



MATT MURPHY

CLIENT: Elder Life Group  
PROJECT: Case studies  
OBJECTIVE: Use client success stories to demonstrate the array of strategies and financial protections offered by a specialized healthcare planning group  
SUMMARY: After many successful projects across various sales and marketing materials, Elder Life Group tasked me with establishing the format and creating the content for its first-ever set of case studies  
WEBSITE: <https://www.elderlifegroup.com/client-case-studies>

## Elder Life Group Reduces Medicaid Spend-Down by Over 70%, Protecting More Than \$1M in Family Assets

# Alzheimer's Care Jeopardizes Family Estate

Barbara, 80, had lived alone for 10 years after the passing of her husband, Bob. She was diagnosed with Alzheimer's five years later, and since then her condition had progressed to the point of requiring a memory care facility for her protection.

After only a few months in the facility, Barbara's four daughters became concerned with the massive expense. Their mother's care cost \$8,500 per month out of pocket. Bob had managed the finances, and they discovered that he hadn't accounted for this kind of advanced planning.

Their first concern was taking care of their mother. But, they also knew that doing so properly would put the family's \$1.6M estate at risk along with the financial legacy their parents had worked so hard to provide.

### TRADITIONAL FINANCIAL STRATEGY LEADS TO SERIOUS CONCERNS

The daughters turned to a registered investment advisor Bob had frequently consulted for guidance in their home state of Kentucky. The broker explained that, based on state rules, Barbara wouldn't qualify for government relief until she spent down her entire estate.



However, the broker managed this estate in the stock market and didn't believe Barbara's healthcare costs presented a problem. He assured them that the market would generate enough income through interest to cover everything based on historical returns.

Despite his confidence, the family wasn't so sure. There were no guarantees of any kind on the interest. Long-term care costs can grow quickly as patient function declines, which often requires dipping

into the principle. Quite simply, the broker's plan was antiquated and left control of their mother's future out of their hands.

### EXPERT GUIDANCE OFFERS AN ALTERNATIVE SOLUTION WITH TRUE PROTECTION

With Barbara financially ineligible for Medicaid and no end in sight for any sort of relief, the daughters sought a second opinion. They met an Elder Life Group advisor at a long-term care planning workshop and set up an appointment that would change their entire outlook.

They were delighted to learn that it wasn't too late to plan. To protect their family's assets

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the right way, they needed support from both a financial and a legal expert in advanced planning.

Thanks to Elder Life Group's local representative and national network, they looked no further.

### **SPECIALIZED LONG-TERM HEALTHCARE PLAN OFFERS GUARANTEED SECURITY**

Elder Life Group's financial advisor worked closely with a network attorney to execute an advanced plan for the family. The results provided them everything the broker's plan didn't.

- Only \$460k in spend-down to qualify for relief rather than all \$1.6M
- \$1.1M held in trust from Barbara's estate

- Zero potential market loss on the remaining assets held in trust
- 15-year penalty avoided after gifting the \$1.1M to Barbara's daughters
- 5 years of facility expenses covered through a specialized stop-loss strategy
- Medicaid-eligible after 5 years in order to pay for care
- Trust-compliant coverage for increasing costs due to Barbara's declining condition

**Thanks to Elder Life Group's planning options and expert guidance, Barbara's future at the nursing home was fully protected without risk of going broke due to healthcare expenses. And, as Bob and Barbara hoped, their children's legacy was secure.**

Elder Life Group is a leading financial services provider specializing in healthcare and retirement planning. Our advisors work with law firms, insurance professionals, and financial institutions across the country to protect our valued seniors from the high costs of aging.

We find options, you find peace of mind.



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## Elder Life Group Turns 99% Spend-Down for Medicaid Into 72% Savings Across Entire Estate

# Assisted Living Threatens Family's Limited Savings

Jim's wife Judy had lived at a nursing home for some time until she passed away. A year later, it became clear that 83-year-old Jim would need a similar home to properly look after his deteriorating mobility and memory.

The assisted living facility he and his two daughters selected cost \$5,800 per month. Unfortunately, Jim could never afford long-term care insurance during his career as a school maintenance worker. He'd have to pay for it by himself.

Jim's only available funds were his modest \$215,000 estate, pension, and Social Security income. His daughter and primary caregiver Laura was justifiably concerned that this wouldn't be enough to cover facility and other living expenses.

### NEW SPEND-DOWN SCENARIO WOULD VIRTUALLY ELIMINATE ESTATE

Although Jim and Judy had done some prior estate planning for their children, their trust offered no protection from long-term care costs. So, when it came time for Judy to enter a nursing home, their options were to spend down their assets to \$125,000 to qualify for Medicaid or pay completely out of pocket. They chose the latter,



resulting in over \$100,000 in expenses.

