

With help, seniors can keep some of their assets in the family rather than lose their entire life savings to the costs of long term care.



**The Koewler Law Firm**  
JAMES L. KOEWLER, JR.  
Protecting a senior's life savings.™



## Protecting Seniors News

### IRA and 401k withdrawal strategy - The Condensed Version

This is the seventh, and (until I think of something else to say on the topic) last newsletter in the series on IRA and 401k withdrawal strategy. Please remember, that, while there are tax reasons to withdraw from your IRA and 401k in the early years of your retirement, my main focus (as an elder law attorney) is on how to avoid the extra cost of taxes that results from having significant money in your IRA or 401k at the time that you need long term care.

My prior six newsletters have discussed how and why to withdraw money from your IRA or 401K, or 403B, or MyRA (when it arrives) or any other tax-deferred account.

See "[IRAs and 401Ks are not for tax avoidance. They are for tax timing](#)" from March 21, 2014, "[IRAs and 401Ks – Withdrawing Money Too Slowly](#)" from March 28, 2014, "[IRAs and 401Ks – Withdrawing Money Too Quickly](#)" from April 4, 2014, "[IRA and 401k Withdrawal Strategy - Don't be Stupid about It](#)" from April 11, 2014, "[IRAs and 401Ks and the Risk of Long Term Care](#)" from April 18, 2014, and "[IRAs and 401Ks – What if your state's Medicaid doesn't count them?](#)" from April 25, 2014. (As I've done before, I'll call them all IRAs, but the discussion will apply to 401Ks, 403Bs, and even MyRAs (assuming that they act like IRAs when the rules eventually get written,) and other tax deferred accounts, except perhaps Roth IRAs.) After spending weeks on the "why" and "when" and the details of "how" to manage IRA withdrawals after retirement, I want to conclude the series

with a short, bullet-pointed summary. You might think of this as the "IRA Withdrawal To Do List."

- Please do not take these newsletters as advice not to have an IRA. My newsletters focus on when and how to take the assets out.
- After you retire, if your living expenses are higher than your income, take money out of your IRA rather than out of your already taxed assets outside the IRA.
- As the end of a year approaches, take additional money out of your IRA to put yourself near the top of the 15% federal tax bracket. (If you've got a large IRA, then aim for the top of the 25% bracket.)
- In any event, aim to have the IRA emptied within 10 years (even if it means getting into a tax bracket higher than 25%.) Your risk of long term care goes up each year, and really goes up after 75 or 80 years old. Try to have your IRA empty before that risk gets high. (Even if you're not worried about long term care costs, I have provided plenty of tax reasons in the past weeks to justify systematic IRA withdrawals.)
- If you live in a state that doesn't count IRAs as assets for Medicaid purposes, talk to an elder law attorney. The exclusion of IRAs from Medicaid calculations may not be as black and white as you think. In addition, if you could qualify for VA Pension, the IRA value may prevent you from getting benefits. Finally, the tax reasons to deplete your IRA before your death apply no matter where you live.
- If you didn't or can't empty your IRA before you or your spouse needs long term care, don't try to outsmart Medicaid or the VA. They've done a lot more of these than you. You'll probably come out behind.
- Also, if you didn't or can't empty your IRA before you or your spouse needs long term care, don't panic and empty it right away. Talk to an elder law attorney before making any drastic moves.
- Finally, If you need long term care (whether you have an IRA or not,) seek out an elder law attorney that works with people who need long term care. Don't settle for just any attorney, and don't believe that experience with wills, trusts, and probate is the same thing as elder law. A good elder law attorney may be able to help protect some (perhaps many) of your assets.

### **Social Media Posts from the past week**

5-1-2014 Better #diagnosis tools for #Autism will lead to big jump in recognized cases #SpecialNeeds <http://ow.ly/vYyeK>

4-30-2014 Ideas for #Travel with an #AgingParent #SeniorCare <http://ow.ly/vYwP9>

4-29-2014 #LongTermCareInsurance premiums likely to go up <http://ow.ly/vYtVK>

4-28-2014 Where you live impacts the cost of #LongTermCare #SeniorCare <http://ow.ly/vYrTW>

4-27-2014 #ConArtists pose as grandkids calling from #SpringBreak

#SeniorFraud <http://ow.ly/vYsh6>

4-26-2014 How to qualify for #VAPension aka #Aid&Attendance <http://ow.ly/vYxF9>

4-25-2014 If your state's #Medicaid doesn't worry about your #IRA or #401k, should you worry about it? <http://wp.me/p47F09-4n>

Older social media posts can be found in the [social media post archive](#) on the firm's website, [ProtectingSeniors.com](http://ProtectingSeniors.com).

## **The Koewler Law Firm News**

5-1-2014 to 5-31-2014 Jim Koewler will appear on "Your Health and Wellness" on WCTV in Wadsworth, Ohio discussing Managing Money and Preventing Fraud for Seniors. The show will appear several times throughout the month.

