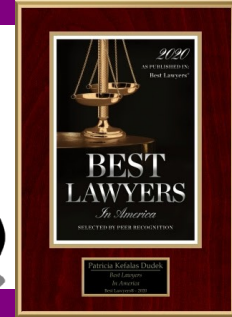


Patricia E. Kefalas Dudek & Associates

**Passionate Advice and Advocacy for all
Stages of Life**



November 2019



Open Enrollment

Don't Let Medicare Open Enrollment Go By Without Reassessing Your Options

Medicare's Open Enrollment Period, during which you can freely enroll in or switch plans, runs from October 15 to December 7. Don't let this period slip by without shopping around to see whether your current choices are the best ones for you.

During this period you may enroll in a Medicare Part D (prescription drug) plan or, if you currently have a plan, you may change plans. In addition, during the seven-week period you can return to traditional Medicare (Parts A and B) from a Medicare Advantage (Part C, managed care) plan, enroll in a Medicare Advantage plan, or change Advantage plans. Beneficiaries can go to www.medicare.gov or call 1-800-MEDICARE (1-800-633-4227) to make changes in their Medicare prescription drug and health plan coverage.

[Click Here for Additional Information](#)

Veterans Disability Benefits Now Protected in Bankruptcy Proceedings

Eliminating a cruel quirk in federal bankruptcy law, legislation signed into law by President Trump on August 23, 2019, protects veterans disability benefits from creditors in bankruptcy proceedings.

"By protecting their disability compensation during bankruptcy, we can help [veterans] and their families regain financial stability," said Sen. John Cornyn (R-TX), a sponsor of the bill, after the Senate passed the measure, according to the Military Times.

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The 2020 Social Security Increase Will Be Smaller than 2019's

The Social Security Administration has announced a 1.6 percent increase in benefits in 2020, nearly half of last year's change. The small rise has advocates questioning whether the government is using the proper method to calculate the cost of living for older Americans and those with disabilities.

[Click Here to Read More](#)



New changes coming to Healthy Michigan Plan, January 2020

The Michigan Department of Health and Human Services is working to protect those who are covered under the [Healthy Michigan Plan](#) before new changes take effect beginning in 2020.

Starting Jan. 1, 2020, beneficiaries covered by the Healthy Michigan Plan will be required to meet a new set of work requirements to stay eligible for the program.

HMP beneficiaries will be required to report to the state 80 hours each month of work or activities like a job search. If they don't, they could lose their health care coverage unless they are exempt.

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Birmingham Bloomfield Art Center Meet Me @ the BBAC

This program is designed to promote conversation & creativity for individuals with early to mid-stage Alzheimer's or dementia. Join us once a month. We'll talk about art in one of our exhibits, then head to the art studio to create a project related to what we just saw. No art experience is required!

Advance reservations are required. The cost is \$10 per session for two people (includes caregiver).

Call with questions or to reserve your spot: 248.644.0866 x 111.

Dec 6 / 11am-12:30pm

For more about Meet Me @ the BBAC, [click here](#).

For more about the BBAC's ArtAccess programs, [click here](#).

The SSI Restoration Act of 2019 Introduced in the Senate

(Justice in Aging)

October 30th, Senator Sherrod Brown (D-OH), with co-sponsors Richard Blumenthal (D-CT), Robert Casey (D-PA), Dick Durbin (D-IL), Mazie Hirono (D-HI), Jeff Merkley (D-OR), Bernie Sanders (I-VT), Elizabeth Warren (D-MA), and Sheldon Whitehouse (D-RI) **introduced the SSI Restoration Act of 2019** in the Senate.

This legislation would modernize SSI rules and requirements that haven't been changed for decades. In addition to raising the \$2,000 resource limit, for example, the Act would increase the amount of income a person could keep from sources like Social Security.

Improvements such as these are important to fulfilling SSI's goal of helping those most in need who would not otherwise have enough income to get by. We support this legislation because it will ensure that, rather than keeping people out of the program because of outdated restrictions, we will be able to provide support to those who need it.

[Click Here to Read the Full Release](#)

Senators Join Effort To Increase SSI Asset Limits

A push to allow people with disabilities receiving Supplemental Security Income to keep more assets and remove a penalty affecting those who marry is gaining steam.

Members of the U.S. Senate introduced legislation last week that would significantly increase the amount of money that SSI beneficiaries can retain.

[Click Here to Access the Full Article](#)

Bill Introduced to Raise SSI Asset Limit, Make Other Reforms

Since the program's creation in 1972, SSI has subjected recipients to strict asset limits. Any recipient having assets over \$2,000 is automatically disenrolled, with minimal exemptions and exceptions. For couples, the maximum is \$3,000.

