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CONTENTS

- 04 Carin Brio – Attorney bio
- 05 What our clients are saying about us
- 06 What is estate planning?
- 07 Wills
- 08 Trusts
- 10 Living wills / advance medical directives
- 12 Power of attorney
- 14 Long term care planning
- 16 Medicaid planning
- 18 Medicare
- 20 Sourcing suitable providers of care
- 22 Downsizing and selling your home
- 24 Tax planning
- 26 Financial planning
- 28 Insurance
- 30 Probate and trust administration
- 32 The next steps



HELPING PROTECT WHAT'S IMPORTANT TO YOU

Your estate encompasses all the assets you've spent a lifetime working to accumulate. I help families and individuals plan their estates so that their loved ones are properly cared for in the future. Failure to plan can leave a mess, with families facing court and conflict when they are at their most vulnerable. A sound plan gives you the peace of mind of knowing that your affairs are in order for the day when you are unavailable or unable to manage them.

Please bear in mind, this guide is simply an introduction to the field of estate planning and elder law and does not constitute, nor should it be considered as being, legal advice.

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CARIN BRIO – ATTORNEY BIO



Carin Brio is a general practice attorney based in Knox County, Tennessee, serving clients in Tennessee and Illinois with various legal issues. Carin has always appreciated a practice consisting of varying issues and interesting clients. With experience in domestic law, real estate, probate, estate planning, and more, we find satisfaction in assisting our clients with problems – complex or simple. Legal issues that are important to our clients become important to us.

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WHAT OUR CLIENTS ARE SAYING ABOUT US

“We highly recommend Carin with Brio Law for your lawyer needs. We recently contacted Carin Brio for help with our family trust. She agreed to meet with us in our home according to our schedule. She was calm and accommodating to our needs for the family trust. Her patience and professional knowledge made the whole process seamless and easy! We look forward to working with her on other legal needs.” – **Heather C.**

“Carin is by far the best lawyer I’ve dealt with she is very knowledgeable and professional, if you want a true warrior on your side then I highly recommend using Brio law!!! I wouldn’t have had it any other way she made our process so smooth and stress free. We absolutely love you Carin!!!! You’re awesome!!!!” – **Courtney B.**

“I rely on Carin Brio for legal guidance. She has assisted me with the purchase of a home, estate planning, and drafting a contract for services for my business. She has an extensive professional network of people. I have been extremely satisfied with everyone that she has referred me to. Carin is intelligent, responsive, and kind. Anyone who works with her will receive the best professional service that they have ever had.” – **Michaela N.**

An exceptional advocate and resource

Carin has been so great in helping me and my family. From advising on child custody issues to handling the closing on two houses for us, to general legal advice on business matters, you won’t find someone more accountable, resourceful, or driven to serve your needs. She’s the only attorney I refer people to - highly recommended. Thanks Carin! – **Stephen P.**

WHAT IS ESTATE PLANNING?

What is an estate?

An estate is the net worth of a person at any point in time, alive or dead. It is the sum of your assets – savings, possessions, houses, cars, businesses, etc. – less all liabilities at that time. It is everything you own, minus everything owe.

What is estate planning?

Estate planning is the process of arranging the management and disposal of your estate, both during your life and after your death (how your estate is then distributed to loved ones). It is a way of controlling how the assets that you own are distributed or used and it even gives you the chance to name your children's guardian in the event of your early death.

Why is it important?

Estate plans include documents such as wills, trusts, powers of attorney, and advance medical directives. It ensures you remain in control, even after your death, of how your hard-earned wealth is distributed or used. It gives you the opportunity to decide who receives what and how they receive it, while at the same time, minimizing or even avoiding tax exposure. It allows you to protect your loved ones, ensuring their best interests are met. It also helps you by naming who will take care of you if end up in long-term care, hospitalized, or incapacitated.

What problems can be created by not taking these steps?

- Stress and complicated paperwork
- Decision-making that is left for loved ones who are grieving your death, or which may be too hard for them.
- Unnecessary exposure to taxes.
- Family disputes over your assets are more likely.
- It can create unnecessary attorney and court costs.
- Family members may have to petition a court to help care for you or make end-of-life decisions for you.
- Other people, who you may not even know, will have a big say in how your assets are distributed and who will become guardians of your children.

How do I create a plan to deal with these issues?