5-7-2014 Jim Koewler will speak to the Richfield Chamber of Commerce about the Affordable Care Act and its requirements as well as opportunities for employers

5-14-2014 Jim Koewler will present the continuing education program "Helping Patients navigate Medicaid, Medicare, and Healthcare Changes" at the Cleveland Clinic.

Continuing Education credit is available to Certified Case Manager, social workers, counselors, and nurses.

5-20-2014 Jim Koewler will present the continuing education program "Helping Patients navigate Medicaid, Medicare, and Healthcare Changes" at Hillcrest Hospital. Continuing Education credit is available to Certified Case Manager, social workers, counselors, and nurses.

5-21-2014 Jim Koewler will present the continuing education program "Preventing Senior Fraud" at the Blue Canyon Kitchen & Tavern in Twinsburg. Continuing Education credit is available for Certified Case Manager, social workers, counselors, and nurses.

8-14-2014 Jim Koewler will present the continuing education program "Legal Issues for People with Dementia" at Southwest General Health Center in Middleburg Heights. Continuing Education credit is available to social workers, counselors, and nurses.

9-26-2014 Jim Koewler will present "Preventing Senior Fraud" at the meeting of Eldercare Professionals of Ohio at Heart Home Care in Euclid, Ohio.

Older items of firm news can be found in the [news archive](#) on the firm's website, [ProtectingSeniors.com](#).

### **Jim's available presentations**

- Preventing Senior Fraud (Continuing Education credit available for social workers, counselors, nurses, and Certified Case Managers)
- Navigating Medicaid, Medicare, and the Affordable Care Act (Continuing Education credit available for social workers, counselors, nurses, and Certified Case Managers)
- My Care Ohio and Medicare/Medicaid "Dual Eligibles" (Continuing Education credit available for social workers, counselors, nurses, and for Certified Case Managers)
- Government Benefits that can help Pay for Long Term Care (Continuing Education credit available for social workers, counselors, nurses, and for Certified Case Managers)
- Legal Issues for People with Dementia (Continuing Education credit available for social workers, counselors, and nurses)
- Protect your Life Savings from the Costs of Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Veterans Benefits for Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Advance Directives – Powers of Attorney, Living Wills, etc. (Continuing Education credit available for social workers, counselors, and nurses)
- Buying Long Term Care Insurance Wisely (Continuing Education credit available for social workers, counselors, and nurses)
- Planning Ahead to Protect against Long Term Care Costs (Continuing Education credit available for social workers, counselors, and nurses)
- Protecting your Money when you need Long Term Care and Essential Estate Planning Considerations (with free living wills for the audience)
- The Affordable Care Act: Obligations and Opportunities for Employers
- Myths about Long Term Care
- How to help your Parents Manage their Affairs

### **Upcoming meetings**

- 5-6-2014 Aging Services Network of Euclid, Euclid Hospital's Waltz Auditorium, 8:30 a.m.
- 5-7-2014 Stark Senior Services Network, Canton Baptist Temple, 9:00 a.m.
- 5-7-2014 Richfield Chamber of Commerce luncheon, The Taverne of Richfield, 11:45 a.m.
- 5-7-2014 Medina County Senior Services Network's Client Services Committee, Sully's 3:00 p.m.
- 5-8-2014 Lorain County Senior Services Network, Lake Pointe, 8:30 a.m.
- 5-9-2014 Eldercare Professionals of Ohio, Berea Towers, 9:00 a.m.
- 5-14-2014 Medina County Senior Services Network, Liberty Residence, 8:00 a.m.
- 5-14-2014 Summit Senior Sales, Administrators and Marketers Association, Falls Village, 2:30 p.m.
- 5-19-2014 Medina County Senior Services Network's Education Committee, Tres Potrillos in Medina, 11:30 a.m.
- 5-20-2014 UH Bedford Senior Network, Elmcroft of Sagamore Hills, 8:30 a.m.
- 5-21-2014 PASS, The Weils, 8:30 a.m.
- 5-22-2014 Portage Senior Services Network, Coleman Adult Day Services, 8:30 a.m.
- 5-23-2014 Eldercare Professionals of Ohio, Anna Maria of Aurora, 9:00 a.m.
- 5-27-2014 Summit County Senior Services Network, Anthony Kucko Kertesz Funeral Home, 8:00 a.m.
- 5-27-2014 Professional Networking Group, Marymount Hospital, 8:30 a.m.
- 5-29-2014 The Association of Specialists in Aging, Mentor Senior Center, 8:30 a.m.

## Newsletter Archive

Past issues of this newsletter can be found in the [newsletter archive](#) on the firm's blog site, [ProtectingSeniors.com](http://ProtectingSeniors.com).

## Contact Jim Koewler

If you'd like to contact Jim, this newsletter has a dedicated [contact page](#) on the firm's blog site, [ProtectingSeniorsNews.com](http://ProtectingSeniorsNews.com).

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