

LIVING...
PLANNING...
DYING...

Well

Getting Your Affairs in Order

Resource Book

Bryn Mawr Presbyterian Church
625 Montgomery Avenue
Bryn Mawr, PA 19010
610-525-2821

START HERE

Dear Friend,

You're in the right place. Planning for the end of life can be daunting, and this resource book is here to help. Within its pages, you'll find information and advice regarding various aspects of planning and care.

This resource book is designed to provide general information to help you in your life planning. It is not intended as a "How To" to replace the advice of skilled professionals in the medical, tax, or legal fields. However, it is intended to provide basic resources that can lead to further investigation. These issues are not exclusive to older adults; they apply to everyone.

This book is designed to be used with "A Planning Guide," a separate booklet in the "Getting Your Affairs in Order" series. If you do not have a copy of "A Planning Guide," please call Bryn Mawr Presbyterian Church at 610-525-2821, and we will send one. You can find this booklet and "A Planning Guide" on our website: www.bmpc.org.

You are not alone in this process. The entire Caring Ministries Team at Bryn Mawr Presbyterian Church is here to help you each step of the way. Planning ahead is an act of love. Working through these various questions and suggestions is a gift to those you care about. We are here to help you ensure that your affairs are in order.

Grace and Peace,
The Caring Ministries Team

Associate Pastor for Pastoral Care and Senior Adults 610-525-2821

Parish Nurse 610-520-8832

Parish Social Worker 610-520-8833

Middleton Counseling Center 610-525-0766

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HEALTH INSURANCE AND LIVING ARRANGEMENTS

MEDICARE, OTHER GOVERNMENT INSURANCE AND LONG TERM CARE INSURANCE

Medicare

Medicare is a federal health insurance program for people 65 and over. It has two parts: Part A helps pay for hospital care and home health, hospice, and skilled nursing care; Part B helps pay for doctor visits, medical equipment, preventive services, outpatient care, therapy, lab tests, X-rays, mental health, and ambulance services. Medicare coverage can be provided through the original fee-for-service plan or through Medicare Advantage Plans, which are run through private insurance companies, like an HMO or PPO (Part C).

Medicare's drug benefit (Part D) is outpatient prescription drug coverage for anyone with Medicare. If you want to get this coverage, you must choose to participate and enroll in a private prescription drug plan and pay the premium, or it may be included in some Medicare Advantage plans. Key factors to consider when enrolling in Medicare include access to providers and expected need for services, as well as out-of-pocket expenses for premiums and deductibles. Some people choose a Medigap (Supplemental) plan, a private plan available from insurance companies to help cover deductibles and coinsurance that Medicare doesn't.

Finding the best plan is individual to you and your healthcare. Before choosing a plan, you want to make sure your doctors take the plan and all your medications are covered. At [medicare.gov](https://www.medicare.gov), you can set up an account and access the Medicare and You guide, which is available electronically, or you can request a paper copy. The website provides a way to compare various plans. Also, you can receive free, confidential, unbiased advice through The Pennsylvania Medicare Education and Decision Insight (PA MEDI). There are health insurance counselors available to help you.

You can access PA MEDI through the County offices below:

Delaware County	484-494-3769
Chester County	610-344-5004, option 2
Montgomery County	610-834-1040 ext. 120

Medicaid

Additional help with health care costs can be offered through the state's Medicaid program. Medicaid benefits are available to citizens of the USA over 65 or disabled and whose income and assets are very low. Because neither Medicare nor Medigap policies cover the cost of custodial nursing home care, individuals often need help paying for long-term care in a nursing home. The financial requirements are very complicated and, especially when a person is married, careful analysis of income and expenses is needed. Elder Law attorneys are specially versed in determining if a person might be eligible for benefits under Medicaid laws. In addition, only certain facilities accept Medicaid funds in payment for services. It is best to consult with an attorney early in the process since the rules are very stringent covering eligibility.

Long-term Care Insurance

Since neither Medicare nor Medigap policies cover the cost of custodial care whether in a nursing home or at home, other sources are necessary to finance this care. One option is to purchase insurance that covers the cost of nursing home or other long-term care.