We are all different and it is important that time is taken to understand your personal situation. During our initial meeting, we will ask you a few questions and provide you with additional questionnaires to complete that will allow us to gain a more complete understanding of your full financial pictures and goals. This will allow us to recommend and tailor an estate plan for your unique circumstances.

In the following sections, we will address the various estate planning tools that are at our disposal, as well as explaining their specific benefits.

Furthermore, we believe the creation of an estate plan is an ongoing process that includes continuing education and advice for the client and their family as their circumstances and situations change.

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WILLS

What is a will?

A will is a legally binding document that allows you to decide how your estate will be handled and how your assets will be distributed upon your death. It helps ensure that the people you love get what you want them to receive. A will can cover everything from leaving your home to a spouse, leaving a monetary gift for an individual or organization, or specifying which family members receive heirlooms, jewelry, or other items important to you.

Do I need a will?

Yes, a will is a basic estate planning tool that nearly all people need.

Why? What happens if I die without a will?

If you die without a will, it means you have died “intestate.” So, rather than your estate being handled the way you would have wanted, the intestacy laws of the state will determine how your property is distributed. In most cases, this means your loved ones are not guaranteed to benefit in the way you would have hoped.

How does a will work?

Once you have an idea of what all your assets are, you then decide who receives what after your death. You should also use your will as an opportunity to make your wishes known on other important details, such as appointing a guardian for any minor children you have. Within your will, you will also appoint one of more individuals to act as your “executor(s)” and it will be their responsibility to administer your estate. This document will then be witnessed by two people and a notary, to make it legally binding and easily enforced.

What are an executor’s responsibilities?

There are several responsibilities, but one of the most important tasks the executor is responsible for is making sure that outstanding debts left by the deceased are paid BEFORE any money is paid to beneficiaries mentioned in the will. These debts must be paid in a specific order, which is established by law.

What will happen on my death?

Upon death, your will must be filed with your local probate court. This will begin the probate process.

What is probate?

Probate is the process of administering someone’s estate when they die. Even if you have a will, you still need to go through this legal process, although it is substantially simpler if you also have a trust. Probate essentially involves:

Filing the will with the probate court (or if the person died without a will, someone would have to petition the probate court for the right the administer the estate).

- Collecting details of the deceased’s assets (filed with the court as a list, called the inventory).
- Pay all outstanding bills and taxes.
- Filing an income tax return for the deceased.
- Distribution of the assets (this can take up to a year and some money will be retained as a reserve for unexpected claims and costs).
- Filing a final account with the probate court which when approved, allows the executor / administrator to distribute any remaining funds.

Final thoughts...

A will is an inexpensive estate planning tool that ensures your estate is distributed the way you want it to be. It is still subject to the probate process though, which can be time consuming and is subject to public record, so your financial affairs are no longer your private business.

Who Gets What in Tennessee?

Under intestate succession, who gets what depends on whether or not you have living children, parents, or other close relatives when you die. Here's a quick overview:

If you die with:	here's what happens:
<ul style="list-style-type: none">• children but no spouse	<ul style="list-style-type: none">• children inherit everything
<ul style="list-style-type: none">• spouse but no descendants	<ul style="list-style-type: none">• spouse inherits everything
<ul style="list-style-type: none">• spouse and descendants	<ul style="list-style-type: none">• spouse and descendants equally share the intestate property, but the spouse's share may not be less than 1/3
<ul style="list-style-type: none">• parents but no spouse or descendants	<ul style="list-style-type: none">• parents inherit everything
<ul style="list-style-type: none">• siblings but no spouse, descendants, or parents	<ul style="list-style-type: none">• siblings inherit everything

Example 1: Bill is married to Karen, and they have three grown children. Bill and Karen own a house in joint tenancy, and Karen is also the named beneficiary of Bill's retirement account. When Bill dies, Karen automatically inherits the house and any remaining retirement funds; those things are not intestate property. Bill also owns \$300,000 worth of other property that would have passed under a will, so Karen inherits \$100,000 worth - that is, 1/3 -- of that property. The three children split the remaining \$200,000 worth of Bill's intestate property.

Example 2: Barrett is married to Jed and also has a 12-year-old daughter from a previous marriage. Barrett owns a house in joint tenancy with Jed, plus \$200,000 worth of additional, separate property that would have passed under a will if Barrett had made one. When Barrett dies, Jed inherits the house outright - it isn't intestate property. Jed also inherits \$100,000 worth of Barrett's property. Barrett's daughter inherits the remaining \$100,000 share of Barrett's property.

