



Elder Law Advisor

Summer 2014

BREAKING NEWS: Medicaid Increases Burial Trust Exemption Amount

By: Attorney Shanna Yonke

Medicaid is a joint federal and state program, known as medical assistance in Wisconsin, which provides health care coverage to financially eligible individuals. It is the only government program that pays for long term nursing home care. In order to be eligible for medical assistance, you must have assets worth \$2,000 or less. If you have more than \$2,000 worth of assets, you will not qualify for medical assistance until you spend down your assets. There are various exemptions from this limitation, including irrevocable burial trusts.

Effective August 13, 2014, an individual can claim an irrevocable burial trust with a total face value of up to \$4,500 as an exempt asset when applying for medical assistance. This policy change exempts an additional \$1,500 in excess of the previous \$3,000 exempt amount.



I am the beneficiary of my deceased spouse's IRA. What are my options?

By: Attorney Shanna Yonke

You have two main options: an inherited IRA or a rollover IRA. An inherited IRA simply retitles your deceased spouse's IRA as an inherited IRA payable to you. A rollover IRA retitles your deceased spouse's IRA in your name. How do you choose? You should consider your age and your deceased spouse's age, as well as whether your deceased spouse was already taking distributions from the IRA before his/her death.

An inherited IRA may be the better choice if:

- You are younger than 59 ½ and need distributions immediately. You can take distributions from an inherited IRA without paying a penalty, even if you are younger than 59 ½.
- Your deceased spouse was younger than 70 ½ and you do not need distributions immediately. No distribution is required until your deceased spouse would have turned 70 ½.
- Your deceased spouse was older than 70 ½ or otherwise started taking distributions before his/her death. You can stretch the distributions out over your deceased spouse's life expectancy or your own life expectancy, whichever is most advantageous given your circumstances.

A rollover IRA may be a better choice if:

- You are younger than 70 ½ and you do not need distributions immediately. You will not be required to take distributions until you are 70 ½.
- You want your children to be able to stretch the distributions out over their life expectancies when they inherit the IRA from you upon your death, regardless of when you die. Alternatively, if you choose an inherited IRA, your children will be able to stretch the distributions out over their life expectancies only if you die before your deceased spouse would have turned 70 ½, otherwise your children must continue to take distributions based upon your life expectancy upon your death.

Attorney Mark Munson Presents at Nationwide Conference

The National Academy of Elder Law Attorneys (NAELA) hosts an annual conference that draws elder law attorneys from across the nation. This year's meeting was held in Scottsdale, Arizona from May 14 -16. For the third year in a row, Mark Munson was invited to be a presenter. This year, Mark presented two separate sessions. The first, "Estate Planning - Asset Reallocation, Permissible Gifts and Use of Trusts," provided an overview of the various planning techniques that attorneys have at their disposal when assisting elderly and special needs clients when planning for long-term care. "Financial Services - Long-Term Care Insurance," the second topic, addressed how attorneys must have an understanding of financial planning and long-term care insurance services in order to properly plan for seniors, individuals with special needs, and their families. In addition, Mark will serve as co-chair of NAELA's 2015 annual conference, which is scheduled for May 5 - 8 in Orlando, Florida.



Loading the Way in Special Needs and Elder Law

Elder Law Services offered by Ruder Ware include:

- Nursing home and long-term care planning
- Asset protection
- Gifting and divestment planning
- Medicare and Medicaid benefits
- Social Security benefits
- Insurance analysis (including long-term care insurance)
- Residential housing and other living options
- Planning for individuals with special needs
- Tax planning
- Durable powers of attorney for property and finances
- Health care powers of attorney
- Wills
- Trusts
- Marital property agreements
- Real estate
- Guardianship
- Conservatorship
- Veterans' benefits



Around the State

Mark Munson presented "Estate Planning - Asset Reallocation, Permissible Gifts and Use of Trusts and Expanding Your Practice with Financial Planning and Services" at the 2014 NAELA Annual Conference.

Shanna Yonke presented "Paying Retirement Benefits to Trusts" to the Madison Estate Planning Council.

Mark Munson and *Shanna Yonke* attended the "WisPACT Update 2014" Webinar.

Shanna Yonke hosted the first Wills for Veterans Clinic sponsored by the State Bar of Wisconsin.

Shanna Yonke attended the "Intra-Family Transactions in Estate Planning" Webinar.

Mark Munson recently presented "Protect Your Assets: Medical Assistance and Long-Term Care Planning" at the Central Wisconsin Senior Living Show.

Attorney Mark Munson, CELA



Licensed to practice law in Wisconsin, Illinois and South Dakota, Mark Munson principally advises clients in the areas of elder law, public benefits (including special needs trusts), estate and trust planning, and taxation. Mark regularly advises clients in the areas of asset protection and medical assistance eligibility. Mark also assists clients with probate and estate administration, trust administration and guardianship.

Mark is a Certified Elder Law Attorney (CELA) by the National Elder Law Foundation, the only organization accredited by the American Bar Association for the certification of elder law attorneys in the United States. In order to become a CELA, Mark was required to have sufficient experience in various practice areas with the field of elder law, pass an all-day comprehensive examination that tests various issues and disciplines within elder law, and receive the recommendation of other elder law attorneys in Wisconsin and the United States.

Attorney Shanna Yonke



Shanna advises individuals and business owners in all aspects of personal estate and business planning. As part of her practice, Shanna facilitates the formation, operation, and growth of closely held businesses. As an estate planner, Shanna has particular talent drafting wills and estate plans that accurately capture a client's life plan while maximizing tax saving opportunities. Shanna also provides personal planning counsel in the areas of asset protection and estate planning.

Attorneys Practicing Elder Law

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