Nursing home and home care costs are considerable. Over years these costs could substantially reduce or eliminate the assets of many persons. Long-term care insurance can be purchased from commercial insurers to cover part or all of the potential cost. The insurance premium depends on four factors:

1. the insured's age
2. the amount of daily benefits
3. the length of the waiting period before benefits begin
4. the length of time over which benefits are paid.

Deciding whether to purchase long-term care insurance and choosing the best policy for you can be challenging. More than 100 different companies have written some form of individual long-term care policies. Some cover home health care as well as nursing home care and assisted living. It is important to consider whether you want coverage for both home and institutional care. Be sure to review the level of care the policy will cover and how it applies to services available in Pennsylvania.

The parish social worker is available to provide guidance for your health insurance questions: 610-525-2821

HOME HEALTH CARE AND COMMUNITY SERVICES

Home health care refers to services for recovering, disabled, or chronically ill persons with treatment provided by licensed personnel in your home. Home health care services are appropriate whenever you need assistance that a family member or friend cannot easily or effectively provide, whether the need is short or long-term. You should assess your financial resources and insurance coverage to determine your ability to pay for these services.

Skilled Care Services at Home

This care is often needed after surgery, during a health crisis, or for rehabilitation therapy. Typically, a doctor will refer you to a home health care agency or hospital visiting nurses department. Generally, these services will be covered under Medicare, Medicaid, and managed care plans. With this coverage, there may be a co-payment, prior authorization requirements, and limits on the number of visits or type of services approved. To qualify for skilled care at home, you must be homebound and have orders from a doctor for specific skilled care to be delivered. Usually, these services are provided 2 to 3 times a week for 60 days or less. The following are services that can be provided if you qualify for skilled care: nursing care, certified home health aide, speech, physical or occupational therapies, and social work services. While expensive, some families choose to pay out of pocket for skilled services to continue care when their insurance will not cover it any longer.

Private Pay Services at Home

A good deal of home care is paid for by individuals or family members. Some private insurance and long-term care policies can be obtained to cover this non-skilled home care. There are various ways to identify private pay aides, but you should always ask for references and complete a background check on anyone you allow in your home. If you privately employ someone to assist you with home care, be aware of the tax withholding responsibilities and other reporting that must be satisfied. Alternatively, you can contract with an agency to provide companions, personal care, and homemaking. This type of service can be scheduled for as much as 24 hours per day/7 days a week. Depending on your needs, the cost of in-home private-duty care may exceed that of a nursing home.

Choosing from a large number of home healthcare options can be daunting. The parish nurse and social worker collect feedback from BMPC members who want to share their personal experience with various caregivers and agencies. Please reach out for assistance by calling 610-525-2821.

County Office on Aging:

Services are available from the Area Agencies on Aging in each Pennsylvania county. Anyone over 60 is entitled to a free assessment, information, and referral for services. In addition, if income limits are met, services can be provided free of charge or at a nominal fee, depending on income level. The numbers for area agencies in the tri-county area are:

- Chester County 610-344-6350
- Delaware County 610-490-1300
- Montgomery County 610-278-3601

Private Geriatric Care Managers

A geriatric care manager can be engaged privately to help assess needs and arrange for services, whether at home or in a facility. These professional helpers specialize in aging and should be members of the Aging Life Care Association. A listing of area workers can be found at www.aginglifecare.org. They can be especially helpful to family members who live at a distance.

Other Community Support Services

These may include adult day care, Meals on Wheels, personal emergency response systems, transportation assistance, telephone reassurance from volunteers, and friendly visitors. If you have further questions about any of these services, contact the church office at 610-525-2821 and ask to speak to the social worker or parish nurse.