Example 3: Jill is married to Kevin, and they have four grown children. Jill and Kevin own a large bank account in joint tenancy, and Jill took out a life insurance policy naming Kevin as the beneficiary. When Jill dies, Kevin receives the life insurance policy proceeds and inherits the bank account outright. Jill also owns \$600,000 worth of property that would have passed under a will, so Kevin inherits \$200,000 worth – that is, 1/3 – of that property. The four children split the remaining \$400,000 worth of Jill's intestate property, receiving \$100,000 each.

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TRUSTS

What is a Trust?

A simple definition of a trust is when one person (called the settlor) gives property or assets to another person (called the trustee), who then manages those assets for the benefit of a 3rd person or group of people (called the beneficiary or beneficiaries).

If that is confusing, one example would be a parent, putting money in a trust to be managed by an investor, for the benefit of their child.

So, every trust has...

- **the ‘settlor’ or ‘trustor’** – the person who puts assets (money, property etc) into a trust and decides how the assets should be used.
- **the ‘trustee’** – the person who manages the trust, according to how the trustor explains in the trust deed. They are responsible for the trusts day to day running. Responsibilities will include paying of any tax that is due, deciding how to invest or use the trust’s assets etc
- **the ‘beneficiary’ or ‘beneficiaries’**- the person(s) who benefit(s) from the trust. This can be one person, or multiple people. They may benefit from the income of the trust only (e.g. from renting out a house held in the trust), the capital only (e.g. getting shares in the trust), or both the income and capital.

Now you understand how they work, what can Trusts be used for...

Having a trust as part of your legacy plan allows you to achieve the following:

- **AVOID PROBATE:** Probably the primary advantage of creating a living trust is to bypass the costly and lengthy probate court process. With a trust, because nothing is in your name, your surviving loved ones do not have to trudge through the long delays and expensive fees associated with probate court proceedings upon your death.
- **REDUCE ESTATE TAXES:** Trusts also make it possible to reduce or eliminate estate taxes. When trust beneficiaries receive their distributions, they’re not required to pay taxes on the assets received.
- **MAINTAIN PRIVACY:** Probate proceedings are a matter of public record. Since a trust bypasses probate, it helps maintain your loved one’s privacy. Hence, the trustee can transfer assets to beneficiaries without the publicity or involvement of the probate court.
- **HELP SOMEONE THAT IS TOO YOUNG TO MANAGE THEIR AFFAIRS:** Also, you can keep assets, property, and funds in a trust until a future date. With this, you are able to make adequate provisions for minor children until they reach a certain age.
- **HELP SOMEONE THAT CANNOT HANDLE THEIR AFFAIRS BECAUSE THEY ARE INCAPACITATED OR DISABLED:** If you have a disabled or incapacitated dependent, it is important to make suitable provision for them.
- **PROTECT YOUR ASSETS FROM BEING USED TO FUND LONG TERM CARE:** the cost of long-term care is expensive and without proper planning, your assets will be used to fund it. By using a trust you can help prevent this and ensure you have a legacy for your family and loved ones.

Final thoughts...

Trusts are powerful tools that when used as part of your legacy plan, will help you protect, control and preserve your assets. However, they are a highly bespoke and complex area of law. If established or administered incorrectly, trusts can attract increased tax obligations and cause unnecessary confusion. For this reason, it is imperative that you seek legal advice before implementing them.

Will or Trust - Which is Better?

What is important to you?	Will: What happens	Trust: What happens
Privacy	No privacy. All documents and proceedings after death are public.	Completely private unless court intervention is required, usually due to improper drafting, lack of funding or loss of trustee.
Disability Planning	No provisions for mental or physical disability. A power of attorney cannot provide that disability be determined privately by family members and friends. Without one, the disabled individual is subject to the court process for guardianship.	Handles assets upon disability without court intervention. Need a power of attorney for non-trust assets. A trust can provide that disability be determined privately by family members and friends.
Creditor/Predator Protection	None while alive. Creditors have only a specified amount of time to present claims or they are forever barred. Testamentary trusts can give protection.	None while alive. There is no creditor claim “shut-off” period and most trusts provide that valid debts be paid. Trusts which become irrevocable at death can give protection
Effort Required	Less effort now unless you require tax planning and asset protection for your heirs, but a great deal of work for your heirs after disability or death.	More effort now to properly design the trust to accomplish all of your goals upon disability and/or after death, but far less work for your heirs after disability or death.
Cost Now	Less	More
Cost to Amend	Similar	Similar
Cost Later	Probate fees start around \$2,000 in Tennessee and increase depending on creditor claims, disputes and litigation.	Minimal to no probate fees if the trust has been fully funded and properly maintained.

