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A. RECOGNIZING THE NEW STAGE OF LIFE - 60 TO 80 YEARS OLD
from Melissa Penney

Harvard School of Public Health, MetLife Foundation and PARADE magazine invited the public to help name the stage of life between middle-age and old age, between 60 and 80. It marks where the oldest Baby Boomer's are; ready to celebrate their 60th birthday.

Thanks to advances in public health and medicine, the average 60-year-old today can expect to live to the age of 83 and millions will continue well into their 90s. This longevity revolution has spawned a new, largely unrecognized stage of life, nestled between middle-age and old-age, spanning the period from 60 to 80. As Boomers enter their 60s, they will confront the questions: "What's next?" and "What do I want to do with the rest of my life?"

PARADE's December 11, 2006 issue invited readers to suggest new language to substitute for such terms as "senior citizen", "elderly", and "old"-labels likely to be rejected by Boomers. Readers could also address related questions, such as, "How would you define the meaning and purpose of this stage of life?" and "What are your thoughts on society's expectations of, and attitudes towards, its older citizens?" Some of the best ideas and comments may appear in a future issue of PARADE, and be posted at www.ReinventingAging.org, web site of the Harvard School of Public Health-MetLife Foundation Initiative on Retirement and Civic Engagement. Information on how to submit ideas and comments is available at www.parade.com.

Author Gail Sheehy writes that "For the vast majority of American and European women and men today, the 60s are a stage where a maximum of freedom of choice co-exists with a minimum of physical limitations.(A)s a broad generalization, today's 60-somethings still have active minds and vigorous bodies and enjoy the benefit of a mature perspective on life."

To mark the Boomer Generation's 60th birthday, the Harvard School of Public Health-MetLife Foundation Initiative on Retirement and Civic Engagement will launch a national media campaign to promote healthy aging, reshape cultural attitudes toward the older years, and encourage Boomers to volunteer their time, skills, and experience to help strengthen local communities. The campaign will challenge the Hollywood creative community to re-think current portrayals of older people in film and television.

The campaign is an outgrowth of a major report, Reinventing Aging: Baby Boomers and Civic Engagement, published in June 2004 and available at www.ReinventingAging.org by the Harvard School of Public Health-MetLife Foundation Initiative on Retirement and Civic Engagement. It will employ a combination of news coverage, advertising, and prime-time entertainment programming. Its messages will encourage a "balanced portfolio" of

priorities for this new stage of life that makes room for community involvement, work, family, leisure, travel, and lifelong learning.

In the campaign's first TV ad, music impresario Quincy Jones said, "They say when you're over the hill, that's when you pick up speed. The "silver foxes" are the greatest force out there. [They've] got so much to give, so much to say."

"Baby boomers have an important opportunity to redefine aging and the productive role that people can play in later life by becoming involved in our communities," said Sibyl Jacobson, MetLife Foundation President and CEO. "We are pleased to support this Initiative, which is stimulating thinking about the impact... boomers can have on our society as they reach retirement and the benefits they will receive from volunteering."

"It's a call-to-action for all sectors of society to develop plans for tapping the time, energy, and talents of millions of older boomers to strengthen local communities," said Jay Winsten, Associate Dean of the Harvard School of Public Health.

"We need new language and new images that portray healthy and productive aging. Who better than the boomers, who have changed almost every social institution they... encountered, to re-invent aging and give new meaning and purpose to our later years," said Susan Moses, deputy director of the Center for Health Communication and co-director of the campaign.

The Center for Health Communication of the Harvard School of Public Health has helped pioneer the field of mass communication and public health by researching and analyzing the contribution of mass communication to behavior change and policy, by preparing future health leaders to utilize communication strategies, and by strengthening communication between journalists and health professionals. The Center's best-known initiative, the Harvard Alcohol Project, demonstrated how a new social concept-the designated driver-could be rapidly introduced through mass communication, promoting a new social norm that the driver does not drink.

Find more information about the Center for Health Communication at www.hsph.harvard.edu/chc.

MetLife Foundation's work in the area of aging focuses on Alzheimer's disease, mental fitness, civic involvement and public awareness of age-related issues today. For more information about the Foundation, please visit at www.metlife.org.

B. THE EFFECT OF 2005 MEDICAID ELIGIBILITY RULES CHANGES
William (Bill) S. Fralin

The Deficit Reduction Act of 2005 (DRA '05) is the most significant change in Federal Medicaid eligibility rules since the Omnibus Budget Reduction Act (OBRA) of 1993. The goal of the Medicaid portion of the legislation is to reduce Medicaid entitlement expenditures by ten billion dollars as requested by President Bush. This legislation will have the effect of making Medicaid eligibility far more difficult to secure for millions of Americans. These sweeping proposals, however, are likely to have unintended consequences. Gifting to family members and charities will be sharply curtailed and nursing homes could be faced with providing care to many residents who are ineligible for Medicaid and who have no remaining resources to pay for their care.

