
WARD & OEHLER, LTD.

Legal & Title Services

*Serving clients throughout Southeastern
Minnesota in our Rochester and St. Charles offices.*

Rochester: 1765 Greenview Drive SW
St. Charles: 819 Whitewater Ave

Winter 2019

(507) 288-5567



Maggie Cook Joins Law Firm to Focus on Elder Law

Maggie has several years of experience in the areas of estate planning, probate, guardianship/conservatorship, and elder law. Welcome aboard, Maggie! Learn more about Maggie in this Q&A.

Q: Where did you grow up? How long have you lived in the area? Tell us about your family. I was born and raised in Columbus, Ohio. My dad is an attorney and my mom is an employee relations manager. I have one younger sister who just received her master's in social work. I moved to Minnesota in the summer of 2012 to attend law school. My husband is an assistant county attorney in Wabasha. We met in law school and currently live in Red Wing.

Q: Tell us about the events that led you to where you are now (i.e. education, career path). My career path stems back to my first job in high school, where I worked as server in an independent living facility. After graduating high school in 2008, I attended Miami University of Ohio. I double-

maored in Strategic Communication and Gerontology. Having enjoyed working with the older population in high school, I decided to take a gerontology course my freshman year as an elective. I was so intrigued by the class that I decided to minor in gerontology. I quickly became very passionate about the study of aging and the minor became a second major, and by my senior year I was taking graduate level gerontology classes for fun. Law school was always in the back of mind growing up, as my dad, aunt and uncle are all attorneys in Ohio. My original plan was to go to law school to advocate for individuals with food allergies. However, after my gerontological studies, I knew I needed to follow my passion, so I went to law school to become an elder law attorney. During law school I participated in the Elder Law Clinic as a student attorney. While in the clinic, I represented low-income elderly individuals with a variety of legal issues. I worked as an associate attorney doing primarily estate planning and elder law in Red Wing for three years prior to joining Ward & Oehler, Ltd. in December of 2018.

Q: What else would you like us to know? Know the facts. When it comes to estate planning and end of life planning, no two plans are the same. Every estate plan is unique and purposely drafted for each individual or family's situation. Just because your neighbor deeded their homestead to their children or your hairdresser has a trust doesn't mean you should do the same or that your estate plan is inadequate. This is especially important when it comes to medical assistance planning and the potential need for nursing home care. Everyone's financial situation is different and medical assistance laws not only vary by state, but they change often. What a friend may have done years ago to protect their assets may not be a viable option today or right for your situation. Medical assistance may not be something you need until later in life but there are ways to protect your assets if you start planning early and know the facts.

Medical Assistance Basics: ABCDs

With the aging population, estate planning has shifted to more than drafting a plan to devise your assets when you pass away. Planning for and protecting your assets from the high costs of nursing home and long-term care is a crucial issue that needs to be considered and evaluated in every estate plan.

Medical Assistance (MA)

Medical Assistance is Minnesota's public health care program that provides necessary medical services for the elderly (65 or older) and disabled. Medical Assistance provides payment for nursing home and other long-term care services. In order to be eligible for Medical Assistance an individual must be a Minnesota resident and a United States Citizen or have the proper immigration status. The applicant must be 65 or older, blind or disabled, and they must meet certain income and asset requirements.

Income and Asset Requirements

For an MA recipient 65 or older living in the community the income limit is \$1,012.00 per month or \$1,372.00 for a couple. Individuals living in a nursing home receive a \$99.00 personal needs allowance per month, but the remainder of their income must contribute to their cost of care.

The asset limit is \$3,000.00 for an individual and \$6,000.00 for a couple. Therefore, if you or you and spouse require a nursing home level of care and are unable to pay for it out of pocket or run out of money you can only keep the above specified amounts in assets. However, certain assets are excluded when determining Medical Assistance eligibility, including the homestead, one motor vehicle, and properly constructed burial funds

Medical Assistance has specific rules for dividing assets and income for married couples when only one spouse is in the nursing home. These rules were designed to protect the community spouse, so the spouse living at home does not become impoverished while the other spouse is in long-term care. The impoverishment rules are beyond the basics but require a detailed asset assessment to be conducted to determine how the assets should be divided. Despite the asset assessment, the maximum amount the community spouse may keep is \$123,600.00.