Jim's spend-down to qualify would be even more drastic. Single widowers typically aren't allowed to have more than \$2,000 in total assets. This equated to a 99% reduction in Jim's entire estate to become eligible for Medicaid relief.

They were faced with yet another tough decision: pay privately again, or liquidate nearly all of Jim's hard-earned savings to receive federal aid. Either direction presented

inevitable financial strain for the family.

### LOCAL REFERRAL TO NATIONAL EXPERT ENDS THE SEARCH FOR ANSWERS

With her back against the wall, Laura took to online research. What she found was as confusing as it was misleading. Resource after resource offered no alternative to massive spend-down and indicated that nothing could be done for years because of a "look-back period."

Laura wasn't helped by the fact that her dad was an Ohio resident and subject to some of the strictest Medicaid rules in the US. Fortunately, she eventually received a referral to a local

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financial advisor at Elder Life Group who was well-versed in state and federal healthcare policy.

Laura learned that advanced estate planning could save the majority of Jim's assets while accelerating Medicaid eligibility. She was thrilled to have finally found a qualified expert who could tailor a plan for her dad. She also appreciated his patience in clarifying things like the look-back period, which is simply a factor in qualifying for aid rather than a delay in receiving it.

## **CUSTOMIZED STRATEGY AFFORDS MUCH-NEEDED FINANCIAL RELIEF**

Laura helped Jim set up an asset protection plan with her advisor and an Elder Life Group network attorney. Her new team thankfully offered the relief she'd been seeking for so long.

- \$155k immediately protected against the cost of a nursing home
- 18 months of assisted living covered using a Medicaid-compliant annuity
- Medicaid-eligible after 1.5 years in order to pay for care
- Jim's final expenses arranged as part of the trust

**Based on the options Elder Life Group uncovered for the family, Jim finally had a clear path to the government benefits he'd spent a lifetime paying for through taxes. Better yet, he fulfilled his and Judy's hopes of providing a legacy for their daughters.**

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## Elder Life Group Preserves Family Estate From Assisted Living Without Any Prior Advanced Planning

# Modest Finances Cannot Meet Healthcare Needs

Mary, 85, lived by herself after her husband passed away. When she began exhibiting signs of dementia, it didn't take long for her cognitive function to deteriorate rapidly and cause numerous safety issues at home.

Her daughter Lisa realized assisted living was necessary. She also realized this would be an expense they may not be able to handle for long. Although her parents lived frugally, their assets had dwindled, and Lisa already had to supplement some of Mary's financial shortfalls.

Between a \$160,000 home and two small life insurance policies worth \$2,100, the family didn't have much to work with. Lisa and her brother knew Mary's monthly income of \$1,472 from Social Security and a pension wouldn't be enough. So, she began looking into government aid.

### LACK OF PLANNING MEANS ASSETS SUBJECT TO STATE MEDICAID RULES

Lisa activated her mother's healthcare power of attorney (POA) when two doctors deemed Mary unable to make medical decisions by herself. Fortunately, Mary still demonstrated enough



capacity to execute a new financial POA for Lisa. The basic, mass-market statutory form for their general estate in the existing POA put their finances at risk because it wasn't designed for long-term care needs.

With her hands now on the wheel, Lisa learned that her parents had done no advanced estate planning. Mary's home would be considered an asset affecting Medicaid eligibility. Same thing for her life insurance, which couldn't be used for final expenses as

intended in the first place.

It seemed the only path Lisa could take was dictated by Wisconsin's Medicaid rules. To qualify, Mary needed to sell her home, cash in the insurance policies, and spend down to below \$2,000.

### SPECIALIZED HEALTHCARE EXPERTS OFFER 11TH HOUR SOLUTION

Just when Lisa felt cornered with assisted-living needs imminent, an alternative presented itself. The lawyer she'd worked with on the new financial POA put her in touch with an Elder Life

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Group Advisor, who conducted an immediate review and opened brand-new doors.

It turned out the family could still do advanced planning to protect their assets. When selling her house, Mary could protect a portion of funds and use the rest for any nursing home expenses. She could also convert the insurance policies into a Medicaid-exempt funeral trust.

Lisa was relieved. This was exactly the kind of expert guidance she needed at the last minute.

## **FAMILY RESTS ASSURED WITH LONG-TERM STRATEGY SECURING THEIR FINANCES**

By the time she entered a facility, Mary's condition had declined and required enhanced care. The cost was \$316 per day, but Elder Life Group's plan ensured this wouldn't be a problem.