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LIVING WILLS / ADVANCE MEDICAL DIRECTIVES

What is a living will?

A living will, also known as advance medical directives, or directives to a physician, is a document within which you can state your wishes regarding end-of-life medical care and what treatments you would or would not like to receive. They become relevant if there comes a time when you are unable to make or communicate your own decisions. It allows you to refuse treatment, even if this might lead to your death.

Do I need a living will?

It is tempting to think that a living will is only needed by seniors, however, even healthy young adults can be injured or become unexpectedly ill. Because of this, we believe that a living will is a crucial part of every estate plan because it ensures you will have the peace of mind that comes from knowing that your wishes will be followed and your family will have some comfort during a stressful time, knowing they are doing what you want. Should the worst happen, your parents or spouse are the people most likely to be faced with these terrible decisions at a difficult time. When you create a living will, you take some of the burden off your loved ones.

Why? What could happen if I do not have one?

Medical staff are duty bound to use everything within the powers of modern medicine to keep a patient alive as long as possible. This means, if you are unable to communicate your decisions, your life will be preserved without necessarily considering yours or your family's opinions and concerns.

How does a living will work?

If you are conscious and capable of making decisions, your living will cannot come into effect. Furthermore, someone cannot just declare you as unfit, unconscious, or unable to make decisions; it needs to be a true medical condition and agreed upon by a medical professional. Discussing your living will and your wishes with your doctor ahead of time can help ensure your needs are met and that he or she is willing to comply with the medical decisions you have outlined.

Can a living will be changed?

Advance directives are not set in stone. So long as you are alive and able to make decisions on your own, you can change the content of living wills, terminate an existing living will, or terminate any other type of advance directive, such as a standard form signed at a healthcare institution. When considering modification of an advance directive, it is best to work alongside an estate planning lawyer who can advocate on your behalf.

Final thoughts...

A living will is a great way to voice your desires regarding what treatments should be administered or withheld at the end of life, helping you alleviate some of the stress that can occur when family members are forced to make life-or-death decisions regarding your care. In most cases, living wills only apply to situations where medical procedures or treatments are required to sustain your life. This can potentially be problematic if you require medical care for a non-life-threatening condition but are unable to communicate with your physician. Furthermore, State laws require your physician to comply with the terms of your living will once you've communicated it to them. In some cases, however, your physician may be unable or unwilling to do so due to ethical or moral beliefs.

