

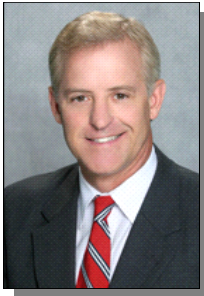
Medicaid Spousal Impoverishment Figures for 2009

In 2009, the spouse of a Medicaid recipient living in a nursing home (called the "community spouse") may keep as much as **\$109,560** without jeopardizing the Medicaid eligibility of the spouse who is receiving long-term care. Called the "community spouse resource allowance," this is the most that a state may allow a community spouse to retain without a hearing or a court order. While some states set a lower maximum, the least that a state may allow a community spouse to retain in 2009 will be **\$21,912**.

Meanwhile, the maximum monthly maintenance needs allowance for 2009 will be **\$2,739**. This is the most in monthly income that a community spouse is allowed to have if her own income is not enough to live on and she must take some or all of the institutionalized spouse's income. The minimum monthly maintenance needs allowance of \$1,750 took effect July 1, 2008 and will not rise until July 1, 2009. The new figures are effective January 1, 2009. Higher monthly allowances are allowed under special circumstances. Consult with a qualified professional.

For a complete list of the 2009 Social Security changes, go to:

<http://ssa.gov/pressoffice/factsheets/colafacts2009.htm>



Message from Frederick P. Niemann, Esq.

The decision to move a family member or a loved one into a nursing home is one of the most difficult decisions you can make.

Perhaps the move is being made because the family member can no longer care for him or herself...or perhaps the person has a progressive disease like Alzheimer's...or has had a stroke or other life altering condition.

No matter the reason, those involved are almost always under great stress. At times like these, it's important that you pause, take a deep breath and understand **there are things you can do**. Good information is available and you can make the right choices for you and your loved one.

I have prepared an information booklet filled with lots of advice, helpful information and answers to the most frequently asked questions that I deal with on a daily basis, as an Elder Law Attorney.

Your inquiries are always welcome at Hanlon Niemann, a client friendly office with kind, patient and compassionate professionals. Let our experience guide and protect you.

The 2009 Personal Reference Guide to

- Social Security*
- Medicaid Eligibility*
- Long Term Care*

Insurance and other Timely Tax Information for Individuals and Their Families



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Medicare Premiums, Deductibles and Co-Payments for 2009

- Basic Part B premium: \$96.40/month (unchanged)
- Part B deductible: \$135 (unchanged)
- Part A deductible: \$1,068 (was \$1,024)
- Co-payment for hospital stay days 61-90: \$267/day (was \$256)
- Co-payment for hospital stay days 91 and beyond: \$534/day (was \$512)
- Skilled nursing facility co-payment, days 21-100: \$133.50/day (was \$128)

Premiums for higher-income beneficiaries.

- Individuals with annual incomes between \$85,000 and \$107,000 and married couples with annual incomes between \$170,000 and \$214,000 in 2009 will pay a monthly premium of \$134.90.
- Individuals with annual incomes between \$107,000 and \$160,000 and married couples with annual incomes between \$214,000 and \$320,000 in 2009 will pay a monthly premium of \$192.70.
- Individuals with annual incomes between \$160,000 and \$213,000 and married couples with annual incomes between \$320,000 and \$426,000 in 2009 will pay a monthly premium of \$250.50.
- Individuals with annual incomes of \$213,000 or more and married couples with annual incomes of \$426,000 or more in 2009 will pay a monthly premium of \$308.30.

Rates differ for beneficiaries who are married but file a separate tax return from their spouse:

- Those with incomes between \$85,000 and \$128,000 will pay a monthly premium of \$250.50.
- Those with incomes greater than \$128,000 will pay a monthly premium of \$308.30.

Rates differ for beneficiaries who are married but file a separate tax return from their spouse:

- Those with incomes between \$85,000 and \$128,000 will pay a monthly premium of \$250.50.
- Those with incomes greater than \$128,000 will pay a monthly premium of \$308.30.

Social Security Benefit Changes for 2009

- Cost of Living Increase: 5.8 percent
- Estimated Average Monthly Social Security Benefit Payable in January 2009: \$1,153
- Maximum Taxable Earnings: \$106,800
- Maximum Social Security Benefit: \$2,323/mo.

Retirement Earnings Test Exempt Amounts

- Under full retirement age: \$14,160/yr.
- The year an individual reaches full retirement age: \$37,680/yr.

SSI Federal Payment Standard

- Individual: \$674/mo.
- Couple: \$1,011/mo.

Annual Gift Tax Exclusion Rises to \$13,000

The annual gift tax exclusion will increase from \$12,000 to \$13,000 effective January 1, 2009, the Internal Revenue Service (IRS) has announced. The gift tax exclusion is the amount the IRS allows a taxpayer to gift to another individual without reporting the gift.

Long-Term Care Premium Deductibility Limits for 2009

The Internal Revenue Service has announced the 2009 limitations on the deductibility of long-term care insurance premiums from taxes. Any premium amounts above these limits are not considered to be a medical expense.

Attained age before the close of the taxable year	Maximum deduction
40 or less	\$ 320
More than 40 but not more than 50	\$ 600
More than 50 but not more than 60	\$1,190
More than 60 but not more than 70	\$3,180
More than 70	\$3,980