



# ElderLaw Advisor



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## DO YOU QUALIFY FOR ANY OF THESE MEDICARE SAVINGS PROGRAMS?

**Q**ualified Medicare Beneficiaries (QMBs): States must be responsible for all Medicare cost-sharing for Medicare beneficiaries with incomes up to 100% FPL and limited resources. For this group, the 2009/early 2010 level is \$902.50/month (\$10,830/year) for an individual; to \$1,214.17/month (\$14,570/year) for a couple.

**Special Low-income Medicare Beneficiaries (SLMBs):** States must pay the Medicare Part B premium for Medicare beneficiaries with incomes between 100% FPL and 120% FPL and limited resources. The limit for this group continues to be \$1,083/month (\$12,996/year) for an individual; \$1,457/month (\$17,484/year) for a couple.

**Qualified Individual (QI):** States have a limited amount of money from which they must pay, on a first come, first served basis, the Medicare Part B premium for Medicare beneficiaries with incomes between 120% FPL and 135% FPL and limited resources. The limit for this group is \$1,218.38/month (\$14,620.50/year) for an individual; \$1,639.13/month (\$19,669.50/year) for a couple.

**Qualified Disabled and Working Individual (QDWI):** States must pay the Medicare Part A premium for certain working disabled Medicare beneficiaries who have exhausted their entitle-

ment to premium-free Part A benefits and whose incomes do not exceed 200% FPL. The limit for this group is \$1,805/month (\$21,660/year) for an individual; \$2,428.33/month (\$29,140/year) for a couple.

**Part D Low-income Full Subsidy:** Medicare Part D provides a full drug subsidy with low co-payments to Medicare beneficiaries with incomes up to 135% FPL and limited resources. For those individuals, the early 2010 eligibility limit is \$1,218.38/month (\$14,620.50/year) for an individual; \$1,639.13/month (\$19,669.50/year) for a couple.

**Part D Low-income Partial Subsidy:** Medicare Part D provides a partial subsidy of premium, deductible and co-insurance to Medicare beneficiaries with incomes up to 150% FPL and limited (but higher than allowed for full subsidy) resources. The income limit for this group is \$1,353.75/month (\$16,245/year) for an individual; \$1,821.25/month (\$21,855/year) for a couple.

*“Minutes are more valuable than money. Spend time wisely.” -Chinese Proverb*

*“Our thanks to those of you who corrected our spelling of the name “Simone de Beauvoir”.”*



JOHN NALE

### NALE LAW OFFICES

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44 Main Street • Waterville, Maine 04901

873-4304

[info@nalelaw.com](mailto:info@nalelaw.com)

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MARK NALE



## MEDICARE PART B PREMIUM

**M**edicare Part B helps pay for doctors' services and outpatient care. It also covers other medical services, such as physical and occupational therapy, and some home health care. For most beneficiaries, the government pays a substantial portion – 75 percent – of the Part B standard premium and the beneficiary pays the remaining 25 percent. Most people are paying the 25% which turns out to be a premium of \$96.40 in 2010.

However, some higher income beneficiaries have to pay a larger percentage of their Part B premium based on income they reported to the Internal Revenue Service (IRS). In 2010, higher income beneficiaries will pay a monthly premium equal to 35, 50, 65 or 80 percent of the total Part B cost, depending on the amount of income they reported to the IRS.

To determine if you have to pay increased Medicare Part B premiums, Social Security looks at the IRS tax filings you made two years before the year that the premiums are deducted. For example, 2010 premiums are calculated using your 2008 tax return. The IRS sends this information to Social Security which then uses a sliding scale to make adjustments to premiums. The sliding scale is based on your Modified Adjusted Gross Income (MAGI). Your MAGI is a combination of your adjusted gross (taxable) income and tax exempt interest income.

Fortunately, fewer than 5 percent of Medicare beneficiaries have to pay any increased Part B premiums. Most people will continue to pay the standard premium without any income-related adjustment. In 2010, if you file your taxes as "married, filing jointly" your MAGI has to be more than \$170,000 for you to have to pay a higher Part B premium in 2011. Unmarried persons, or

those who are married but file separately, will have to pay a higher Part B premium if their MAGI is more than \$85,000.

After getting the IRS data, if Social Security determines you will need to pay a larger percentage of the premium, they will send you a letter explaining how the determination was made and what your new premium will be. But, if your income does not exceed the limits described above, this law does not apply to you.

There are some exceptions when a more current tax reporting may be used, such as: death of a spouse; marriage; divorce; annulment; or change in employment, among others. If you have questions on how premiums are calculated or to review a possible exception, contact us.

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## SOCIAL SECURITY ADMINISTRATION ADDS EARLY-ONSET ALZHEIMER'S TO ITS COMPASSIONATE ALLOWANCE INITIATIVE

**I**n its effort to improve and expedite the disability determination process, the Social Security Administration (SSA) has announced that it will add early-onset Alzheimer's disease to its Compassionate Allowances Initiative. The initiative identifies debilitating diseases and medical conditions that meet the SSA's disability standards for Social Security Disability Income (SSDI) or Supplemental Security Income (SSI). Inclusion in the initiative allows for faster payment of Social Security benefits to individuals with Alzheimer's disease.