Under the Supplemental Security Income Restoration Act, introduced in the House in September (and a companion bill introduced in the Senate in October), individual SSI recipients would be allowed to have \$10,000 in assets, while the limit for couples would be double that, or \$20,000, eliminating the marriage penalty. And, for the first time, these limits would be indexed to inflation.

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Making Year-End Gifts to Special Needs Family Members

The end of the year is approaching and the holidays will soon be in full swing, a time when many people are getting ready to make gifts to their family members. Not only is this a great way to show love and support to relatives, but it makes tax planning sense. Current federal tax law allows taxpayers to gift amounts up to \$15,000 per recipient per year without it counting against their lifetime gift exemption of \$11.4 million (an amount that will revert to \$5.49 million in 2026 unless Congress changes the law before then).

However, special considerations apply if your family member is an individual with special needs. Gifts of cash or certain types of gift cards can compromise your family member's eligibility for government benefits. Even if your loved one does not receive benefits like SSI or Medicaid, direct gifts of cash to a person with special needs may not be advisable, especially if the recipient is not adept at handling money. In many cases, the best way to provide monetary assistance to your loved one is through contributions to a special needs trust, or SNT.

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Leaving your IRA to a Special Needs Trust requires some finesse

If you expect your child's special-needs trust to be the beneficiary of any IRA accounts, you need to carefully consider the beneficiary structure of the trust. If your child with special needs is the only beneficiary, then the situation is simple and the IRS will expect IRA distributions just as if your child had been the direct beneficiary, but the trust as intermediary will still protect the child's eligibility for means-tested benefits. The only drawback is that the distributions, taxed as ordinary income, would be taxed at trust rates, which get quite high quite quickly. If the RMDs are distributed to the beneficiary as they are removed, they would be taxed at the beneficiary's income tax rate BUT they would also count as income to the beneficiary and might disrupt public benefits.

If there is more than one individual beneficiary to the special needs trust, things become more complicated. For instance, suppose you have two children with disabilities, but you use one special-needs trust to hold both of their assets. Or suppose that your only child with special needs is the primary beneficiary of the trust, but an older sibling or other relative is a contingent beneficiary. Now, you run the risk that the IRA distribution will be based on the shortest life expectancy among all the beneficiaries. Given the you don't want to distribute too much income to the beneficiary with special needs, and given that distributions that are not distributed must pay tax at the trust rate, this situation will force the faster payment of higher taxes.



[Click Here to Read the Full Article](#)

Medicaid's Power to Recoup Benefits Paid: Estate Recovery and Liens

Federal law requires the state to attempt to recover the long-term care benefits from a Medicaid recipient's estate after the recipient's death. If steps aren't taken to protect the Medicaid recipient's house, it may need to be sold to settle the claim.

For Medicaid recipients age 55 or older, states must seek recovery of payments from the individual's estate for nursing facility services, home and community-based services, and related hospital and prescription drug services. States also have the option of recovering all Medicaid benefits from individuals over age 55, including costs for any medical care, not just long-term care benefits.

[Click Here for More Information](#)

Charitable Remainder Trusts: Income for Life and a Good Deed at Death

Many people like the idea of leaving bequests to favorite charities in their wills. But instead of leaving money to a charity in your will, you can put that money into a charitable remainder trust and collect income while you are still alive. Charitable remainder trusts have many other advantages, including reducing your income and estate taxes and diversifying your assets.

A charitable remainder trust is an irrevocable trust that provides you (and possibly your spouse) with income for life. You place assets into the trust and during your lifetime you receive a set percentage from the trust. When you die, the remainder in the trust goes to the charity (or charities) of your choice.

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Lawmakers Starting to Combat Discrimination Against Tenants Who Receive Housing Aid

Multiple studies have identified a key reason why tenants with Section 8 vouchers tend to be clustered in low-income neighborhoods: the refusal of many landlords to accept Section 8 vouchers.

To combat this practice, state and local governments are starting to enact “source of income discrimination” laws. Since 2008 in New York City, and since June 2019 in New York State, landlords in non-owner occupied buildings with more than two units may not reject tenants on the basis that they pay their rent through government benefits, including Section 8 vouchers.

[Click Here for Additional Information](#)

Are Your Gift Cards Accessible? Lawsuits Assert Gift Cards Should Be Offered in Braille

In addition to concerns surrounding the accessibility of a business' website, retailers now have a new concern – the accessibility of their gift cards. Plaintiffs have recently filed a number of lawsuits alleging that the failure to sell gift cards containing writing in Braille is a denial of full and equal access to blind and visually impaired individuals, and thus is a violation of Title III of the Americans with Disabilities Act (“ADA”).