ASSISTED LIVING/PERSONAL CARE FACILITIES

Assisted Living Residences (ALR) and Personal Care Homes (PCH) are designed to assist seniors who need help with Activities of Daily Living (ADL) and find it challenging to remain in their own homes. Services might include assistance with eating, bathing, getting dressed, toileting, and mobility, as well as managing finances, transportation, medications, preparing meals, and housework. In Pennsylvania, both ALR and PCH provide 24-hour supervision for adults and adhere to state regulations determining how services are delivered. Some facilities have special units for those with dementia, where activities and the layout of the space are explicitly tailored to that population. There are a variety of configurations for the provision of this type of care, including stand-alone units, units that are part of continuing care retirement communities (CCRCs), and licensed ALR or PCH. These facilities often have a daily or monthly fee structure and can sometimes be paid for by long-term care insurance or veterans' benefits. There are many options for this type of care. In-person visits can be helpful in comparing options.

SKILLED NURSING FACILITIES/NURSING HOMES

Skilled Nursing Facilities (SNF) or nursing homes provide professional medical services, including 24-hour nursing care and various rehab therapies. Seniors may qualify for short-term skilled care after a hospitalization where Medicare limits the number of days to be covered. Also, some seniors who are too frail to live independently require ongoing long-term care in nursing homes. State and Federal regulations set guidelines for quality of care. Some SNFs are stand-alone facilities, and others are part of CCRCs. To evaluate the quality of an SNF, ask if they are accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). Financial statements and a record of monthly fee increases may be of interest.

SPECIAL INFORMATION FOR VETERANS

If you are a Veteran or the spouse of a Veteran and are planning to move into an assisted living facility, financial assistance may be available. Please get in touch with the Veterans Administration at 1-800-698-2411 or go to va.gov and click on how to file a VA disability claim. Also, the parish social worker is available at 610-525-2821 for assistance.

CONTINUING CARE RETIREMENT COMMUNITIES (CCRC)

Every CCRC is different. When choosing a CCRC, it's best to start early, visit friends who live in various communities, have a meal, and ask lots of questions. You may ask for the annual disclosure statement measuring compliance with state regulations and inquire if they are accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF). Check which amenities and optional activities suit your lifestyle. Consider making a deposit at one or more facilities to place you on the waiting list (you may need to wait several years to get a unit of your choice).

Because Continuing Care Retirement Communities (CCRCs) have provisions for several levels of care on campus, they allow seniors to live in one community even when service needs change. There is usually an entrance fee as well as a monthly service fee. Details of how the transition from independent living (as in a villa, cottage, or apartment) to assisted living or skilled nursing care varies according to the type of contract you sign. The three main types of CCRC contracts are:

1. Lifecare (Type A) is the most costly because the monthly charges do not change when skilled care is needed. Beginning at admission, the monthly fee has a medical component.
2. Type B is similar to Type A, but the monthly fee includes only certain health services. If needs increase, additional fees apply.
3. Fee-for-service (Type C) has a lower monthly fee, but you will pay for health care services as needed.

Entry fees vary greatly. A studio apartment in a church-related community may have a modest fee, while a villa in the more exclusive communities may cost as much as a comparable house. Most communities offer a choice of plans, which affect the amount of the entry fee, monthly fee, and any refund returned when you leave or die. Those with lower fees often return nothing after the first two years of occupancy, and others refund a portion of the entrance payment.

The BMPC social worker and parish nurse can provide a list of facilities and assist with information as needed. They can be reached at 610-525-2821.

HOSPICE

Hospice provides pain and symptom management for people for whom active treatment is no longer appropriate.

Usually, to be admitted into a hospice program, the patient's doctor and the hospice medical director must certify that the patient is terminally ill with a life expectancy of six months or less. Something can always be done to provide comfort. Practical assistance and emotional and spiritual support can be provided at a time when patients and their families may feel most alone.

When terminal illness strikes, social, psychological, financial, and spiritual issues frequently accompany the physical deterioration. The interdisciplinary team helps the patient and family identify and cope with these issues. The hospice commitment to the family continues during the first year of bereavement.

Hospice care is a benefit under Medicare Hospital Insurance (Plan A) and is primarily delivered in the patient's home (but can be in a facility) under a plan of care established by the patient's attending physician and the interdisciplinary team. Medicare covers physician services, nursing care, social work, chaplain support, medical appliances and supplies, outpatient drugs for symptom and pain relief, home health aide and homemaker services, physical, occupational, and speech therapy, and medical services. In addition to these professionals, the patient's pastor is an important member of the team.

