

Real Life Example How Council Members Collaborate to Produce New Business

Description of the Aging Issues Case

Mary is trying to take care of her aging husband at home. Mary is 82 years old, and her husband Sam is 84 years old. Mary has back problems and joint pain and is not very mobile. Sam has diabetes and is overweight. Sam has diabetic neuropathy in his legs and feet and it is difficult for him to walk. He relies on the use of a walker. He can get out of his recliner chair with the help of a motorized seat riser and he uses the walker primarily to get into and out of the bathroom. He has difficulty with toileting, but with the help of a raised toilet and toilet side handrails he does okay, but it is still challenging. Otherwise, he remains in his recliner chair all day watching television and eating his meals from a tray in front of him. If he needs to go further distances such as a visit to the doctor, Sam uses a motorized scooter which fits on the back of their vehicle.

For bathing, he can sit on a stool in the shower and wash himself, but he needs help from his son to get undressed and on and off the stool and to get dressed. Mary has to be careful that Sam does not injure his feet, since the last time that happened he was in the hospital for four weeks with a severe infection. He is highly susceptible to any lower leg infections due to the diabetes. Because of Sam's weight and the neuropathy and Mary's bad back, Mary cannot help her husband get out of bed, get dressed and get in and out of the shower safely. She relies heavily on her son Jim and his wife, who live nearby, to help her manage her husband's care.

Jim has been looking into the possibility of moving his father into an assisted living community. Unfortunately, his father adamantly refuses to leave the home. Jim wishes to honor his father's desire to remain at home, but Jim works full-time and his wife, who is currently not working, is overwhelmed by pressures from children and grandchildren. Still, she is willing to help with her father-in-law's care. Nevertheless, it is becoming a burden for Jim and his wife to take care of his father. Even though his father wants to remain at home, Jim still wants to do some research on care communities should it become necessary to move his father into one.

When visiting a particular care community, Jim picks up a brochure, at the front desk, from the Las Vegas Senior Planning Council, that promises to help people with eldercare issues find solutions as well as finding assistance with government funding such as Medicaid or veterans benefits. Jim is intrigued as he knows his father is a veteran who served during the Korean War. He calls the phone number on the brochure and talks with an assistant of Steven Kjar who assures Jim he has found the right place for his caregiving questions. The assistant sets up a free consultation between Steven and Jim promising that help is forthcoming. Steven is a financial services practitioner who does solution-based planning for his Las Vegas Council group.

Initiating the Solution-Based Planning for Assistance

Steven and Jim meet and Steven shows Jim a sample of a report from one of his online evaluations the Council uses and how that report identifies the issues facing aging seniors. Steven also asks some questions about Sam and Mary and their situation, their source of income, their assets and property ownership and what kind of care assistance they are receiving. Steven

can do one of the free online assessments used by his Council or he can provide a more thorough evaluation using Life Resource Planning. Steven introduces his sample Life Resource Planning binder that includes a sample Life Resource Planning report along with supporting learning materials in a professional looking 3 ring binder. In this sample, Steven includes:

- 8 pages of a sample LRP report under a tab #1,
- the 15 pages of “The Family Care Plan and Caregiving Agreement” under tab # 2
- and under tab # 3, the learning piece “Government Solutions for Eldercare.”

Steven goes through his sample LRP binder with Jim which also includes a sample recommendation for veterans benefits. When he gets to that point he asks if Jim’s father is a veteran who served during a period of war. Jim affirms that is the case. Steven charges \$90 for his planning service and promises Jim that he has no obligation for engaging in any further services. Steven also mentions that if the Life Resource Planning process uncovers the possibility of additional funding from the Department of Veterans Affairs to keep Sam at home, he can recommend someone who is qualified to help Sam obtain that benefit. Instead of doing the simpler approach using the free online aging assessment that the Council provides, Jim decides to opt for the more thorough Life Resource Planning process. Either type of the online evaluations would likely uncover the issues pertaining to Jim’s father.