The DRA '05 will also serve to further complicate current complex federal and state statutes. Many individuals who qualify for Medicaid coverage will likely be denied coverage to which they are rightly entitled either due to the inability to understand and complete the application process or to provide the five year's financial documentation required under the new rules. Most of the general public are unaware of the significant changes to be enacted. In fact, many legislators are unaware of the provisions and the effects it will have on individuals, hospitals and nursing homes.

Among the major changes are:

The Lookback Period is extended from Three to Five Years Section 6011 (A)

Prior to the DRA '05, all persons applying for Medicaid were required to file an application and provide three years of financial documentation for review by the eligibility worker. The eligibility worker would then discern if any uncompensated transfers or gifts had been made in the preceding three years (36 months). If gifts have been made, a calculation, based on the date and amount of the gift, is used to provide the corresponding period of ineligibility (i.e. penalty period). The calculation is made using the state's penalty divisor which purportedly reflects the current average cost of care for a skilled nursing facility in that geographical region of the state. Transfers for value do not effect eligibility. All applicants applying for Medicaid after the effective date of the new legislation will be subject to up to five years (60 months) of financial review. As with the prior lookback rules any transfers prior to the five year look back, regardless of the amount, would not affect the eligibility determination. Many applicants who may actually qualify for eligibility may not qualify for not being able to provide financial documentation for the five year period. Many with declining health cannot produce or maintain the required financial documentation. It is also worth noting that all gifting both to family members, including children and parents and to charitable institutions would be subject to these new rules.

The Period of Ineligibility Penalty Start Date Is Changed to Date of Medicaid Application Section 6011(B)

Under current and former Federal Medicaid rules a date was designated in order to calculate the period of ineligibility (penalty). The prior law provided that the date of the penalty calculation began on the first day of the month in which an individual or series of transfers were made. The new law appears to set the start date for penalty calculation to once an applicant moves into a nursing home and files a Medicaid application. A concern with this change in penalty start date is the financial hardship that will be experienced by both individuals and nursing homes. The cost of providing nursing home care continues to climb faster than inflation. Increased Federal mandates and regulatory requirements on nursing homes have placed tremendous stress on the industry. In addition, approximately sixty percent (60%) of all nursing home residents in the United States are Medicaid recipients. Nursing homes will have no means of being paid for their services by persons who are ineligible due to this new rule. Federal law requires that nursing homes provide care for residents until they can be safely discharged. With no ability to pay, other facilities will not accept these patients. Dumping of individuals at hospitals for needed or contrived medical services will become a common practice that will further stress an already overstrained hospital system. Hospital placement workers already under significant pressure to place recovering patients in rehabilitation nursing homes will find they have no options. The prospective payor system that was created by Congress to pay a set amount per medical treatment creates the incentive for hospitals to provide care as quickly as possible and then to out-place the patient.

To illustrate the calculation of the current and former penalty results consider the following example:

Grandfather transfers \$40,000 to a grandchild for college expenses. The monthly penalty divisor is \$4300 ($\$40,000 \div \$4300 = 9.3$ for the months of school). Under the prior rules the period of Medicaid ineligibility (penalty) will have begun immediately in the month of gift resulting in nine months of ineligibility, after which he will be eligible.

Under the new rules Grandfather will be Medicaid eligible only after his funds spend down below \$2,000; enters a nursing home; and files a Medicaid application; then the 10 month (non-rounded) penalty period will begin running..

The Effective Date of the Act Section 6011(C) or Section 6016

The act provides that the new transfer rules will affect all transactions

occurring on or following the date of enactment, anticipated to be February 2006. The general provisions of an alternate Section 6016 seems to contradict Section 6011 (C). It is believed that Section 6011 (C) will prevail though this is not certain at this time. States have been given the option of implementing the rules at a later date, if they require their own legislation to amend their state plans to bring them into compliance with the new law. In most states it is expected that the effective date will follow this year's legislative session.

Hardship Waivers Section 6011 (D)

In order to lessen the impact of the new rules Congress is requiring that every state institute a hearing process for individuals. The hearing would be used to consider a hardship waiver where the period of ineligibility results in "a deprivation of medical care that would endanger the applicant's health or life or food, clothing or shelter or other necessities of life." The process must include appropriate notice to the applicant; procedure for ruling on the application; and an appeal procedure. Nursing homes are granted the ability to apply for hardship upon the consent of the individual or the legal representative of that individual. States are granted the option of paying the cost of care for up to 30 days while the application for hardship is pending.

