

Case Example

Mr. and Mrs. Smith reside in their marital home in Fairfax County, Virginia.

Mr. Smith, 84, is confined to a wheelchair and is diagnosed with dementia, Alzheimer's type. He requires assistance with bathing and dressing. He also requires assistance with toileting, although he is mostly continent. Two years ago Mr. Smith fell and broke his hip. He was admitted to the hospital on April 3, 2012. Due to complications and an infection, he hospitalized for two weeks, and released to rehabilitation at a long-term care facility, where he resided for three weeks before returning home.

In 2009, Mr. Smith executed a Power of Attorney giving Mrs. Smith authority to manage his assets and to engage in Medicaid planning.

Mrs. Smith, 80, has capacity. She has functional capabilities to care for herself, but she does not have the strength or ability to care for Mr. Smith.

Mr. Smith requires 24 hour care. Mrs. Smith wants Mr. Smith to move to a nursing home and apply for long-term care Medicaid to preserve their assets.

Their Assets <u>Today</u>	Their Assets on April 1, 2012
<ul style="list-style-type: none"> • A marital home with a fair market value (FMV) of \$1,060,000 • One vehicle with FMV of \$10,000 • One joint checking account: \$25,000 • One checking account in Mr. Smith's name only: \$10,000 • One joint savings account: \$50,000 • One joint investment account: \$300,000 (FMV) • A whole life insurance policy with a cash surrender value of \$10,000 owned by Mrs. Smith 	<ul style="list-style-type: none"> • A marital home with a fair market value (FMV) of \$1,060,000 • One vehicle with FMV of \$12,000 • One joint checking account: \$25,000 • One checking account in Mr. Smith's name only: \$25,000 • One joint savings account: \$60,000 • One joint investment account: \$325,000 (FMV) • A whole life insurance policy with a cash surrender value of \$8,500 owned by Mrs. Smith

Mr. Smith's Monthly Income:		Mrs. Smith's Monthly Income
<u>Social Security</u>	<u>OPM</u>	<u>Social Security</u>
Gross: \$2,100	Gross: \$3,000	Gross: \$1,050
Net: \$1,995.10	Net: \$2,500	Net: \$945.10