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Seniors and Special Needs News - August 19, 2016

1 message

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With help, seniors and people with special needs can keep some of their assets in the family rather than lose their entire life savings to the costs of long term care. They can use these protected assets to enhance their quality of life beyond what long term care alone will provide.

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The Koewler Law Firm
 JAMES L. KOEWLER, JR.



Seniors and Special Needs News

Ohio Medicaid changes "Aged Blind Disabled" Eligibility State Buy-In for Medicare Premiums

This week's newsletter continues the discussion of the changes to Ohio Medicaid's Aged, Blind and Disabled (ABD) program for people who need long term care coming in 2016-2017. The initial installment ([April 28, 2016](#)) provided an overview of the transition from the old system (following section 209(b) of the federal Medicaid law) to the new system (that will follow section 1634 of the federal Medicaid law.) The [May 6, 2016](#) installment discussed the new income rules that will go into effect with the new eligibility system. The [May 13, 2016](#) installment discussed setting up a Qualified Income Trust (aka Miller Trust) that will be necessary for people who need ABD Medicaid to help pay for long term care. The [June 17, 2016](#) installment discussed the Ohio rules that describe how to use the Miller Trust each month. The [June 24, 2016](#) installment discussed the difficulty in understanding the need for a Miller Trust. The [July 1, 2016](#) installment, discussed the need to empty the Miller Trust account every month. The [July 8, 2016](#) installment discussed the need to balance the Miller Trust with the desire to have health insurance. The [July 15, 2016](#) installment discussed installment discussed the confusing deposit rules for Miller Trusts. The [July 22, 2016](#) installment discussed the changes that the Ohio Department of Medicaid has made to the form Miller Trust document. The [July 29, 2016](#) installment discussed whether income is

supposed to go directly into the Miller Trust. The [August 5, 2016](#) installment discussed Medicaid's insistence that the transfers (or deposits) into the Miller Trust account be automatic. The [August 12, 2016](#) installment discussed money that doesn't actually reach the Medicaid-recipient that, nonetheless, counts as "income" for purposes of using a Miller Trust. Today's installment will discuss

the appearance that a person on long term care Medicaid has an increase in income when he/she stops paying Medicare premiums.

The Ohio Department of Medicaid rule on Miller Trusts (aka Qualified Income Trusts or QITs) took effect on August 1, 2016. A copy of the final rule is available [here](#). The latest version of the form Miller Trust from the Ohio Department of Medicaid can be found [here](#).

Ohio's county offices that oversee Medicaid are going to be able to implement this rule (and the other rule changes that occurred at the same time) very slowly. While the pace at which the counties get up to speed may seem frustrating, it is very hard to overstate the enormity of the changes that Ohio's Department of Medicaid is trying to make. Not only are there the rule changes for people who need long term care that I have been discussing (and will continue to discuss) in my blog and newsletter. There are bigger changes (affecting tens of thousands more people) in the eligibility rules for Medicaid for people who are disabled but do not need long term care. In addition, to oversee the new requirements for all affected people, the state and county Medicaid offices have to move to a new software system to manage the Medicaid program.

As discussed previously, someone in Ohio who needs Medicaid support to pay for long term care whose gross monthly income exceeds the Special Income Level (\$2,199.00 at this time) must use a QIT to make the income over the Special Income Level not "income" anymore in the eyes of Medicaid. (Yes, the process is as hard to follow in real life as it is to follow in that sentence.) In order to get the benefits of the QIT, the amount of income over the \$2,199 (or more than just that excess income) must be placed into the QIT each month so that the remaining "countable" income is \$2,199 or less each month. (I know, it's not getting any more understandable.) Please realize that there is no real-world logic in this requirement. These are just the rules. There are many requirements in the rules that could have been made easier or more logical, but, still, the underlying requirement to put money into a Miller Trust and spend it out of the Miller Trust all in the same month is not logical.

The last installment (on "invisible" gross income) included a discussion how people might forget to count the Medicaid applicant's premium payment for

Medicare part B in gross income. Well, after a time on Medicaid, it will get confusing again.

Ohio, like most other states, has a Medicare buy-in program for people on Medicaid. The buy-in program is mandatory (or, at least, very close to mandatory) according to federal rules from the Center for Medicare and Medicaid Services. It leads (or is believed to lead) to better efficiency of operation and coordination among the Medicare and Medicaid programs.

When someone is placed into the buy-in program, the state will pay the Medicare Part B premium (as part of the person's Medicaid benefits,) and the person will no longer be responsible for the cost of premiums. For a person who is newly accepted into Ohio's long term care Medicaid program, the state's Medicaid management system will usually add the person into the Medicare buy-in program two to four months later.