The nursing home provision is intended to protect nursing homes from the situation in which a resident has no means of paying

Annuities Section 6012

The use of annuities by Medicaid applicants and their families has been restricted but is still permitted in some circumstances. So called "balloon annuities" that pay a substantial final payment after a period of relatively small payments are prohibited.

Any permitted annuities, however, under the new law will have the requirement that the State be named the initial remainder beneficiary for at least the amount of the medical assistance paid on the beneficiary's behalf.

Home Equity Limit Section 6014

Under the new enactment, home equity of a nursing home resident in excess of \$500,000 will now be considered an available resource. Formerly there was no limit to the amount of equity one could protect in their primary residence. If a spouse or a minor or disabled child lives in the home it remains exempt regardless of value. States will be granted the option of exempting up to \$750,000 in equity value at their discretion.

Continuing Care Retirement Community or Life Care Community Refundable Deposits Will Be Considered Available Resources Section 6015

The entrance deposits paid to a Continuing Care Retirement Communities and Life Care Communities will be considered an available resource, if the deposits are refundable to an applicant, spouse or other party. Subject to the specific facility entrance contract, such refunds occur when a resident moves from the facility or at their death. Formerly the entrance deposit was considered to be the equivalent of owning a home (exempt resource) as many residents sold their home prior to making this payment. As such they were not previously considered an available resource to an applicant.

Multiple Transfers Create Single Penalty Period Section 6016 (B)

This section requires that all transfers for less than fair market value in the lookback period be aggregated to calculate a single period the of ineligibility penalty.

Self Canceling Installment Notes Section 6016 (C)

Self Canceling Installment Notes that allowed an applicant to loan funds to another, receive small periodic payments and then cancel the note at the applicant's death are now prohibited. These notes allowed individuals to transfer funds for value and to avoid estate recovery of the outstanding loan amount.

Purchase of a Life Estate Section 6016 (D)

Any funds used to purchase a life estate in a home owned by someone other than the applicant will be considered an available resource unless the purchaser resides in the home for at least one year following the date of purchase.

How the DRA '05 changes will be implemented, interpreted and applied are yet to be known. The enactment of enabling legislation and promulgation of rules by the States will significantly affect eligibility in each specific jurisdiction. The Medicaid eligibility rules were complex and difficult to administer prior to the new legislation. Given the added complexity and reporting requirements the need for more professional guidance and consultation will continue to grow.

William (Bill) S. Fralin, The Estate Planning and Elder Law Firm, P.C. is in Arlington, VA. Wsf@virginiamedicaid.com

C. DID YOU KNOW

More than 6,000 American tourists died abroad in 2005. Besides the cost of shipping a body home the family must wait for the foreign authorities to issue a death report or certificate. Only then can the U.S. Consulate in that nation issue a "Report of Death of a U.S. Citizen Abroad" a document needed to file for life insurance on the deceased, start probate or process the terms of a trust. For your family to be notified, if you are traveling alone, you should register your itinerary in advance with the State Department at <http://www.travel.state.gov>. Click on "international travel and then "registration with embassies".

Have a dispute with your Medicare or Medicaid provider? With the company providing you drugs through Medicaid or Plan D coverage? Don't like the answer you're getting, or getting no answer? Within 60 days of a decision you do not think is right or fair you may submit a request for an independent review and determination to MAXIMUS, the Center for Medicare & Medicaid Services (CMS) contractor at <http://www.maximus.com/chdr/> and on the left click on "contact us" and then click to send an email. Or click on "external reviews" and access a list of other contacts in different states.

Don't be quick to accept the first offer made by an airline or a cruise line for lost luggage or changes in travel itineraries that inconvenience you. Persistent passengers can end up with better compensation. Be reasonable but ask for more than they offered at first. If you feel you are entitled to damages and are prepared to sue for them, it is suggested you should ask for five times attorney fees.

D. IN 1906

- The average life expectancy in the U.S. was 47 years.
- Only 14 percent of the homes in the U.S. had a bathtub.
- Only 8 percent of the homes had a telephone.
- A three-minute call from Denver to New York City cost eleven dollars.
- There were only 8,000 cars in the U.S., and 144 miles of paved roads.
- The maximum speed limit in most cities was 10 mph.
- Alabama, Mississippi, Iowa, and Tennessee were each more heavily populated than California.
- With a mere 1.4 million people, California was only the 21st most populous state in the Union.
- The tallest structure in the world was the Eiffel Tower.
- The average wage in the U.S. was 22 cents per hour.
- The average U.S. worker made between \$200 and \$400 per year.
- A competent accountant could expect to earn \$2,000 per year, a dentist \$2,500 per year, a veterinarian between \$1,500 and \$4,000 per year, and a

mechanical engineer about \$5,000 per year.

-More than 95 percent of all births in the U.S. took place at home.

