



Mary Smith, the agent for her mother Jane Doe, is coming in for an appointment at the request of her mother.

Her stepfather, John Doe, was recently admitted to a nursing home where he is receiving skilled care. The facility expects his care to be paid for by Medicare, and John's Medicare supplement plan, for at least a few more weeks. The doctor expects that John will probably need to stay in skilled care indefinitely, but the family is pushing to see if he can be moved to an assisted living facility.

John's capacity is unclear. He has some dementia, but it's hard to tell whether he doesn't understand things, or just has trouble communicating because of the symptoms of his Parkinson's disease.

This is the second marriage for John and Jane. Jane has 3 children from her first marriage, and John has a daughter from his previous marriage. John's daughter Cindy has a 7-year-old boy (Roger) with Down's syndrome. John's Will leaves everything to Roger for his "support, maintenance, and welfare."

The couple has a prenuptial agreement that provides that the couple's assets will be owned separately, and will pass upon death to their respective heirs.

The couple has been living quite comfortably on their Social Security benefits, combined with John's pension. However, John's pension has no survivor benefits for Jane. Jane figures she needs about \$2,000 a month to meet her monthly budget, if John is no longer in the house.

Jane could not get out of bed to come to the appointment this morning because she is too stressed out about how John's nursing home stay will affect her ability to make it through retirement. She was told by a neighbor that before Medicaid will pay for any benefits, she must spend down all of John's assets except his house, and all of her assets except her car and \$130,380. What's more, she was told that when John dies, his house will go to the state to repay Medicaid. She wonders how she will live without John's income, with no house, and only \$130,380 to last her for the rest of her life.

Two nights ago Jane discovered her Will, which was written in 1984. It names her first husband to receive all her assets when she dies. She became so upset that she ripped up the will. She now wonders whether she did something illegal by ripping up a legal document and wants to know whether she should tape it back together.

The final straw came yesterday when the furnace died, and Jane learned it will cost \$5,000 to replace it.

Mary wonders whether John and Jane can do anything to protect their assets, or to preserve anything for their kids. If Jane can protect some assets, Mary wonders what she can do to keep them protected in the future. If it turns out John can go to an assisted living facility, can he qualify for veterans benefits?

Finally, Mary wonders if John can't execute a Living Will, what will happen if he goes into an end-stage medical condition.