MEDICAID BENEFITS UPDATE FOR 2013

Medicaid Income and Resource Levels

Monthly Income

Family Size	
1	$ 800.00 + $20*
2	$1175.00 + $20*

Note: The first $20 of monthly income per household is not counted when determining the eligibility of those Medicaid applicants who are aged, blind, or disabled.

Resources

Family Size	
1	$14,400.00
2	$21,150.00

Individuals may establish a burial fund and exclude $1,500.00 or any amount if an irrevocable pre-need funeral trust is established.

Home equity limit is $786,000.00.

2013 MEDICAID COST OF LIVING ADJUSTMENTS FOR COMMUNITY SPOUSE ALLOWANCES

Monthly Income	$ 2,898.00
Resource Allowance	Minimum: $ 74,820.00
or spousal share up to	Maximum: $115,920.00

NEW REGIONAL RATES IMPLEMENTED FOR MEDICAID RECIPIENT IN NURSING HOME FOR 2013

The new Regional Rates are as follows:

Long Island:	$12,034.00
New York City:	$11,350.00

MEDICARE BENEFITS UPDATE FOR 2013

Medicare Increases for 2013

- Part A Premium for Medicare Buy In = $441.00 per month
- Part A-inpatient hospital deductible is $1,184.00
- Part A-co-insurance from day 60-90 will be $296.00 per day
- Part A-co-insurance from day 91-150 $592.00 per day
- The co-insurance for Medicare coverage in a skilled nursing facility will be:
  Day 1-20=$0 per day, Day 21-100 = $148.00 per day

Medicare Part B

- Part B-Deductible $147.00 per year
- Part B- Premium $104.90 per month and higher if income exceeds $85,000.00 for single persons to a maximum of $335.70 per month for couples with higher incomes

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FREE SEMINARS

Location: THE LAW OFFICES OF FRANK G. D'ANGELO & ASSOCIATES, P.C.
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Dates & Times:

Saturday, March 9, 2013:	10:00-12:00	(718) 776-7475	Queens Village
Saturday, April 13, 2013:	10:00-12:00	(718) 776-7475	Queens Village
Saturday, May 11, 2013:	10:00-12:00	(718) 776-7475	Queens Village
Saturday, June 15, 2013:	10:00-12:00	(718) 776-7475	Queens Village

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*The **LAW OFFICES OF FRANK G. D'ANGELO & ASSOCIATES, P.C.** is dedicated to providing comprehensive legal care to individuals, families and small businesses in the areas of Elder Law, Estate Planning, trust and Estates Law, Family Law, Health Law, and Real Estate. Hospital, Nursing Home and Home visits arranged by appointment.*

***Family Care Connections®, LLC and Ann Marie D'Angelo, A.P.R.N., B.C.,** provides health care management information and services including PRI/SCREEN, Nursing Home Placement, Geriatric Care Management, Supportive Counseling and Advocacy. We also provide educational information in the context of seminars and written publications. The firm has offices in Garden City, Queens, and Manhattan. In addition, home visits, as well as hospital and nursing home consultations may be arranged by appointment.*

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Family Care Connections® Review

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PROVIDING LEGAL, FINANCIAL AND HEALTH CARE INFORMATION TO INDIVIDUALS AND FAMILIES

How Will the Affordable Health Care Act Affect You?

On June 28, 2012, the United States Supreme Court ruled that the majority of the Affordable Health Care Act is Constitutional. Therefore an overview of the law highlighting the key features is helpful.

How will the Affordable Health Care Act affect Medicare?

Medicare will remain safe under the Affordable Health Care Act. Under the law, The Prescription Drug donut hole under Part D will decrease early next year until it is eliminated in 2020. Consequently the average Medicare recipient will save over $4,181 over 10 years. However, higher income beneficiaries will continue to see higher premiums under Part B and Part A.

How will the Affordable Health Care Act affect Employee Health Coverage?