5-Year Look-Back

Individuals seeking eligibility for Medical Assistance will be penalized if they, their spouse or anyone with legal authority to act on behalf of them or their spouse gives away or transfers assets or income for less than the fair market value.

As of January 31, 2011, the 5-year Medical Assistance look-back period applies. That means you and your spouse are prohibited from giving anything away for less than the fair market value within the 5-years prior to needing long-term care. An unauthorized transfer triggers a transfer penalty causing the individual to be ineligible for medical assistance long-term care services. For example, if you and your spouse gift your house to your children today, you will not be eligible to receive medical assistance for 5 years. Five years is a long time, making it extremely difficult to gift, especially if your health is uncertain.

Medical Assistance is a very complex and ever-changing program. There are many rules and exceptions that are not discussed here that factor into eligibility and asset and income requirements. Long-term care planning is more than having an estate plan. Your estate plan indicates what happens to your assets when you pass away but does not protect your assets from Medical Assistance. Even assets held in trust are not protected. Protecting your assets is possible. It requires diligent and careful, planning and the earlier you start the more you can protect.

"What is a Farmer?"

A farmer is a paradox – he is an overall executive with his home office; a scientist using fertilizer attachments; a purchasing agent in an old straw hat; a personnel director with grease under his fingernails; a dietitian with a passion for alfalfa, aminos and antibiotics; a production expert with a surplus and a manager battling a price-cost squeeze. He manages more capital than most businessmen in town.

He likes sunshine, good food, State Fairs, dinner at noon, auctions, his shirt collar unbuttoned and, above all, a good soaking rain in August.

Farmers are found in fields – plowing up, seeding down, rotating from, planting to, fertilizing with, spraying for, and harvesting. Wives help them, little boys follow them, the Agriculture Department confuses them, city relatives visit them, salesmen detain them and wait for them, weather can delay them, but it takes Heaven to stop them.

A farmer is both Faith and Fatalist – he must have faith to continually meet the challenges of his capacities amid an ever-present possibility that an Act of God (a late spring, an early frost, tornado, floods, drought) can bring his business to a standstill. You can reduce his acreage but you can't restrain his ambition.

He is not much for droughts, ditches, throughways, experts, weeds, the eight-hour day, grasshopper or helping with housework.

Might as well put up with him – he is your friend, your competitor, your customer, your source of food, fiber and self-reliant young citizens to help replenish your cities. He is your countryman – a denim dressed, business wise, fast growing statesman of stature. And when he comes in at noon, having spent the energy of his hopes and dreams, he can be recharged anew with the magic words: "The market's up."

I've seen this many times on the wall at my grandparents' house and saw it again today as we were there for Thanksgiving dinner. I don't know who wrote it, but it's true. I'm thankful and proud to work with many farmers. - Jason Wagner

Office Hours and Locations

Rochester: 1765 Greenview Drive SW

Monday – Thursday 8:30 – 4:30

Friday 8:30 – 3:30

St. Charles: 819 Whitewater Ave

Tuesday 12:30 – 4:30

Thursday 9:00 – 12:00

By appointment

To schedule an appointment in either office, call (507) 288-5567. You can also book appointments online at www.wardoehler.com/book-online for appointments in Rochester.



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www.wardoehler.com

Spring Seminar Schedule

Farm Succession Seminars

- **February 21 at 10:30 a.m.**
 - St. Charles Community Center
830 Whitewater Ave
- **March 9 at 10: a.m.**
 - Zumbrota-Mazeppa High School
705 Mill Street

Estate Planning & Medical Assistance Seminars

- **February 4 at 1:00 p.m.**
 - 125Live – Rochester
125 Elton Hills Dr NW
- **February 26 at 7:00 p.m.**
 - Rochester Area Foundation
12 Elton Hills Dr NW

To register for a seminar, please call the office or visit our website to RSVP. For the seminar in Zumbrota, please register through ZM Community Ed.

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