When the person is placed into the state buy-in program, the Medicare premiums will stop being deducted from the person's Social Security check.

The end of the premium deduction makes it look like the person's income went up. At the same time, the Department of Medicaid will increase the person's "patient liability" (aka "patient responsibility,") which is the amount the person pays to his/her long term care provider, by the amount formerly paid for Medicare premiums. The amount of money works out the same.

The person on Medicaid doesn't get to keep any more or any less than before the buy-in. The person's spouse doesn't get any more or any less of a share of the income flowing to the person on Medicaid than before the buy-in. The care provider doesn't get paid any more or any less than before the buy-in.

The care provider simply receives a little more directly from the person and a little less from the Department of Medicaid. The money evens out in the end.

BUT, for people who must use a Miller Trust, this is yet another opportunity for confusion. The appearance of a change in income could perplex the person handling money for the Medicaid recipient. The state buy-in occurs with little or no explanation. The income suddenly increases and, at about the same time, a letter arrives stating that the Medicaid recipient's patient liability has increased. I've not yet seen the state Medicaid office or the national Social Security office explain that these two events are connected.

STILL, it all works out. So, you're possibly wondering what is my point. If the money evens out, what is the problem?

Remember, as discussed before, Ohio's version of the Miller Trust is tricky. Any confusion that attacks the person handling a Medicaid recipient's money is a possibility that the Miller Trust will not be managed correctly that

month. If the Miller Trust isn't managed correctly, the person could lose Medicaid coverage.

The Miller Trust requirement isn't about care. It's about money. Medicaid for long term care is expensive. Any benefits not paid result in monetary savings to the state. People whose Miller Trusts don't get managed "just so" in the month or months following commencement of the state Medicare buy-in should not expect benefits to continue despite the confusion. It looks like the attempts at confusion could be intentional.

Suggest a Newsletter Topic

I try to write something new (and useful) in my newsletter every week. So, I know that I will sometimes have writer's block. I'd like your help, please.

If you have a topic for my newsletter that you'd kindly suggest, I promise to consider it. (I don't promise to pursue it. I just promise to consider it.) I try to write about issues concerning seniors, health care, long term care, special needs, Veterans Pension (aka Aid and Attendance) benefits, and Veterans Compensation benefits. Please keep your suggestions within or near to those topics.

Please submit your suggestion [here](#). If I use your topic suggestion, I'll put the content in both my blog and newsletter.

Thank you for your help.

Social Media Posts since the last newsletter

08-18-2016 #PokemonGo fosters social interactions for some children on the #AutismSpectrum <http://ow.ly/euuw302qJyy>

08-17-2016 Helping #AgingParent avoid #Anemia <http://ow.ly/eMtW302pMBJ>

08-16-2016 Why get #LongTermCareInsurance <http://ow.ly/xxMh302qXoN>

08-15-2016 How #AgingParent might react when #Spouse needs #LongTermCare <http://ow.ly/5BU2302qwLy>

08-14-2016 Growth in #Fraud against #OlderAdults <http://ow.ly/c7mt302vivh>

08-13-2016 Tips on little things that #OlderAdults need to consider <http://ow.ly/dOgN302r2Ga>

08-12-2016 #Ohio #Medicaid changes rules for #Aged #Blind #Disabled program - "Invisible" Gross #Income <http://wp.me/p47F09-lc>

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

The Koewler Law Firm News

9-8-2016 The Koewler Law Firm will have a table display at the Health Fair at Hillcrest Hospital organized by the Professional Networking Group of Cleveland in Mayfield Heights, Ohio.

9-14-2016 Jim Koewler will discuss Legal Issues when someone has Dementia at University Hospitals Parma Medical Center in Parma, Ohio. Continuing education credit is available for social workers, counselors, and nurses.

9-21-2016 The Koewler Law Firm will have a table display at the Senior Health Fair organized by the University Hospitals Elyria Medical Center and the Lorain County Senior Network at the University Hospitals Fitness Center in Avon, Ohio.

9-22-2016 Jim Koewler will discuss "Changes in Ohio Medicaid Eligibility Rules for 2016" at Bath Manor Special Care Centre in Akron, Ohio. Continuing education credit will be available for social workers, counselors, and nurses.

9-28-2016 The Koewler Law Firm will have a table display at the Wellness Expo organized by the University Hospitals Bedford Medical Center Senior Net at the Senior Center in Solon, Ohio.

10-6-2016 Jim Koewler will discuss Veterans Benefits that Help with Long Term Care at Fairview Hospital in Cleveland, Ohio. Continuing education credit is available for Certified Case Managers, social workers, counselors, and nurses.

10-26-2016 Jim Koewler, as Chair of the Education Committee for the Medina County Senior Services Network, will help host a Caregiver Lifeline panel discussion at the Rustic Hills Country Club in Medina, Ohio.