In 2014 all employees will be able to purchase coverage through the NY State Health Income Exchange. Individuals with low income will receive a refundable tax credit to purchase the insurance coverage. Employees already receiving coverage do not have to do anything. They can continue to receive coverage with the employee plan.

What if I do not purchase health insurance?

If any individual does not purchase health insurance by January 1, 2014, he will pay a special tax on his returns. Individuals who have Medicare, Medicaid, or coverage from the employer, have the appropriate insurance and they will not be taxed. The tax in 2014 is computed by determining the greater of 1 percent income, or $95. This amount will increase annually.

How will it affect Medicaid?

The Medicaid program will also remain intact in NY under the Affordable Health Care Act. The resource limit will increase to $15,415 in 2014 for an individual, and individuals under 65 years old will now be eligible for coverage.

How do I purchase coverage?

The program's insurance exchange begins in 2014. Individuals who do not have medical coverage can buy the coverage from the NY State Department of Health.

Individuals with pre-existing conditions will not be charged more or be denied coverage. Men and women will pay equal premium rates, young people can be covered up to age 26 under their parents insurance plan.

How will Medicare be affected in the future?

Medicare payments to hospitals will decrease for hospitals with readmissions within 30 days. There will be a greater push to provide more care in the community and at home using technology and electronic devices. Insurance companies will be required to devote more from premiums to patient care.

Will the benefits be tied to taxes?

High wage tax payers, $200,000 individuals and $250,000 for a couple, will have to pay higher premiums under Part A hospital insurance. We will continue to monitor and update on all aspects of the Affordable Health Care Act as the impact and implications on our clients becomes clear.

An Ounce of Prevention is Worth a Pound of Cure: Preparing for Home Care Services!

This statement is always true but never as true as when you are concerned that the home health aide who is caring for your loved one is stealing! It is awful to consider that someone you've hired is stealing, but how much more disturbing is it when you discover that they have taken family heirlooms, other precious items, money, or medication from your home or from your loved ones home.

We've all read the headlines or seen the news that an elderly person was scammed out of thousands of dollars. Still it's hard to believe it can happen under our watch when caring for a loved one. Whether you contract with an agency to hire the aides or you hire the aides directly there is always a chance that stealing will occurr. That is why we must consider proactive measures to STOP and DETER any possibility of theft!

Most home health aides are honest, but for some the opportunity to steal is a temptation that cannot be ignored. They see precious items, credit or bank cards, or even prescription medication as an opportunity to increase their income especially if they have their own financial problems. The following safety measures are the best way to protect you and your loved ones:

- Do online banking and review it often.
- Remove precious items from the home if possible or lock them up.
- Be aware of the types and amounts prescription meds in the home and make sure they are being used by the patient. Pay close attention particularly to the pain medication.
- Pre-pour the medication and double check that they're not being substituted. Keep the bottles in a safe place. Aides should NOT be prepouring medication.
- Speak to an alarm company and/or your local precinct to determine if your home is safe from break-ins as well as in-home security measures
- Consider putting in security cameras and a safe.
- Remove bank records and other pertinent information about finances and other personal information.
- Have all important mail delivered directly to you. Forwarding mail is time-limited so you must do a change of address.

Keep in mind that the majority of Home Health aides are honest, hard-working people who would never steal. However, safety measures as described above will protect them as well because they are often the first to be accused of stealing.

As an advanced practice nurse care manager I encourage all caregivers and patients to give careful consideration to safeguarding all valuables. Remember: An Ounce of Prevention is worth a pound of cure!

Questions about care management for a loved one can be directed to:

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2013 TAX UPDATE

It's that time of the year again - tax time! Below lists a few highlights of the American Taxpayer Relief Act of 2012 and the latest changes for the 2012 tax filing season.