Jim agrees to the initial \$90 planning process. Jim signs a planning agreement with Steven that protects Steven in case a planning fee and the sale of insurance products which Steven might offer are a problem in Steven’s state. Steven gives Jim the link to the online questionnaire. Jim completes the online questionnaire with the help of his mother, Mary, and Steven is automatically notified by email as soon as the online questionnaire has been completed and submitted online. Steven contacts Jim to meet either in his office or “Zoom” online along with Mary and Jim’s wife to discuss the life resource report and to receive their copy.

Getting Together to Go over the Life Resource Planning Report

The four of them get together to go over the life resource report. The first part of the report covers the address of the senior couple, the family representative and his or her address as well as the caregiver or caregivers as well as their contact information. Included in the report is a listing of all the children of the senior couple with their addresses and contact information. In this particular instance, Mary and Sam have 4 children with their son Jim living close by and the others living in the extended area or somewhere else in the state. This information gives Steven a clue as to how the family might collaborate in determining how to take care of their parents and whether family members are involved in that decision-making or if they have left it entirely to Jim and his wife. Steven addresses these issues of the other children’s involvement.

Steven is intending on recommending his Council member Sharon Peterson who is a Geriatric Service Specialist to meet with the family, do an assessment and set up the necessary services for keeping Sam at home. If there are any family disputes, Steven will make Sharon aware of that. She will also counsel the family on various issues relating to family cooperation and/or friction when it comes to caregiving. The family may not have encountered these problems yet, but they will. Family disputes are typically an inevitable outcome of dealing with aging parents at home and providing eldercare. The existence of other children also gives Steven an opportunity –

when all the dust has settled – to ask whether he can contact the other children to plan for their futures through his retirement planning process.

Steven moves on to the 6 pages of recommendations. There are 16 recommendations in this particular report based on the questionnaire that was filled out by Jim and his mother. A survey report can include up to 29 recommendations, but there is no situation where any family needs all 29. Most reports include about 10 to 16 different recommendations based on the family situation and needs which are determined by the answers to the online questionnaire. Here is a listing of all possible recommendations. Recommendations include a paragraph description of the issues as well as recommendations. (These are not shown in this list)

1. Identifying a Family Representative and Caregiver
2. Preparing for a Long Term Care Plan
3. Paying a Member of the Family to Provide Care in the Home
4. The Need for Other Private Support Services
5. Family Support for Long Term Care in the Home
6. Finding and Moving to a Long Term Care Facility
7. Downsizing and Moving
8. Passing Your Property to Your Heirs or Others
9. Estate Planning with Children from Previous Marriages
10. Ownership and Beneficiaries
11. Your Will and/or Living Trust
12. Existing Irrevocable Trusts
13. Power of Attorney
14. Advance Directives
15. Your Wishes in the Manner of Your Death
16. Using the Equity in Your Home
17. Life Settlement
18. Other Names on Your Home Title Other Than You and/or Your Spouse
19. Impact of Gifts Made within the Last Five Years
20. Medicaid Impoverishment Rules
21. Medicaid Planning Strategies
22. Funeral and Burial Coverage – Medicaid Funeral Trust
23. Long Term Care Insurance
24. Automobile and Homeowners Insurance
25. Medicare Insurance Coverage
26. Nontaxable VA Aid and Attendance Pension
27. Possibly Increasing Pension Benefit
28. Possible Increase in Compensation or A&A Allowance
29. Possible Agent Orange Claim

Here are the 16 recommendations from the planning report for Jim and Mary

1. Identifying a Family Representative and Caregiver
2. Preparing for a Long Term Care Plan
3. Paying a Member of the Family to Provide Care in the Home
4. Family Support for Long Term Care in the Home

5. Passing Your Property to Your Heirs or Others
6. Ownership and Beneficiaries
7. Your Will and/or Living Trust
8. Power of Attorney
9. Advance Directives
10. Your Wishes in the Manner of Your Death
11. Using the Equity in Your Home
12. Medicaid Impoverishment Rules
13. Medicaid Planning Strategies
14. Funeral and Burial Coverage – Medicaid Funeral Trust
15. Medicare Insurance Coverage
16. Nontaxable VA Aid and Attendance Pension

Steven goes through each of these 16 recommendations and explains how they apply to the family and how these issues are typically resolved. It should be noted that the recommendations fall into the following categories: caregiving issues, funding support, legal issues, financial issues, insurance and veterans benefits. Steven points out these general areas of concern. He also shows the family the learning pieces that are found under the other two tabs in the binder that he is giving the family. He explains in great detail how valuable this material is and how it can help them with future decisions. He also explains that in order to solve the issues brought up under the first tab in the binder, it will likely require the expertise of members of his Council who are highly respected in the community and who have the ability to solve these problems.

