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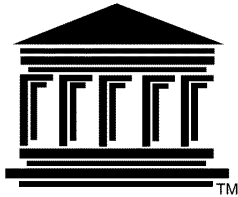
A PROFESSIONAL CORPORATION

ELDER LAW NEWS

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Member, National Academy
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Thanks

Thank you for trusting our firm with your legal needs. When nursing home care is necessary, our goal is to help elder citizens preserve their life savings to the extent which the law allows.

New 2004 Eligibility Limits

A fundamental law of Medicaid is that once you learn the rules of that program, those rules are sure to change. In fact, the income eligibility limits change annually. The eligibility limits, effective January 1, 2004, are given below.

SUPPLEMENTAL SECURITY INCOME (“SSI”)

	<u>Monthly Income Limits</u>
Individual	\$564
Couple	\$864

Countable income must be less than the applicable limit. Countable income is gross income less applicable deductions. Deductions may include a \$20 general deduction, as well as certain deductions from earned income (e.g., wages, net income from self-employment).

LONG-TERM CARE (“LTC”) SERVICES -- These include institutional services (e.g., nursing home services) and home and community-based waiver services (e.g., community-based alternatives or CBA).

	<u>Monthly Income Limit</u>
Individual	\$1,692
Couple (both spouses in LTC)	\$3,384

Your gross income may not exceed the applicable limit. If it does, however, you may still qualify via a device known as a qualifying income trust (“QIT”) or “Miller Trust.”

SPOUSAL IMPOVERISHMENT -- This refers to a situation where one spouse is in LTC and the other spouse (the “community spouse”) is not. For 2004, the resource and income protections for the community spouse are as follows:

Minimum Protected Resource Amount (“PRA”)	= \$18,552
Maximum Protected Resource Amount (“PRA”)	= \$92,760
Minimum Monthly Maintenance Needs Allowance (“MMMNA”)	= \$2,319

The PRA may be “expanded” (even beyond the \$92,760 maximum), if the community spouse needs additional resources protected to generate monthly income equal to the MMMNA.

Wesley E. Wright and Molly Dear Abshire are attorneys with the firm Wright Abshire, Attorneys, A Professional Corporation, located in Bellaire. Wright is Board Certified by the Texas Board of Legal Specialization in Estate Planning and Probate Law. Both Wright and Abshire are Certified as Elder Law Attorneys by the National Elder Law Foundation. Nothing contained in this publication should be considered as the rendering of legal advice to any person’s specific case, but should be considered general information.

MEDICARE SAVINGS PROGRAMS -- These are limited-scope Medicaid programs that pay Medicare cost-sharing. As with SSI, countable income is tested against the appropriate limit. Countable income is gross income less applicable deductions.

These programs and their new income limits, effective April 1, 2004, are as follows:

QUALIFIED MEDICARE BENEFICIARIES (“QMB”) -- Pays all Medicare cost-sharing.

	<u>Monthly Income Limit</u>
Individual	\$776
Couple	\$1,041

Countable income may not exceed the applicable limit.

SPECIFIED LOW-INCOME MEDICARE BENEFICIARIES (“SLMB”) -- Pays only the Medicare Part B premium (\$66.60 per month).

	<u>Monthly Income Limit</u>
Individual	\$931
Couple	\$1,249

Countable income must exceed the QMB limit, but must be less than the SLMB limit.

QUALIFYING INDIVIDUALS (“QI”) -- Also pays only the Medicare Part B premium (\$66.60 per month).

	<u>Monthly Income Limit</u>
Individual	\$1,048
Couple	\$1,406

Countable income must equal or exceed the SLMB limit, but must be less than the QI limit.

QUALIFIED DISABLED AND WORKING INDIVIDUALS (“QDWT”) -- Pays only the Medicare Part A premium (\$343 per month) for disabled persons who lose entitlement to free Part A because of wages, but who are entitled to enroll in premium Part A.

	<u>Monthly Income Limit</u>
Individual	\$1,552
Couple	\$2,082

Countable income must not exceed the applicable limit.

Wright Abshire is available to assist you with all aspects of Medicaid planning, advance directives to physicians directives, durable powers of attorney for health care, as well as wills, special needs trusts, guardianships and probate.



SPEAKERS

If you are interested in having an elder law attorney from Wright Abshire speak at an event, or for continuing education for social workers and nurses, please contact Chelsea Estes or Amy Bartling at (713) 660-9595.

S P E A K I N G E V E N T S**April 2 – State Bar of Texas 2004 Elder Law & Guardianship Course**

Wesley E. Wright will discuss Medicaid estate recovery, including background information, comparison with other states and strategies for recovery.

April 7 – Mass Mutual Financial Group

Molly Dear Abshire will discuss Medicaid estate recovery in Texas and possible consequences of the new statute.

April 8 – TIRR Outpatient Therapy Services

Wesley E. Wright will discuss how to finance long term care to patients and their families.

Distribution of This Newsletter

Wright Abshire encourages you to share this newsletter with anyone who is interested in issues pertaining to the elderly, the disabled and their advocates. The information in this newsletter may be copied and distributed, without charge and without permission, but with appropriate citation to Wright Abshire Attorneys, A Professional Corporation. If you are interested in a free subscription to the Elder Law News, please email us at education@wrightabshire.com, call us at (713) 660-9595, or fax us at (713) 660-8889.

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