On October 24, 2019, twelve lawsuits were filed in the United States District Court for the Southern District of New York against well-known retailers, restaurants, and other businesses. The complaints allege, in part, that because store gift cards are generally the same size and texture as credit cards, they are indistinguishable by a blind person from credit cards and other gift cards.

The complaints allege claims for violation of the ADA, violation of the New York State Human Rights Law, and violation of the New York City Human Rights Law. For relief, the plaintiffs seek both declaratory and injunctive relief, including a permanent injunction requiring the defendants to “design, implement, distribute, and sell store gift cards integrated with the Defendant’s retail stores that are embossed with Braille writing that identify the name of the merchant and the denomination of the gift care with Braille writing on the packaging of the store gift cards and additionally convey other pertinent information....”

The main question at issue in this line of cases will be whether the ADA requires businesses to offer gift cards with writing in Braille. Title III of the ADA prohibits discrimination against individuals “on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages or accommodations of any place of public accommodation.” 42 U.S.C. § 12182

(a). While the ADA includes an exemption “where compliance would ‘fundamentally alter the nature of the good, service, facility, privilege, advantage, or accommodation being offered or would result in an undue burden,’” 42 U.S.C. § 12182(b)(2)(A)(iii)), the applicability of this exemption remains to be seen. Affecting the applicability of this exemption is the fact that there is a retailer with a gift card on the market that contains Braille, a fact that plaintiffs point out in their complaints.

[Click Here for the Full Article](#)



The Dialogue: Helping People with Serious Mental Illness and Substance Use Disorders During Disasters

This special double issue of The Dialogue from the SAMHSA DTAC highlights the process of assisting disaster survivors with SMI and/or SUDs after a disaster.

Authors share their knowledge on how these individuals may need additional support to aid their recovery after a disaster and how to provide better assistance.

[Click Here for This Issue of The Dialogue](#)

Three Reasons Why Joint Accounts May Be a Poor Estate Plan

Many people, especially seniors, see joint ownership as an easy way to avoid probate and plan for incapacity, but there are major drawbacks to joint accounts.

When people own property as joint tenants each person has an equal ownership interest in the property. If one joint tenant dies, his or her interest immediately ceases to exist and the other joint tenant owns the entire property. Joint ownership of investment and bank accounts can be a cheap and easy way to avoid probate since joint property passes automatically to the joint owner at death. In addition, joint ownership can also be an easy way to plan for incapacity since the joint owner of accounts can pay bills and manage investments if the primary owner falls ill or suffers from dementia. These are all true benefits of joint ownership, but three potential problems with joint ownership:

[Click Here to Read About the Risks](#)

What to Do If You Are Appointed Guardian of an Older Adult

Being appointed guardian of a loved one is a serious responsibility. As guardian, you are in charge of your loved one's well-being and you have a duty to act in his or her best interest.

If an adult becomes mentally incapacitated and is incapable of making responsible decisions, the court will appoint a substitute decision maker, often called a "guardian," but in some states called a "conservator" or other term. Guardianship is a legal relationship between a competent adult (the "guardian") and a person who because of incapacity is no longer able to take care of his or her own affairs (the "ward").

If you have been appointed guardian, the following are things you need to know:

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Five Estate Planning Myths

There are lots of misconceptions about estate planning, and any one of them can result in costly mistakes. Understanding who needs an estate plan and what it should cover is key to creating a plan that is right for you.

A properly crafted estate plan allows you, while you are still living, to ensure that your property will go to the people you want, in the way you want, and when you want. It permits you to save as much as possible on taxes, court costs and attorneys' fees; and it affords the comfort that your loved ones can mourn your loss without being simultaneously burdened with unnecessary red tape and financial confusion.

[Click Here to Read About the Myths](#)

Estate Planning During a Divorce: Four Key Considerations

You have planned your life carefully. With your spouse you have drawn up a will and established trusts to organize your estate after your deaths. You have made decisions about the guardianship of your children should anything happen to you both before they come of age. Together, you have put insurance policies in place for health, life, and disability. And most likely you are each named beneficiaries on the other's retirement plan. The only thing you didn't plan for was divorce.

What happens to your estate plan now? Here are some key strategies to make sure your wishes are protected during and after the process of separation and divorce.

[Click Here to Read About the Considerations](#)

4 Ways To Pay for Your Parents' Long-Term Care

You thought you'd conquered life's biggest financial milestones, including paying your kids' college tuition, financing your eldest daughter's wedding, and building up a nest egg for yourself. But now another challenge looms ahead: figuring out how to pay for your parents' long-term care.

Once you've exhausted the conventional options of Medicaid and Veteran Aid, it's time to get creative. Try peeking under these four rocks to raise cash to pay for your parents' long-term care.

[Click Here to Read About the 4 Rocks](#)

**For more news and information about Patricia and Patricia E. Kefalas
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