KNOWLEDGABLE & TRUSTED PERSONS

Accountant

An accountant's duties primarily focus on collecting, reviewing, and compiling financial information for presentation in an orderly format. Certified Public Accountants (CPAs) are licensed by the state in which they practice and must complete 80 hours of continuing education every two years to maintain their level of knowledge. Some CPAs specialize in taxes and financial planning. If your tax preparer is such an individual, they could be pretty helpful in focusing your thinking on estate planning issues. Knowing your tax and financial information, the CPA could review your goals and discuss various ways to achieve them. When you meet each year to prepare your income taxes, it's an excellent time to review any changes in family circumstances and the tax law.

Your CPA could review the various entrance options for life care communities and suggest the financially best one for you. Also, with knowledge of your finances and current record

keeping, the CPA may be able to consolidate your paperwork and make the information more readily available and presentable to you and your family. Many people consider their CPA a general financial advisor for life issues.

The Financial Advisor

Financial Advisor is a generic term generally referring to the individual most familiar with your financial information. This is the person in whom you have confidence and on whose judgment you rely. When issues arise with your finances, you look to your financial advisor for advice.

In actuality, the financial advisor could be your attorney, accountant, insurance agent, financial planner, or another professional designation. Whatever the designation, this is the individual you turn to for input on the issues affecting your financial well-being. It is important to remember that no one has all the answers. The financial advisor should be ready to bring in other professionals as circumstances warrant to provide you with the most complete information and best recommendations for the specific facts.

Elder Law Attorney:

Elder law is an extension and refinement of estate planning. In addition to addressing general planning needs like wills, trusts, and medical and financial powers of attorney, an elder law firm can help you with the following important questions:

- What type of care options and other resources exist?
- How do we pay for the proper care and plan for future care needs?
- What is Medicaid, and how does it apply to our situation? What about VA or other benefits?
- How do we deal with the cognitive impairment of our loved ones?
- What legal documents should be in place, and what provisions should they contain?
- Is a Power of Attorney adequate, or do we need a guardianship? What is the difference?
- How do taxes come into play?
- How do we tie all of this into our testamentary wishes?

Having a competent elder law attorney can significantly reduce the stress you experience as a caregiver of an older adult or disabled person OR as an older adult or disabled person yourself. An experienced elder law attorney helps you ensure the best possible care while maximizing your available financial resources.

Pastor

Pastors, of course, have a primary concern for the spiritual welfare and health of their parishioners and the wider community. In many situations, they are equipped to provide counsel and suggestions for decisions related to aging and various issues related to having your affairs in order. They also should know about other resources in the community that may be helpful. Consider talking with your pastor when:

- you are worried about the well-being of a loved one,
- when you want to make plans for your own funeral or memorial service,
- when you are wrestling with decisions about where to live and what kind of living arrangements you desire for your later years,
- when you are troubled or curious about your relationship with God.
- Pastoral care and counseling may be helpful in coping with health problems, adjustment to changes in mental and physical ability, spiritual and theological problems, or end-of-life decisions. In every case, pastors are concerned with matters of the human spirit and the relationship between individuals and God as issues of living and aging confront us.

Counseling and mental health resources beyond the scope of what a pastor provides may also be useful in decision-making. The Middleton Center at Bryn Mawr Presbyterian Church offers counseling and therapy on a sliding scale. 610-525-0766.

Health Care Providers:

Primary care providers are concerned primarily with physical health. An integrative approach to mind, body, and spirit care is worth considering as we encounter health care challenges and make decisions. The Caring Ministries team can help you find integrative care professionals and access modalities such as yoga, exercise, meditation, body work, and mindfulness. Team members can be reached at 610-525-2821.

COMPONENTS OF A GOOD ESTATE PLAN

People often believe that their estate planning is complete if they have a will. However, there is much more to a complete estate plan. A good plan should make estate administration efficient, consider taxes (e.g., estate, inheritance, and income), protect assets if you need long-term care, and appoint someone to act for you if you become incapable of managing your affairs while you are alive.

