

Case Study #1

Mary Joe was diagnosed with Parkinson's disease in 2012. Her domestic partner, David, was taking care of her for the last 4 years. Initially, she required 3 to 4 hours of care each day. As the disease progresses, she now requires 12 hours of care per day. Unfortunately, David can no longer help her as he is suffering from a heart condition and may need help soon. Mary Joe pays \$20 per hour to the licensed home care agency. David comes to your office and asks if a power of attorney can be drawn up for Mary and if they can have Wills naming each other as beneficiaries. He further stated that he is very concerned about their finances and would like to find alternatives to pay for care.

Mary Joe's monthly income:

Social Security: \$ 1950.90

401k distribution: \$250.00

David's monthly income:

Social Security \$1,604.90

Mary Joe's monthly health premium:

Medicare Part B: \$104.90

David's monthly health premium:

Medicare Part B: \$104.90

Supplemental Health Ins: \$230.00

Mary Joe's assets:

Soho condo: \$4 million

Bank account: \$500,000

Joint brokerage account with David: \$500,000

401k unsure

Can you help David draw up the power of attorney and Wills?

Can Mary Joe and/or David become eligible for Medicaid home care benefits?

Do assets need to be transferred? If so, what do you advise and what will be the tax implications?

A year later, Mary Joe needs to enter into a nursing home. Will Mary Joe qualify for institutional-based (nursing home) Medicaid benefits?

Case Study #2

Same assets as above. Mary Jo died in May 2016. She was 72 years of age and, for the last 25 years, had been living with David. The assets of Mary Jo's Estate include her SoHo condo, in which David continues to reside. Her bank and brokerage accounts were payable to her Estate, and a 401(k) plan from her employer naming David as the sole beneficiary. Mary Jo left a Will naming David as sole beneficiary and as Executor. Her sole distributee is her nephew Mike, who has never liked David and has demanded 1404 examinations in Surrogate's Court. David comes into your office asking about the pending probate litigation. He also wants to know whether he could (or should) collect the retirement account, and he also mentions that Mary Jo did not file her 2015 income tax returns due to her declining health.