First off the 2012 tax rates are the following:

Rate	Single	Married Joint	Head of Household	Married Separate
10%	0 to 8,700	0 to 17,400	0 to 12,400	0 to 8,700
15%	8,701 to 35,350	17,401 to 70,700	12,401 to 47,350	8,701 to 35,350
25%	35,351 to 85,650	70,701 to 142,700	47,351 to 122,300	35,351 to 71,350
28%	83,651 to 178,650	142,701 to 217,450	122,301 to 198,050	71,351 to 108,725
33%	178,651 to 388,350	217,451 to 388,350	198,051 to 388,350	108,726 to 194,175

A 35% tax rate applies to all taxpayers of any taxable income over $388,350 except for married filing separately pays 35% over $194,175.

If taxpayers cannot itemize their deductions for 2012, then the standard deduction will be applied to their return.

The standard deduction is as follows:

Filing Status

Married Filing Jointly	$11,900	Head-of-Household	$ 8,700
Single	$ 5,950	Married Filing Separately	$ 5,950

The additional standard deduction amounts allowed for individuals who are age 65 or older and/or blind are:

For married individuals: $1,150 For unmarried individuals: $1,450

Personal Exemption:

The personal exemption amount for 2012 is $3,800. This applies to the taxpayer and dependents claimed on the taxpayer's 2012 tax return. The phase out of the personal exemption does not apply for 2012.

Itemized Deductions:

The phase out of itemized deduction for 2012 does not apply. Therefore, taxpayers will receive the full benefit of their itemized deductions on Schedule A. For example, the greater of sales taxes may be deducted instead of state and local taxes paid in 2012.

Capital Gains and Losses and Qualified Dividends:

For 2012 the 15% and 0% tax rate applies for net capital gains and qualified dividends. Thus, if your long term capital gains are greater than your long term capital losses, you will be subject to a 15% tax on the net long term capital gain unless your income is below a certain level depending on your filing status then the 0% rate applies.

Free Qualified Charitable Distribution from IRAs

The American Taxpayer Relief Act reinstates the rule which allows taxpayers to make direct IRA distributions to a charity without having to include the distribution in gross income. This benefit was due to expire on December 31, 2011, but now this benefit extends through 2013. This basically permits a taxpayer to make a charitable contribution directly out of their IRA account and it will not be considered taxable income if the following conditions are met:

1. The maximum contribution allowed is $100,000.
2. The IRA owner must have attained the age of 70 ½ on the day of the transfer.
3. The distribution only qualifies to the extent that it would have been included in gross income.
4. The contribution must be made to a qualified charity.
6. The distribution only applies to IRA accounts.
7. The direct transfer qualifies for the RMD requirement.

Since Congress passed this bill on December 31, 2012, the taxpayer can elect that any qualified charitable distribution made on or after January 1, 2013, but before February 1, 2013 be treated as made on December 31, 2012. Additionally, any portion of the distribution made post November 30, 2012, can be treated as qualifying for this provision if such portion was transferred by the taxpayer, in cash, to the charity.

IRA Deduction:

For 2012 the maximum IRA deduction remains at $5,000 ($6,000 for taxpayer's who are 50 years of age or older). The income level phase out for this deduction is based on the following income amounts:

Married Joint/Surviving Spouse	$ 92,000 - $112,000
Single and Head of Household	$ 58,000 - $ 68,000
Non-Participating Spouse	$173,000 - $183,000

Student Loan Interest:

Taxpayer's may deduct up to $2,500 of student loan interest. The adjusted gross income limits for 2012 are the following:

Married Filing Jointly	$125,000 - $155,000
Unmarried	$ 60,000 - $ 75,000

Standard Mileage Allowance:

For 2012 the business use standard mileage allowance is 55.5 cents per mile, medical and moving expense allowance 23 cents per mile and charitable use is 14 cents per mile.

Please consult your tax advisor for additional analysis on these tax topics for 2012 tax filing and 2013 planning considerations. I am available for discussion at the Law Offices of Frank G. D'Angelo and Associates should you require further consultation or at the contact information below:

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