All estate plans should include, at minimum, three important estate planning instruments:

- A power of attorney for finances
- A power of attorney for healthcare (with end-of-life provisions)
- A will

These are the basic documents, but they are only part of the value of planning. The most important part of estate planning is considering what you want, discussing the options for your care, loved ones, and assets, and making a plan to carry out your wishes in the most efficient, humane, and cost-effective way.

POWER OF ATTORNEY FOR FINANCE

A Power of Attorney (POA) allows a person, the Agent, to make decisions for another, the Principal. All POAs in Pennsylvania are durable unless they state otherwise. “Durable” means it is still valid if the Principal becomes incapacitated and ensures continued management of the Principal’s property or healthcare. All POAs cease to be valid upon the death of the Principal.

Why would you want or need a POA? A comprehensive POA can prevent the need for guardianship if the Principal is cooperative. The Principal can always overrule the Agent unless a court order declares the Principal incapacitated. If the Principal attempts to do something imprudent or dangerous with their property or self, an entity (like a hospital, nursing home, bank, etc.) must honor his wishes until a court determines that they are no longer capable of making decisions. An impaired person cannot execute a POA. In that event, someone must obtain guardianship.

A POA can be as broad or as specific as necessary. The term broad refers to both the powers given to the Agent and the assets the Agent is authorized to control. A very simple POA gives the Agent a single power, such as the power to sign papers at the settlement of a house, while a comprehensive POA includes the power to manage your investments, access your bank accounts, pay your rent, make medical decisions for you, run your business, and/or almost anything that you could do for yourself. The more comprehensive and precise the POA, the better it can do its job.

Did you know? Your spouse does not have the legal right to make financial decisions on your behalf unless they are designated as your POA.

POWER OF ATTORNEY FOR HEALTH CARE AND ADVANCED HEALTH CARE DECLARATION

A durable healthcare power of attorney document designates someone you choose to make healthcare decisions for you if you are unable to do so yourself. An advanced directive or living will tells your family and healthcare providers what type of life-sustaining measures you do or do not want if you have an end-stage medical condition and cannot express your wishes.

As part of the admissions process, hospitals are required by law to ask if you have executed a living will. If you answer in the negative, the facility will offer you a form to do so. It can be challenging to consider this important decision under the stress of a serious illness or hospitalization. It is better to contemplate the issue now and execute a declaration that clearly reflects your wishes. Consider this a fluid document that can be changed at any time, even when facing the end of life.

For persons who are terminally ill and feel strongly opposed to any Emergency Medical Services (EMS) in the event that 911 is called, additional medical orders can be obtained to give the EMS team directions. These documents, which require a doctor's signature, are:

- Out-of-hospital DNR (do not resuscitate) form
- POLST (Physician Orders for Life-Sustaining Treatment) form

Forms for advance care planning are readily available from healthcare systems and through the Caring Ministries office.

Power of Attorney requirements vary by state. If you have residences in different states, you may need to complete Power of Attorney documents for each state.

WILL

A will is a legally binding statement directing who will receive your property at your death, how it will be distributed, and who will ensure the provisions are carried out. The state will determine how your property is distributed if you do not have a will. A will appoints a legal representative (an executor or a personal representative) to carry out your wishes. A will is especially important if you have children who are minors because it allows you to name a guardian for your children. However, a will covers only probate property. Probate is the legal process allowing a legal representative to transact business on behalf of a deceased person. This is necessary when the deceased person has assets in their name alone, and the asset does not have a beneficiary listed or a joint owner. Many forms of property ownership pass outside of probate. Jointly owned property, property in trust, and property with a named beneficiary, such as IRAs or 401(k) plans and life insurance policies, all pass outside of probate and are not controlled by your will.

If you die without a valid will, the state laws for this situation (intestacy laws) determine how the property is distributed. Depending on the specific circumstances, these laws generally favor children, a spouse, parents, grandparents, and their lineal descendants in varying proportions. The state takes the property if there are no relatives within a certain degree.