Since 2003, the Alzheimer's Association has been advocating on behalf of individuals with early-onset Alzheimer's as they navigate the Social Security disability determination process and welcomes the SSA's decision. Until now, indi-

*Continued on page 3*

**ElderLaw Advisor** is written by John E. Nale, Esq. & Mark J. Nale, Esq. This newsletter is published as a service of Nale Law Offices, 44 Main Street, Waterville, ME 04901. This information is for general informational purposes only and does not constitute legal advice. For more information please consult Nale Law Offices at 873-4304 or visit our website at [www.nalelaw.com](http://www.nalelaw.com).



## ELDER LAW ATTORNEYS SPECIALIZE IN HELPING THE ELDERLY

**M**any elderly persons rely entirely on their children, family members or other trusted individuals to help them. This dependence upon caregivers or family members makes an older person more vulnerable to abuse and financial exploitation. Legal arrangements and protective actions by family may be necessary to shield loved ones from making bad decisions or from being taken advantage of.

Making legal decisions about property, finances, power of attorney, and final wishes are important tasks to complete for the final years of life. Having legal documentation for a will, for medical treatment and for the person designated to be responsible for parents' welfare can avoid family disputes and financial abuse, and help to conserve assets that are needed for care.

Elder law attorneys specialize in legal issues affecting the elderly. They are knowledgeable about Medicare and Medicaid programs. They work with the elderly in assisting them and their families with all aspects of estate planning and implementing necessary legal documents for the final years of life. In addition, they help individuals to apply for and possibly accelerate coverage from Medicaid. An elder law attorney can also help with disputes with Medicaid. Below is a partial list of what an elder law attorney might do:

- Preservation or transfer of assets seeking to avoid spousal impoverishment when a spouse enters a nursing home.
- Medicaid qualification and application and Medicaid planning strategies.
- Medicare claims and appeals.
- Veterans Benefits claims.
- Social Security and disability claims and appeals.
- Disability planning, including use of durable powers of attorney, living trusts and living wills.
- Help with financial management and health care decisions; and other means of delegating management and decision-making to another in case of incompetence or incapacity.
- Probate.

- Administration and management of trusts and estates.
- Long term care placements in nursing homes and assisted living facilities.
- Nursing home issues with patients' rights and nursing home quality.
- Elder abuse and fraud recovery cases.

A good way to choose an attorney is by referral from friends, family, clergy or other associations. Before you meet for your initial consultation, prepare the items you want discussed and taken care of. Bring pertinent documents and questions. Be sure you get clear answers and that you understand what your attorney is proposing.

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### Social Security *Continued from page 2*

Individuals with early-onset Alzheimer's disease have faced a myriad of challenges when applying for SSDI or SSI, including a long decision process, initial denials, and multiple appeals. Today's decision will simplify and streamline the SSDI/SSI application process and decrease the wait time for benefits, which for some has lasted as long as three years.

There are currently an estimated 5.3 million Americans with Alzheimer's disease. Although the majority of Alzheimer's cases are individuals age 65 and older, a significant number of people under age 65 are also affected by this fatal disease and have few financial options other than the Social Security disability program.

The Social Security Administration's proactive efforts to "fast track" certain conditions will help to reduce the backlog of disability claims and, more importantly, to ensure those claims that fall under this initiative will be decided within days instead of months or years. The diagnosis of Alzheimer's indicates significant enough cognitive impairment to interfere with daily living activities, including the ability to work. This decision will help a significant number of Alzheimer's families. It will also help the Social Security Administration, since long delays and appeals in the disability determination process are costly for the agency.

## NALE LAW OFFICES

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### ELDERLAW ADVISOR MARCH ISSUE ARTICLES:

- Do You Qualify for any of these Medicare Savings Programs?
  - Medicare Part B Program
- Social Security Adds Early-Onset Alzheimer's to its Compassionate Allowance Initiative
  - Elder Law Attorneys Specialize in Helping the Elderly
  - Learn - Teach - Serve

### *What Can We Do For You?*

We frequently provide lectures for various groups in central and mid-coast Maine. If your group is interested in any of these topics, please contact us at 207-873-4304 or sign-up at our website at [www.nalelaw.com](http://www.nalelaw.com).

## LEARN - TEACH - SERVE

On March 2, 2010 Mark J. Nale will be speaking to financial planners regarding long-term care and estate planning.

On March 11, 2010 Mark J. Nale will be speaking with the Brunswick Topsham Alzheimer's Association Support Group at The Cadigan Lodge at The Highlands, Topsham, Maine regarding legal and financial issues facing caregivers.

On March 19, 2010 John E. Nale will be presenting 'Old Waterville Days' at Spectrum Generations, Waterville, Maine.

On March 24, 2010 John E. Nale will be awarded the Mid-Maine Chamber of Commerce 2009 Outstanding Professional Award at Grandeur Sun, Waterville, Maine.

On April 13, 2010 Mark J. Nale will explain the purpose and legal requirements of the health care power of attorney at Hospice Volunteers of Waterville, Waterville, Maine.

On April 15, 2010 Mark J. Nale will explain the purpose and legal requirements of the health care power of attorney at Hospice Volunteers of Waterville Area, Waterville, Maine.

On April 15, 2010 John E. Nale will be speaking at the Rockport Public Library to discuss the importance of executing advance directive documents.

On April 16, 2010 John E. Nale will be speaking at the Somerset County Retired Teacher Association.

On April 16, 2010 (National HealthCare Decision Day) John E. Nale will be discussing health care advance directives at the Muskie Center, Waterville, Maine.

On May 6, 2010 John E. Nale will be holding a 'Break Out Session' for "Maine Education Association Retired" on changes in legislation and 'pit falls' for the elderly.