume responsibility for their care. In this instance, a guardian is appointed to care for the individual's person and/or property through a comprehensive court proceeding. The guardianship proceeding is expensive because a number of attorneys and other professionals may require to represent each person involved in the court proceeding. To avoid guardianship, it is strongly recommended that a durable power of attorney and health care proxy be executed before the person becomes incapacitated.

The guardianship proceeding allows a court to act whenever it finds 'clear and convincing' evidence that the 'alleged incapacitated person' cannot adequately understand or appreciate the nature and consequences of their particular limitations and is likely to suffer harm as a consequence. The proceeding may be initiated by a family member, partner, friend, or Adult Protective Services.

Paying for Medical Care

In most cases, a person must be a US citizen or legal resident to qualify for public benefits such as Medicare and Medicaid. However, do not let legal status preclude you from seeking assistance. In some cases there are things that can be done to support people with dementia who are undocumented. To learn more, call us at 646-744-2900 and we can connect you with resources that may be able to help.

The medical insurances that may be available to help meet long term care needs are Medicaid, Medicare, and private.

Medicaid is for those with low income and limited resources and covers the costs of long term custodial care.

Medicare covers skilled nursing care costs only.

Private insurance can help meet some costs of custodial and skilled care.

Each medical insurance program is briefly described below. For more detailed information contact our 24-hour Helpline at 646-744-2900.

Note: Persons in need of home care and other community based chronic care services should always consider applying to Medicaid no matter what their income or assets measure up to be. With professional direction, they may qualify for Medicaid.

Medicaid Home Care Services

Also known as Managed Long Term Care (MLTC) home care services or Community Medicaid services, the Medicaid home care program will provide a home aide to assist an eligible individual with their activities of daily living (see Glossary for definition of activities of daily living).

Establishing Medicaid eligibility requires the applicant to stay within certain income and resource limits. Limits change annually; see insert for current figures. Most individuals will find that their personal income and resources exceed the Medicaid limits for income and resources. When a potential Medicaid applicant

finds they have too much income or resources, they have the following options available to them:

- If they find their income exceeds the monthly income limit (the excess is known as “surplus income”), they may pay their surplus income to Medicaid like a monthly deductible to meet the income limit or they may deposit their surplus income into a Medicaid approved “Pooled Income Trust” (see Glossary) to lower their income to the appropriate income level. Income deposited into a Pooled Trust is available to help pay for expenses that are not covered by Medicaid. Either one of these options will enable a person with excess income to become eligible for Medicaid.
- If they find they have resources (assets) that exceed the Medicaid resource limit, the solution is to transfer away the excess resources. There are no limitations or restrictions on transferring away your excess resources the month before you apply for Medicaid home care services. However, please note that this transfer will cause a potential Medicaid transfer penalty for nursing home Medicaid services (see discussion of transfer penalty for nursing home services). *Warning: If the applicant may require nursing home care in the near future, you should first consult with an experienced Medicaid planner or attorney before transferring resources to qualify for nursing home Medicaid.
- Certain resources are exempt and are not counted as a resource. Examples of exempt resources: a pre-paid funeral, the home where you reside, retirement funds such as an IRA, a car and the contents of your home.

For a married couple dealing Medicaid home care (when one spouse requires Medicaid home care services), it is the common practice to move all of their joint assets to the well spouse. This will bring the applicant spouse down to the allowed Medicaid resource level. If all of their joint resources are moved to the non-applying spouse, the well spouse must inform Medicaid in writing (known as a spousal refusal letter) that these resources are not available to pay for the medical services required by their ill spouse. Upon submitting this letter to Medicaid, the applicant spouse will be considered eligible for Medicaid services; however, Medicaid has the right to legally seek reimbursement from the refusing spouse for all services Medicaid provides to the ill spouse. (See insert for the income and resource limits for a non-applying spouse.)

For more information on how to apply for Medicaid home care services please register for one of CaringKind's monthly Medicaid Home Care Seminars. To learn more and to register, call our 24-hour Helpline at 646-744-2900.

Nursing Home Medicaid

Medicaid requires extensive documentation to establish eligibility: verification of identity, age, residency, citizenship, marital status, income and resources, and additional personal information. For the 60-month period prior to application, the individual must disclose all relevant financial records including bank statements, savings accounts, inventory of stocks and bonds, real estate, etc. Documentation and explanations are also required for all transactions of \$1,000 or more. Both spouses must provide complete 60-month financial histories even if only one is applying for coverage.

In a case of a routine application, the nursing home staff will work with the family to organize the information and submit it to Medicaid for approval. Other cases with more complex financial histories may require the assistance of an elder law attorney

Before the application for Medicaid is prepared, the applicant's needs must be assessed to be sure she is an appropriate placement for nursing home care. If there are questions or concerns about the assessment, a geriatric social worker or elder law attorney should be consulted.

