SMART ESTATE PLANNING FOR ELDER CARE, TAXES AND SPECIAL NEEDS

Lampertius & Associates, PLC

Medical Decisions & Advocacy

- Clear Legal Authority and Guidance
- Communication is Key
- High Pressure in Medical Discharge Planning
- Greater Continuum of Care
- Great Care First / Finances Follow

Medical Care Planning

- Five "A's" for Safe Care
 - ✓ Appropriate
 - ✓ Accountable
 - ✓ Accommodating
 - ✓ Accessible
 - √ Affordable

Medical Decisions & Advocacy

- Broken Payment Systems
- Cost Containments Medicare, VA, Medicaid
- LTC Insurance New MI Partnership Program
- Expansion of Geriatric Care Management
- More Palliative and Hospice Care

Financial Durable Power of Attorney

- New Requirements due to Elder Abuse Concerns
- Overcoming Acceptance Issues
- Specific Authority is often lacking

Real Estate

Retirement Benefit Accounts

Gifting

Trust Funding

529 Plans

Family Caregivers

Trust Updates in Last Five Years

New Michigan Trust Code in 2010

Strengthened Power to Protect Beneficiaries

Trust Protector can update and enforce intent

New Technical Steps to Protect Inherited IRAs

2014 U.S. Supreme Court: "not protected"

Trust can protect IRA, but needs to comply

"Permanent" Estate Tax Changes 1/01/2013

\$5 Million Exemption indexed to inflation

Currently \$5,430,000

Gift Tax Exclusion currently \$14,000

Portability of Exemption for Spouses

Surviving spouse can have both Exemptions

Estate Tax Return necessary with first spouse

Less need for Separate Trusts

Before January 1, 2013:

Separate Trusts only way to keep both Exemptions

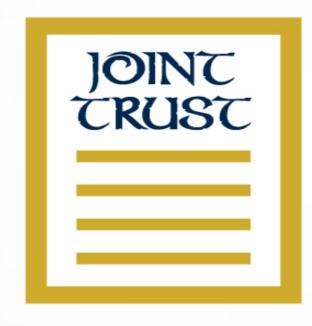


- More costly and complex
- Less than full protection of both Exemptions

After January 1, 2013:

More Use of the Joint Trust







- Simpler, More Flexible & Less Costly
- Existing Separate Trusts Merged
- Exceptions: separate wishes or pre-nuptial
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New Exemptions from Property Tax Uncapping

- Change in Joint Owners as of 2008
- Between Certain Relatives as of 12/31/13
- Trust or Estate to Certain Relatives as of 12/31/14

Titles in favor:

- Husband & Wife
- Trust

Titles out of favor:

- Joint Owners
- Lady Bird Deed

For over 20 years, Jim has specialized as an Elder Law Estate Planning Attorney. After U of M Law School, he completed post-graduate work with Wayne State University Institute of Gerontology as a Specialist in Aging. He is a frequent lecturer and writer for the Institute of Continuing Legal Education of the State Bar of Michigan.



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