Steven next asks Jim and his mother which of the 16 issues they feel are most important to them. If they have trouble identifying which are most important, Steven can guide them as to what he thinks they need to focus on. He explains that after they have tackled the 5 most important issues, they will go back later to address the remaining recommendations. He explains that they should start their process of finding solutions through this identification of 5 of the most important issues. After they have identified these issues, he lays out a plan as to how to get started with these challenges. Up to this point, Jim and his mother have simply been passive participants in the process. The point at which they agree to work on 5 of the most important issues has now progressed where they have “bought into” the planning process and agree to take action. In other words they have been “sold” on using Steven and his group.

Getting an Agreement to Buy into the Solutions

With Steven’s help, Jim and his mother identify the following five priority issues:

- Paying a Member of the Family to Provide Care in the Home
- Passing Your Property to Heirs or Others
- Using the Equity in Your Home
- Medicaid Planning Issues and
- Nontaxable VA Aid and Attendance Pension

Steven has helped them identify these particular issues in part due to the financial page which he also reviewed with them as part of the report. Sam and Mary own their home which is worth about \$480,000, but which has a line of credit mortgage of \$30,000 with payments of \$350 a month. They also have credit card debt amounting to \$12,000 which costs them an additional

\$200 a month. Their combined monthly income is \$4,500 a month from Social Security and from a government pension because Mary was a schoolteacher. They have approximately \$90,000 of available cash – \$30,000 in savings and \$60,000 in an annuity they purchased a number of years ago. They can obviously do some planning to preserve assets from Medicaid, possibly use a reverse mortgage to reduce their debt and their monthly payments and if they get the aid and attendance Pension, they would be substantially better off financially. This benefit would add an additional \$2,266 a month to their income bringing them up to \$7,256 a month.

Steven explains that working on these 5 issues requires the expertise of the following people.

- Sharon Peterson, the Geriatric Service Specialist,
- Mike Thorpe, an attorney who specializes in estate planning and Medicaid planning,
- Candace Smith who is a reverse mortgage specialist on using equity in the home and
- Steven himself who will further investigate the possibility of the aid and attendance Pension benefit as well as providing some planning for preserving assets.

Steven explains that each of these specialists are experts in their particular field, that he has worked with them extensively, that he trusts them and that they are honest practitioners. He makes an appointment with the family to have Sharon meet with them in their home and provide a free consultation on what needs to be done to keep Sam at home and to provide the care. Steven also sets up an appointment with the attorney and asks them for an appropriate time to meet with the attorney for a free consultation. He will set up the appointment for them. Finally, he explains that Sharon will involve the equity specialist if necessary when she meets with them.

The meeting with Michael Thorpe, the attorney

Michael provides a 20 minute free consultation with all potential clients that come to him through the Planning Council. He has been given a copy of the life resource report. He recognizes the deficiency in the planning that should be corrected. In particular there appears to be a need for end-of-life documents such as a will or trust or powers of attorney for the children and possibly advance directives. In addition, Michael is a Medicaid planner. He sees an opportunity for them retain some assets if they ever have to apply for Medicaid. He explains how the Medicaid planning works. He offers them a fixed-rate fee to do this planning for them.

The meeting with Sharon Peterson, the Geriatric Services Specialist

Sharon offers a 30 minute free consultation with all potential clients that come to her through the Planning Council. She has a copy of the life resource report and has a little understanding as to the challenges of the family. She needs to find out more. After asking a number of pertinent questions, she has a pretty good feel for the assistance she can provide. She cannot make a complete recommendation until she completes a formal assessment for which she charges \$90 an hour. In the meantime, she outlines some of the issues that are rather evident to her.