To be eligible for Medicaid in the nursing home, the same resource limits for home care apply. Limits change annually; see insert for current figures. However, all income for an individual who does not have a spouse remaining in the community must be paid to the state to cover the cost of care, except for the cost of private health insurance coverage and a monthly \$50 personal needs allowance.

Asset and Income Guidelines for the Spouse at Home

When a married individual applies for Medicaid coverage in a nursing home, the law provides asset and income guidelines for the spouse at home. The calculation of resources does not include the value of the home. In addition, the community spouse is allowed additional monthly income, which may be drawn from the institutionalized spouse's income. The amounts can change annually; see insert for current figures.

Transfer of Assets

A married individual who requires care in a nursing home may transfer all his assets to the well spouse or to a minor, blind or disabled child and become immediately eligible for Medicaid nursing home services. However, assets owned by the well spouse that exceed the community spouse resource allowance may be subject to recovery by Medicaid. If assets are transferred to persons other than a spouse or a minor, blind or disabled child a penalty of so many months is incurred. During that penalty period Medicaid will not cover that person's nursing home charges.

Transferring the Home

Although the individual's home -- a house or apartment -- is an 'exempt' resource for purposes of initial Medicaid eligibility, ultimately it may be subject to a Medicaid demand for reimbursement. Transfer of the house to certain specified individuals will not trigger a penalty period. These individuals are:

- A spouse
- A minor child
- An adult child who is blind or disabled
- A child living in the home and caring for the parent for two years prior to the parent's placement
- A sibling with equity interest who has resided in the home for one year prior to the applicant's placement.

However, transfers to all other persons will trigger a penalty period.

Note: Generally, transfers will not incur adverse tax consequences.

Medicare

It is important to remember that purely custodial care (the type of care that most persons with dementia at home or in nursing homes require) is not covered by Medicare or Medicaid policies. The only home-care or nursing-home services that Medicare covers are for skilled nursing or rehabilitation. Long-term-care insurance and Medicaid are the major alternative sources for paying for custodial-care services.

The Medicare program is a system of health insurance for the aged and disabled. It is administered by the Centers for Medicare & Medicaid Services, formerly the

Health Care Financing Administration. It consists of two basic units: Part A provides coverage for the costs incurred by eligible beneficiaries for inpatient hospital care, inpatient care in a skilled-nursing facility following a hospital stay, home-health-care and hospice services; Part B is a voluntary program in which eligible beneficiaries who pay a monthly premium are entitled to reimbursement for physician and other medical services and supplies. Parts C and D are reviewed below.

Eligibility: Primary Medicare eligibility is linked to Social Security retirement and disability benefits. Disabled persons and disabled widows/widowers under age 65 may also be eligible for Medicare. Some persons who are 65 years of age or older, but not otherwise eligible, may purchase this insurance by applying to Social Security.

Enrollment: The initial enrollment period begins 3 months prior to the month of the 65th birthday and continues 3 months after that. (There are substantial penalties for late enrollment.) A special enrollment period is available to the working aged and their spouses who delay enrollment because of primary, employer-based insurance.

Medicare Part A - Hospital Insurance

Inpatient Hospital Coverage: Medicare Hospital Insurance (Part A) will pay for all medically necessary inpatient hospital care for the first sixty days minus a deductible of \$1,184 for each benefit period. For the remaining days a beneficiary must pay substantial co-payments, which may be covered under a Medigap policy (see discussion below). Major in-hospital services covered by Medicare Part A include a semi-private room, all meals, special-care units including the intensive-care and coronary-care units, regular nursing services and drugs furnished by the hospital during the patient's stay.

Skilled Nursing Facility Care: Medicare will also pay for up to 100 days in a skilled-nursing facility. The first 20 days are covered, but for days 21 through 100 a \$157.50 daily co-payment is required. The patient must have been hospitalized for at least 3 days and be admitted to the facility generally within 30 days after leaving the hospital.

Home Health Care: Medicare also provides home-health-care services for a beneficiary who is under a physician's plan of care, requires skilled-nursing care and is essentially confined to home. Physical, occupational and speech therapy and

the services of a home-health aide are available. A prior hospital stay is not required.

Hospice Care: Medicare's hospice program includes both home care and inpatient care, when needed, and a variety of services not otherwise provided by Medicare. To be eligible, a Medicare beneficiary must be certified by a physician as terminally ill with a life expectancy of approximately 6 months or less. Those who choose hospice care receive non-curative medical and support services for their terminal illness. Regular Medicare continues to pay for medical treatments not related to the terminal illness.

