

PRESS RELEASE

Racine, WI - Nationally Board Certified Elder Law Attorney Timothy P. Crawford will be presenting a FREE seminar, "**Changing Laws Means Changing Your Planning Strategies**", on Thursday, August 7, 2014, at 10:00 a.m. or 12:00 p.m. at GATEWAY TECHNICAL COLLEGE, in the Racine Bldg., Superior Room (#102), Racine, WI. NO RESERVATION IS NEEDED. This presentation is open to the public. Feel free to bring your friends and your relatives.

Attorney Crawford will address the following topics:

- How to get more from your Social Security.
- The "Frozen Asset Rule" & what it means for you.
- Keep the nursing home from taking your children's inheritance.

The seminar will be held in the Superior Room just inside the Northeast door on the Lake Michigan side of the Racine building. Enter the North end of the parking lot from Pershing Drive off of 11th Street. There is FREE parking on the Northeast side of the building.

If you are unable to attend, you may also contact us for a free conference.

INFORMATION ABOUT ATTORNEY TIM CRAWFORD

Timothy P. Crawford is a 1972 graduate of Marquette University Law School and has offices in Brookfield, Milwaukee and Racine. Timothy P. Crawford is a Nationally Board Certified Elder Law Attorney (CELA). He has been Board Certified by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

Timothy P. Crawford was invited to join the Council of Advanced Practitioners (**CAP**) of the National Academy of Elder Law Attorneys (NAELA) in August of 2005. **CAP** is a small group of premier elder law attorneys all of whom are certified as elder law attorneys by the National Elder Law Foundation, have been members of NAELA for at least ten years, and are AV rated as being among the top attorneys in the nation by Martindale Hubbell, a service that provides an independent rating of the quality of attorneys.

FOR FURTHER INFORMATION, CONTACT:

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August 1, 2014 Deadline Looms to Grandfather In Protective Home and Farm Deeds from Wisconsin Medicaid Changes

Wisconsin's Medicaid agency, the Department of Health Services, recently announced the effective date of Wisconsin's expanded Estate Recovery Program (ERP) is August 1, 2014. This program was passed by Wisconsin legislators last year.

Medicaid Estate Recovery seeks repayment of long-term care Medicaid Benefits provided to nursing home residents from their estates upon their deaths.

Prior Medicaid law exempted life estates and joint ownership deeds that were in place for more than 60 months under Medicaid's look-back rule. This will no longer be the case after August 1st.

In a life estate deed, an owner transfers title to loved ones (usually children) and retains a lifetime right to use and occupy the home. The retained life estate has a definite market value based on the owner's life expectancy.

Under the new law, the value of the Medicaid recipient's life estate created after August 1st will be subject to recovery - even if the deed is in place for more than 5 years.

Example: On September 1, 2014, Mary, aged 70, transferred her home to her daughter and retains a life estate. Ten years later, on September 1, 2024, Mary obtains Medicaid after entering a nursing home because her cash assets are less than \$2,000. Upon her death, Wisconsin Medicaid will file a claim equal to its Medicaid assistance against her retained interest in her home. This will happen despite the fact the deed was in place for more than 5 years.

Up until August 1st, homeowners who wish to use life estate deeds to protect their homes from the new rules need to act soon. If they are signed on July 31st or earlier, they will be grandfathered in.

Certain other probate avoidance deeds, such as deeds in revocable trusts and joint ownership deeds should be used because they are subject to Medicaid liens that can be imposed at the time of Medicaid qualification.

Outright transfer deeds of 100% to loved ones will cause tax problems to the named beneficiaries who will get hit with unnecessary capital gains taxes when the home is sold.

Also, the popular transfer-on-death deeds also known as lady bird deeds will be subject to ERP rules even if they are set up before August 1st.

If you miss the August 1st deadline, homeowners will have to do complete transfer deeds, such as to irrevocable trusts, outright transfers, or homeowners will need to give up substantial or total control. Irrevocable trusts are preferred over outright transfers because of the capital gains tax issue mentioned earlier and because an outright transfer of a home leaves the former owners at the mercy of the new owners.

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