

How Do I Advise My Aging Parents?

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Proposition

Prior Planning Improves Results!

Failing To Plan Is Planning To Fail!



Principal Elder Law Concerns

- Disability Planning
- Housing Options
- Paying for Long-term Care
- Asset Protection
- Assistance with Parent's Financial and Personal Affairs
- Tax and Estate Planning
- Fiduciary Duties and Obligations
- Caregiver Support



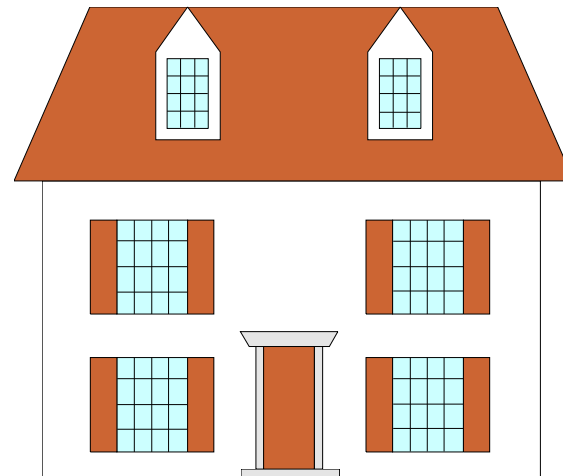
Disability Planning

- Guardianship/Conservatorship
- Joint Ownership
- Power of Attorney
- Revocable Trust
- Advance Medical Directive
- Do Not Resuscitate Orders (DNR Orders)



Housing and Care Options

- In-Home Care
- Adult Day Care
- Assisted Living
- Nursing Homes
- Continuing Care Retirement Communities
- Hospice Care



Probability of Requiring Long-Term Care

- 48.6% of People Over 65 Years of Age Will Spend Time in a Nursing Home
- The Average Nursing Home Stay Is 30 Months
- 71.8% Will Require Home Health Care
- The Average Length of Home Custodial Care Is 30 Months



Paying for Long-term Care

Total Annual Long-Term Care Services Is
\$78 Billion

- Private Pay (42%)
- Long-Term Care Insurance (1%)
- Medicare (18%)
- Medicaid (35%)
- Other (4%)



Long-term Care Planning

- Protection of Community Spouse from Impoverishment
- Identify Non-Countable Resources
- Conversion of Countable Resources to Exempt Resources and/or Income
- Transfer of Assets



Asset Protection

- Marital Agreements
- Trusts to Protect Inheritances From the Beneficiary's Former Spouse
- Tenancy by Entireties
- Asset Protection Trusts
- Umbrella Insurance
- Long-Term Care Insurance



Assistance with Financial Affairs

- Monitor Accounts
- Bill Paying
- Investment Advice
- Prepare Tax Returns
- Negotiate and Monitor Care Arrangements



Assistance with Personal Affairs

- The Parent Has Impairments But Will Not Stop Driving
- The Parent Suffers From Depression
- The Parent's Impairments Result in Financial Mismanagement
- Financial or Physical Abuse



Tax Planning



- Minimum Withdrawals from IRAs and Retirement Plans
- Sale of Home
- Deduction of Long-Term Care and Medical Expenses
- Gift Taxes
- Choice of State Residency Based on Local Tax Rules
- Exemption from Real Property Taxes
- Probate Taxes
- Estate Taxes



Estate Planning

- TOD and POD Accounts
- Joint Ownership WROS
- Designation of Beneficiary
- Simple Wills
- Simple Will with Contingent Supplemental Needs Trust
- Revocable Trusts
- Irrevocable Life Insurance Trusts
- Family Limited Partnerships



Fiduciary Duties and Obligations

- Family Members will Frequently Be Named as Agents, Guardians, Conservators, Personal Representatives, or Trustees
- All of These Positions Impose Legal, Fiduciary and Tax Duties, Obligations and Personal Liability
- Secure Professional Assistance to Avoid Errors and Personal Liability



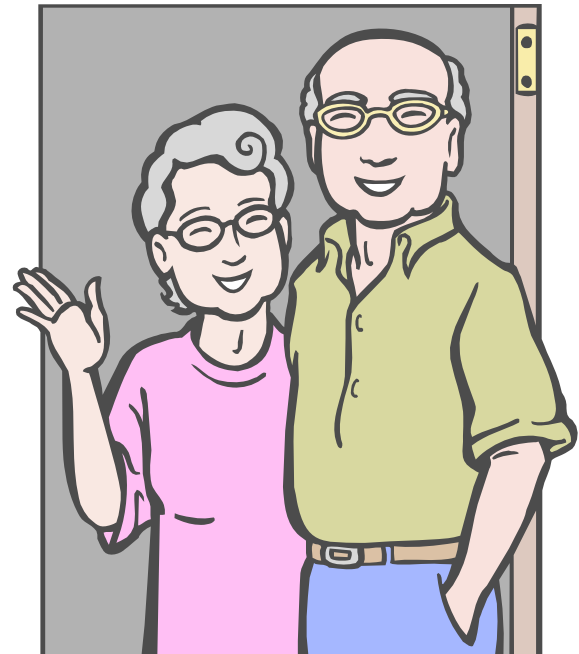
Secrets of Being a Caregiver

- Family Members Will Frequently Become Caregivers
- Care Giving Requires a Large Commitment of Time. To Prevent Burnout, Reserve Some Time for Yourself
- It Is Difficult to Be a Long Distance Caregiver. Consider Moving Your Parent Near You
- Seek Help from Others
- Join a Support Group



How Do You Assist Your Parents?

- Gather Information
- Attempt to Involve the Entire Family
- Seek the Advice of Professionals
- Implement Plan
- Monitor Plan
- Change Plan as Necessary



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- Estate Planning
- Asset Protection Planning
- Long-term Care Planning
- Veterans Benefits
- Financial Planning and Advice regarding Investments, Insurance, Annuities, Reverse Mortgages, and Equity Lines
- Tax Planning
- Guardianships and Conservatorships
- Estate and Trust Administration
- Special Needs Trusts
- Care Management Services
- Business Planning and Succession Planning