- providing the need for safety protocols to protect Sam's feet
- providing advice on safer toileting and showering procedures for Sam
- arranging for a bed lift for which Medicare will likely cover most of the cost
- providing protocols for avoiding pressure sores from sitting in the same position all day
- advising the need for and installation of additional grab bars for safety

- providing instruction on and safety protocols to avoid falls
- arranging the use of a trusted physician who will help with blood sugar maintenance, weight loss and a better diet for Sam
- arranging the need for an exercise program for Sam to remain ambulatory
- arranging for respite care and other free services from the local area agency on aging
- providing a future reference source of trusted repair and maintenance or remodeling people (Support Council members)
- bringing in a reverse mortgage person to help create additional cash and pay off debt
- bringing in a private home care provider for respite care (another member of the Core Council) with whom she works
- arranging a possible family meeting on family cooperation for caregiving and a possible agreement
- providing assistance for future placement if needed as well as services for selling the home if needed and downsizing (another Council member)

Sharon can either charge \$90 an hour or she has a retainer plan where the family pays her \$80 a month on a 12 month contract and she is available anytime to provide her services or other expertise that is needed. This retainer contract also includes a one-time assessment and consultation fee of \$200. Without the retainer contract, the initial assessment and consultation is a minimum of \$500 with \$90 an hour for follow-up and ongoing services. Sharon also arranges an appointment for Candace Smith to talk with the family about a reverse mortgage.

The meeting with Candace Smith, the reverse mortgage specialist

Candace explains to the family the pros and cons of a reverse mortgage to pay off existing line of credit and credit cards as well as providing some extra cash. She points out reverse mortgage funds sitting in a line of credit are exempt as assets for the VA benefit and for Medicaid.

Follow-on contact with Jim from Steven Kjar, the planning specialist

Steven gives Jim a checklist to fill out to determine whether there is eligibility for veterans benefits. Steven also explains that if they are entitled to an extra income of \$2,642 a month which is tax-free, there are some arrangements that have to be made to trigger that benefit. In particular they need to set up a personal care arrangement with Jim and his wife being personal care providers. Steven will help with setting this up to make sure that it meets the requirements and will also arrange for a tax expert who is part of the extended Council network to set up a paper trail for payment for a possible future audit as well as for taxes. If a personal care agreement is necessary for Medicaid planning, Michael Thorpe will provide that agreement.

Steven also can provide Medicaid funeral trusts for Sam and Mary and Jim and his wife with some of the annuity money that they have in their account. This is part of the Medicaid planning process to protect assets from the possibility of ever needing Medicaid. Steven receives commissions from these Medicaid funeral trust products.

This was a long and drawn out process and is still not done, as only the initial five issues have been addressed, but there were a total of 16 recommendations in the planning report. These included such things as Medicare and homeowners and auto insurance, the need for a home health agency, the need for a seniors real estate specialist, tax assistance, specialized medical

equipment, medical alert, making the home disability accessible through a home renovation grant from VA, home security services and so on.

The beauty of this solution-based planning process is that Steven and his team are involved over time to guide the family through this time of need. Most of the additional services and products are provided by the Las Vegas Senior Planning Council and its extended networking members.

As part of that follow-up, after all the challenges have been addressed with Mary and Sam, Steven contacts Jim and his wife to do retirement planning using a similar questionnaire process but with different recommendations based on the needs of this younger generation. As a result of this planning process, Steven is able to convince Jim and his wife to reorganize their life insurance policies to include long-term care insurance. In addition, he helps them understand how to prepare financially for retirement. He also has some other financial products to help them with this planning effort.

Finally, after Steven has worked diligently to generate satisfied clients through his services and his Council members, he asks Jim or his wife or Mary for a referral to do additional retirement planning for Mary's other three children. He will also ask Jim's wife if she will provide referrals to members of her family. Using Life Resource Planning and Retirement Planning has produced tremendous new business opportunities for Steven that he could not have generated working on his own as a solo practitioner.

Had Steven been working on his own, he would have only provided 1 business opportunity for himself. As a result of the Council solution-based planning process he has used a multiplier effect to produce anywhere from 10 or more possible business opportunities for other members of his Planning Council.