If you already have a will, take it out and reread it. Do you understand what it says? Do you agree now with the arrangements you made earlier? Update your will if circumstances have changed. Marriage, death, divorce, birth, asset growth, moving to a different state, or a change in estate tax laws may prompt you to revise your will. A good rule of thumb is to review your will at least once every five years.

Did you know? You should keep a copy of your will in a convenient place for ready reference, rather than a safe deposit box. In the event of death, access to a safe deposit box - other than one rented by husband or wife - is limited by the inheritance tax law.

GUARDIANSHIP

A guardianship is a legal relationship in which one person, the guardian, is granted both the responsibility and the authority to make decisions on your behalf if you have been judged by the court incapable of managing your own affairs.

If you have not appointed someone to make decisions for you and you become mentally incapacitated, the court will have to appoint someone to assist you. The person the law appoints may or may not be the person you would choose to make decisions for you.

It may be necessary to have you declared incapacitated by a court to protect you or your assets from harm. A petition will be filed with the court. A judge will hear medical testimony to determine if you meet the legal definition of incapacity: whether your ability to receive and evaluate information is impaired to such an extent that you are unable to make safe decisions regarding your finances, medical care, or living arrangements. An attorney is required, and anyone can oppose the appointment of a guardian.

A guardian must account to the court for their actions, file annual reports, and seek court approval when they perform certain tasks (such as selling the incapacitated person's house or doing estate planning). There are certain asset protection tools that a guardian cannot use. In general, a POA is a better choice because you get to choose the decision maker and the decisions they can make.

TRUST

A trust is a legal arrangement through which one person (or an institution), called a "trustee," holds legal title to property for another person, called a "beneficiary." The "grantor" or "settlor" creates and usually funds the trust with assets. To fund a trust means to re-title assets into the ownership of the trust. The settlor defines in the trust document how the assets in the trust will be used. A trust can be revocable, where the grantor can change the terms and remove property put in the trust, or irrevocable, where, once the trust is established and funded with assets, it cannot be changed, and the funds cannot be removed. It can be established during life, or it can be established and funded after death as part of a will or a trust that has already been established.

There are different reasons for placing assets in trust. Some use a revocable trust to avoid probate. Assets with a beneficiary or a joint owner will pass to that beneficiary or joint owner immediately upon death by operation of law without any action.

A revocable trust (often used for probate avoidance) provides no tax advantages over a properly drafted will. Credit shelters or life insurance trusts focus on reducing taxes for very large estates. Other trusts may be used to protect property from creditors, reduce estate or income taxes, or help the grantor protect assets and qualify for Medicaid.

BENEFICIARY DESIGNATIONS IN CONTRACTS

When you plan your estate, you need to ensure that your retirement plan, life insurance, and other beneficiary designations are up to date and coordinated with your overall estate planning.

It is important to realize that life insurance, annuities, IRAs, and pension plans are contracts and pass according to the beneficiary designation you stipulate in the contract. Usually, you name a primary beneficiary and an alternate who would receive the proceeds if the primary beneficiary predeceases you. The beneficiary designations should be periodically reviewed to ensure that they reflect your current intent.

Additionally, it is possible to designate mutual fund accounts and bank CDs as payable on death accounts. This means the proceeds of the designated accounts will pass to the named beneficiary upon proof of death of the current owner. If you are considering this, it is important to make sure such designations are in keeping with your overall estate plan as incorporated in your will and/or trust documents.

OTHER CONSIDERATIONS

For individuals who want to provide for family members and leave assets to charitable organizations, there are many gifting options. Planning charitable gifts presents a wonderful opportunity to discuss your personal goals and beliefs with family members. In addition, there may be estate, income, and gift tax benefits from such gifting. Contributions to the Bryn Mawr Presbyterian Church Foundation or the Presbyterian Church Foundation support the church's work. Some consider endowing their pledge so that their annual giving can continue beyond their lifetime. Pamphlets are available in the church office if you wish to receive more information on the benefits of making gifts in these various forms.

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