Medicare Part B - Medical Insurance

Medicare Medical Insurance (Part B) covers a variety of medical services of particular importance to Medicare beneficiaries, including physician services in and out of the hospital, durable medical equipment, outpatient hospital services, physical, occupational and speech therapy and ambulance transportation. Part B coverage is voluntary. Most Medicare beneficiaries decide to enroll in the program with their monthly premiums deducted from their Social Security checks. Medicare pays 80% of the approved charges for services and the beneficiary is responsible for the 20% co-payment. Some Medicare supplemental insurance policies cover these charges. See Medigap Insurance below.

Limiting Charge: There is a cap imposed on the amount doctors may charge their Medicare patients for each service. In New York, doctors may not charge more than 5% above the Medicare-approved rate for most services.

Excluded Services under Part A and Part B: Some services not covered by Medicare Part A are private-duty nursing and, generally, a private room. Other services excluded under Medicare Part B are routine physical checkups, immunizations with some exceptions, eyeglasses or contact lenses, most dental care and hearing aids. Generally, Medicare will not pay for hospital or medical services abroad or for physician services on ship cruises beyond the territorial waters of the United States.

Medigap Insurance: Medicare beneficiaries may decide to buy supplemental insurance (Medigap), which covers out of pockets costs not covered by Medicare. For further information, request a copy of the Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare by calling

Medicare (800) 633-4227 or Social Security (800) 772-1213 or visit the Medicare website at www.medicare.gov/publications/search/view/viewpublist.asp.

Part C - Medicare Advantage Plans

Medicare Advantage plans are managed-care programs that are sometimes called coordinated care or prepaid plans or health maintenance organizations (HMOs). They might be thought of as a combination of insurance company and doctor/hospital.

Part D - Medicare Prescription Drug Plans

Medicare pays, in part, for out-patient prescription drugs. All Medicare beneficiaries have the opportunity to enroll in a Medicare prescription drug plan sponsored by a private-sector company. New York has more than 30 different plans available to beneficiaries from the companies. Part D plans charge a monthly premium, and many have a deductible to meet and co-payments or coinsurance requirements as well.

Private Insurance

Long Term Care Insurance

Long term care insurance (LTCI) pays for all or some expenses related to long term care, including care needed at home, in a nursing home, in a community based setting, and assisted living facilities.

Individuals purchase policies to protect income and resources, as well as to maintain independence, financial control and expand care options. LTCI policies are structured with a daily amount (for example, \$200 per day) of nursing home and home care for a period of time (for example, 3 years).

Policies have many options, so it is important for the consumer to think through what he wants the policy to pay for. Each option increases the cost of the premium. The premium should not exceed 8% of the insured's net annual income. If it does, it may be too expensive. LTCI is not available for persons with Alzheimer's disease.

Glossary

Activities of Daily Living (ADLs) – the functional tasks of everyday life, such as walking, dressing, bathing, eating, and transferring (moving from bed to chair). Assessment of ADLs measures a person's ability or inability to provide self-care. This information is critical to obtaining the appropriate level of long term care.

Adult Day Care – a site in the community, generally sponsored by the nursing home or religious organization that provides services according to a social or medical model. Supervised services may include socialization, therapeutic recreation, and access to medical services.

Custodial Care – assistance with ADLs or other personal needs that can be provided safely and reasonably by persons who do not have professional medical training. Examples of custodial care include bathing, dressing, shopping, feeding, etc.

Geriatric Care Manager – a paid professional, usually a social worker, who specializes in assisting older people and their families in meeting their long term care needs, for a fee.

Geriatrician – a physician certified in the care of older people who has additional training in medical, social and psychological issues specific to older adults. Geriatricians frequently work in a setting with a multidisciplinary team.

Home Care – services provided to an individual in their home that may include home delivered meals, home attendant assistance with personal care, housekeeping or shopping, visits by a registered nurse, certified therapist, or social worker for skilled care and assessment, or 24-hour live-in care.

Incapacity – inability, due to mental or physical illness, to care for oneself or make communicate inform, responsible decisions.

Respite Care – alternative caregiving arrangements that permit free time for a family caregiver. Respite care can take place in the home, at an adult day care center, or through temporary placement in a health care resident.

Skilled Nursing Care – medical tasks that can be performed only by a registered nurse or under their supervision or other certified professional. Such activities may include wound care, physical or occupational therapies, intravenous injections, medical social work services, etc.

[illegible]



CaringKind is New York City's leading expert on Alzheimer's and dementia caregiving. With over 30 years of experience, we work directly with our community partners to develop the information, tools and training to support individuals and families affected by dementia.

Our mission:

The mission of CaringKind is to create, deliver, and promote comprehensive and compassionate care and support services for individuals and families affected by Alzheimer's disease and related dementias, and to eliminate Alzheimer's disease through the advancement of research. We achieve our mission by providing programs and services for individuals with dementia, their family and professional caregivers; increasing public awareness; collaborating with research centers; and informing public policy through advocacy.

24-hour Helpline

646-744-2900

www.CaringKindNYC.org

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