10-28-2015 The Koewler Law Firm will have a table display at the Wadsworth Community Center Field House & Soprema Senior Center in Wadsworth, Ohio for a Senior/Care Partner Expo and, as part of the event, will make a free chair massage available to care partners.

12-14-2016 Jim Koewler will discuss Medicaid Qualifying Asset Transfers as part of a National Business Institute Seminar on Medicaid Lookback Rules and Planning in Cleveland, Ohio. Continuing Legal Education credit will be available.

12-14-2016 The Koewler Law Firm will participate in the Senior Holiday Party organized by the Summit County Senior Sales, Administration, and Marketing Association at Saferstein Towers in Akron, Ohio.

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

Jim's available presentations

- Changes in Ohio Medicaid Eligibility Rules for 2016 (Continuing Education credit available for social workers, counselors, and nurses and has been requested for Certified Case Managers)
- ABLE accounts for people with Special Needs: Their Use and Misuse
- Ethical Issues in Case Management and Discharge Planning (Continuing Education credit and Ethics credit available for social workers, counselors, nurses, and Certified Case Managers)
- Veterans Benefits that Help with Long Term Care (Continuing Education credit available for social workers, counselors, nurses, and Certified Case Managers)
- Overcoming Seniors' Resistance to Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Preventing Senior Fraud (Continuing Education credit available for social workers, counselors, and nurses)
- My Care Ohio and Medicare/Medicaid "Dual Eligibles" (Continuing Education credit available for social workers, counselors, and nurses)
- Navigating Medicaid, Medicare, and the Affordable Care Act (Continuing Education credit available for social workers, counselors, and nurses)
- What people "Know" about Long Term Care that is Wrong (Continuing Education credit available for social workers, counselors, and nurses)
- Government Benefits that can help Pay for Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Legal Issues for People with Dementia (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)
- Organizing for Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Pre-planning your Final Arrangements (Continuing Education credit available for social workers, counselors, and nurses)
- Elder Law: A Primer (Continuing Legal Education credit available)
- Protecting your Money when you need Long Term Care and Essential Estate Planning Considerations (with free living wills for up to 20 audience members)
- Health Insurance for Families: The Affordable Care Act ("ObamaCare,") Medicaid, and Medicare
- Myths about Long Term Care Costs
- How to help your Parents Manage their Affairs
- Legal Lessons for Life

Upcoming meetings

08-23-2016 Summit County Senior Services Network, Kucko Anthony Kertesz Funeral Home, Akron, Ohio, 8:00 a.m.

08-23-2016 Wayne Holmes Senior Service Coalition, Wayne County Care Center, Wooster, Ohio, 8:30 a.m.

08-25-2016 Portage Senior Services Network, Family and Community Services Building, Ravenna, Ohio, 8:30 a.m.

08-25-2016 The Association of Specialists in Aging, Mentor Senior Center, Mentor, Ohio, 8:30 a.m.

08-26-2016 Eldercare Professionals of Ohio, Kemper House, Highland Heights, Ohio, 9:00 a.m.

09-06-2016 Montrose SeniorCare Networking Group, Panera Montrose, Bath, Ohio 8:30 a.m.

09-06-2016 Stow ElderCare Networking Group, Corner Cup Coffee House, Stow, Ohio, 9:00 a.m.

09-07-2016 Stark Senior Services Network, Myers Lake Ballroom, Canton, Ohio, 9:00 a.m.

09-07-2016 Richfield Chamber of Commerce luncheon, Days Inn and Suites, Richfield, Ohio, 11:45 a.m.

09-07-2016 Medina County Senior Services Network's Client Services Committee, Sully's, Medina, Ohio, 3:00 p.m.

09-08-2016 Lorain County Senior Services Network, The AbbeWood, Elyria, Ohio, 8:30 a.m.

09-08-2016 Professional Networking Group of Cleveland, Hillcrest
Hospital Health Fair, Mayfield Heights, Ohio, 11:00 a.m.

09-09-2016 Eldercare Professionals of Ohio, Westlake Village, Westlake,
Ohio, 9:00 a.m.

09-14-2016 Medina County Senior Services Network, Brookdale Medina,
South, Medina, Ohio, 8:00 a.m.

09-14-2016 Summit Senior Sales, Administrators and Marketers Association,
The Merriman, Akron, Ohio, 2:30 p.m.

09-17-2016 Walk to End Alzheimer's, Community Recreation Center,
Medina, Ohio

09-19-2016 Medina County Senior Services Network's Education
Committee, Yours Truly, Medina, Ohio, 11:30 a.m.

Newsletter Archive

Past issues of this newsletter can be found in the [newsletter archive](#) on the firm's
website, 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.

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