-Ninety percent of all U.S. doctors had no college education. Instead, they attended so-called medical schools, many of which were condemned in the press and by the government as "substandard."

-Sugar cost four cents a pound.

-Eggs were fourteen cents a dozen.

-Coffee was fifteen cents a pound.

-Most women only washed their hair once a month, and used borax or egg yolks for shampoo.?

-Canada passed a law that prohibited poor people from entering into their country for any reason.

-Five leading causes of death in the U.S.? were:

1. Pneumonia and influenza
2. Tuberculosis
3. Diarrhea
4. Heart disease
5. Stroke

-The American flag had 45 stars. Arizona, Oklahoma, New Mexico, Hawaii, and Alaska hadn't been admitted to the Union yet.

-The population of Las Vegas, Nevada, was only 30 !!!

-Crossword puzzles, canned beer, and ice tea hadn't been invented yet.

-There was no Mother's Day or Father's Day.

-Two out of every 10 U.S. adults couldn't read or write.

-Only 6 percent of all Americans had graduated from high school.

-Marijuana, heroin, and morphine were all available over the counter at the local corner drugstores. -Eighteen percent of households in the U.S. had at least one full-time servant or domestic help.

-There were about 230 reported murders in the entire U.S.

Sent to info@seniorresource.com via ye olde multiple e-mail route by j.wilkinsen

E. FOODS THAT CAN HELP LOWER CHOLESTEROL

>From an EATINGWELL magazine article February/March 2006

Foods that contain plant sterols (phytosterols) and stanols (phytostanols) have proven effective in lowering LDL, the lethal or bad cholesterol. But it is not practical to consume enough of those foods to make a significant difference i.e. lower your LDL cholesterol 10 to 14%. Can you imagine eating "10 heads of cauliflower twice a day or 44 apples in the morning and 5 cups of almonds in the evening"? That would provide your body the National Heart Lung and Blood Institute recommended amount of sterols and stanols, but it is impractical to even contemplate.

To achieve a 10 to 14% reduction in LDL cholesterol, Robert Nicolosi, Pd.D, director of the Center for Health and Disease Research at the University of Massachusetts, says an average American diet contains 100 to 300 mg of plant sterols or stanols daily. To help reach the LDL-lowering amount of 1000-2000 mg daily foods that are artificially supplemented with sterols and stanols are the wiser way to go.

The most commonly known foods enriched with plant sterols and stanols are margarine-like spreads (Benecol and Take Control), snack bars and salad dressings. As of 3 years ago the Food and Drug Administration (FDA) began permitting food labels to claim their ability to lower LDL cholesterol encouraging more manufacturers to try to qualify for this labeling.

Sterols and stanols work by blocking the absorption of cholesterol thereby lowering the amount entering the bloodstream following eating. Combine these foods with other dietary changes such as reduction in saturated fats, addition of soy and more fiber and the improvement can be compounded.

Benecol and Take Control are two products with the longest shelf history, but keep checking labels when you shop. There is a demand for more foods and supplements that help people get healthier without prescription drugs. To have FDA permission to say it can lower Cholesterol, a food product must not only have at least 400 mg. phytosterols per serving, but also qualify as a low-cholesterol, low-saturated-fat food, and have at least 10 percent of one or more key nutrients.

F. FREE

Get a free information booklet on reverse mortgages from NRMLA called "Just the FAQs: Answers to Common Questions About Reverse Mortgages". Order it toll free at 1-866-264-4466 or <http://www.reversemortgage.org>.

G. THOUGHT FOR THE DAY

Good judgment comes from bad experience and a lot of that comes from bad judgment.

Sent to jokes@seniorresource.com by VJFemia

H. SPECIAL SURFING SITES

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Going on a cruise? Check the sanitation record of the ship before you book at www2a.cdc.gov/nceh/vspirs/vsprptgreensheet.asp. A score below 85 is considered not acceptable by CDC standards. (If the URL does not show as a hyperlink, copy and paste it into to "go to" line in your internet browser.)

Buy items that help those with Alzheimer's and those who care for them at

<http://www.alzstore.com>

I. OH MY AGING FUNNY BONE

As a new bride, Edna moved into the small home on her husband's ranch near Snowflake, Arizona. She put a shoe box on a shelf in her closet and asked her husband never to touch it.

For fifty years Jack left the box alone, until Edna was old and dying. One day when he was putting their affairs in order, he found the box again and thought it might hold something important. Opening it, he found two doilies and \$82,500 in cash. He took the box to her and asked about the contents.

"My mother gave me that box the day we married. She told me to make a doily to help ease my frustrations every time I got mad at you."

Jack was very touched that in 50 years she'd only been mad at him twice.

"What's the \$82,500 for?" he asked.

"Oh, that's the money I made selling the doilies."

Sent anonymously to jokes@seniorresource.com by Shel K.

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