- **53% of estate** protected from nursing home expenses
- **\$70k held in trust** from Mary's estate
- **\$5k irrevocable funeral trust** to secure Mary's final expenses
- **Retained life insurance policies** rather than cashing them in needlessly
- **9 months of healthcare costs planned** before receiving Medicaid relief in under 1 year
- **Reimbursed for expenses** tied to medical equipment and other treatment for Mary

**Elder Life Group offered Lisa the one thing she couldn't find anywhere else: Options. As a result, Mary is now getting the care she needs without jeopardizing her estate. Her children will one day also enjoy the legacy their parents worked so hard to provide.**

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## Elder Life Group Offsets 55% Medicaid Spend-Down Requirement to Fully Protect 75% of Family Estate

# Memory Care Facility Places Family Estate at Risk

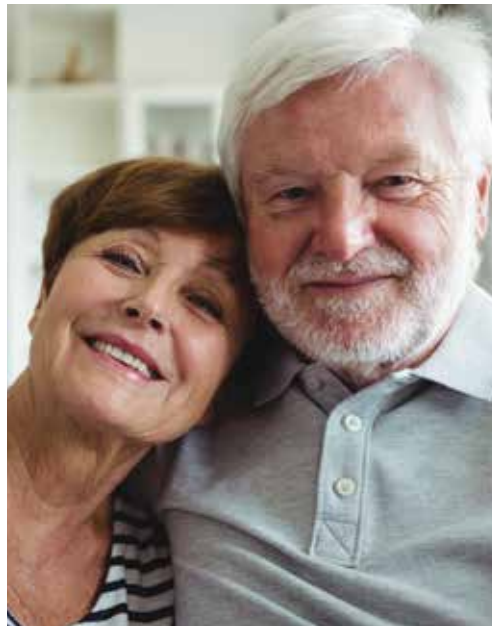
Five years ago, Sam, a 75-year-old retiree, was diagnosed with early onset dementia. His wife Suzy, 74 and also retired, became his primary caregiver, but had struggled over the past two years as his condition deteriorated.

It became clear to Suzy and her two children that they could no longer care for Sam alone. His declining mental and physical function made him a risk to himself and others. They found a memory care facility that offered the resources Sam needed, but at a cost of \$5,700 per month. That number was in real danger of doubling to over \$10,000 if he didn't stabilize.

Sam and Suzy were good stewards of their wealth, accumulating nearly \$1.1M throughout their marriage. However, such high costs would quickly dig into this hard-earned savings.

### EXISTING ESTATE PLAN AND TRADITIONAL OPTIONS PROVIDE NO SAFEGUARDS

Suzy contacted a local aging resource center to see if any resources were available for financial relief. She discovered that her estate plan was



severely outdated and didn't consider healthcare needs.

According to the center's case worker, government rules in their home state of Wisconsin required them to spend down \$594,894 to qualify for any sort of assistance. In other words, Medicaid would come at the expense of over half their entire estate.

Suzy was concerned about being able to afford Sam's specialized care over the long term. Not only that, but the financial implications for her

family could be dire if she also needed care or passed away while Sam was still alive.

### SPECIALIZED HEALTHCARE GUIDANCE UNCOVERS BONA FIDE ASSET PROTECTION

Faced with a potential crisis, Suzy joined a community webinar designed specifically to address the high costs of aging. She learned that, contrary to what she'd been told by her case worker, she could create her own rule book for financial relief. True asset protection was possible with proper resources.

Suzy booked an appointment shortly thereafter with the webinar's host, Elder Life Group. An

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asset review revealed that she could account for the costs of Sam’s care moving forward while protecting a significant portion of their estate from those very costs.

With a renewed sense of hope, Suzy retained Elder Life Group to receive the qualified financial support she needed to safeguard their assets. Not only that, but they knew exactly how to handle the “what ifs” and “how tos” of her own welfare and final expenses down the road.

## LONG-TERM HEALTHCARE STRATEGY PROVIDES FINANCIAL PEACE OF MIND

Suzy worked closely with her local Elder Life Advisor and an expert attorney in Elder Life’s national network. Together, they created an airtight plan using various products and strategies, including some rarely available elsewhere.

- **\$812k in lifetime savings exempt** from spend-down requirements

- **75% of estate protected** from nursing homes and other creditors or predators
- **42 months of facility costs covered** using a little-known Medicaid-compliant annuity
- **Guarantees established** for how long costs would be covered solely out of pocket
- **Firm date scheduled** for Medicaid benefits to begin

**Suzy felt enormous relief knowing this advanced planning protected their estate while responsibly accounting for future healthcare expenses. Elder Life Group ensured she had options, helped her set up the best one for her family, and then handled the details to ensure it would work exactly the way they designed it.**

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