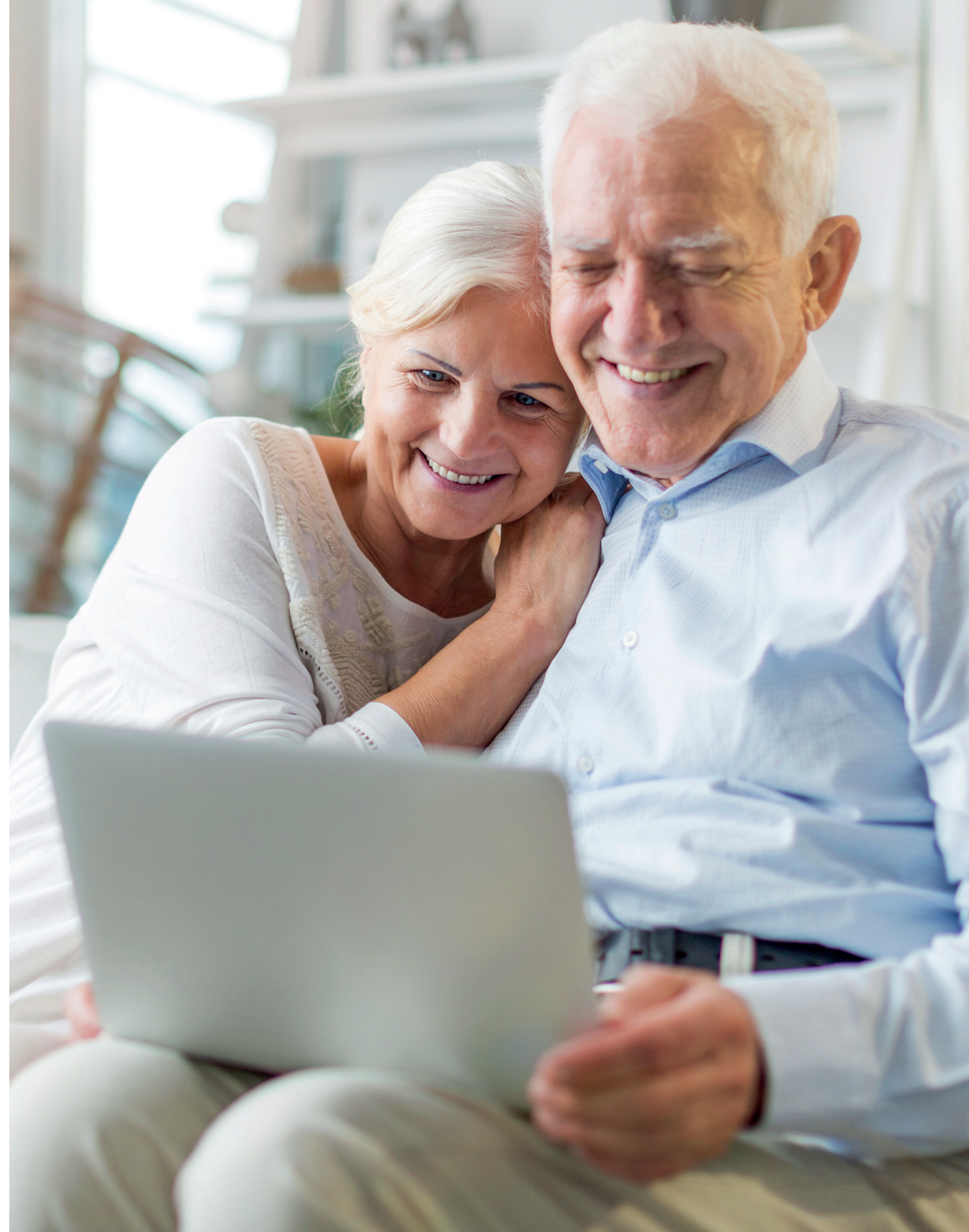
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POWER OF ATTORNEY

What is a power of attorney?

A Power of Attorney is a document in which an individual appoints someone to serve as their Attorney-in-Fact (also known as their Agent), or in other words, to make decisions on their behalf. There are different types that cover decision making in different aspects of your life. The two that we recommend are a medical power of attorney and a statutory durable power of attorney.

What is a medical power of attorney?

Also known as a healthcare power of attorney, this allows you to appoint someone you trust to make medical decisions for you if you cannot do so. It is different than a living will since a living will only covers terminal illnesses and irreversible medical conditions, while a medical power of attorney covers all healthcare decisions.

What is a statutory durable power of attorney?

This allows you to appoint someone you trust to handle your affairs (i.e. legal and financial decisions) if you cannot do so, as a result of your incapacity.

Why does an estate plan need a power of attorney?

A power of attorney is an essential estate planning tool because not only does it allow you to choose who you want to act on your behalf should you become incapacitated, but it is also your opportunity to dictate what decisions they can or cannot make. If you cannot pay bills, get records, or make other decisions, your family will be prevented from helping you get treatment, pay doctors, or get qualified for Medicaid.

What happens if I become incapacitated without a power of attorney?

Without a power of attorney, your family may have to file what is known as an Application for Appointment of Permanent Guardian, seeking guardianship of the disabled person. This process involves court hearings, multiple lawyers and is a very long process. The cost of a proper estate plan is minimal compared to the amount you may spend in court fees. See the diagram on the next page for a comparison of the two processes.

Factors to consider when appointing your attorney

In choosing who you want to give power of attorney, there are two major things that you should consider:

- **Location** — The person you appoint should live near you if they are there for health reasons, or located in the city where the affairs need to be handled.
- **Trustworthiness** — You should make sure that you trust this person to work and advocate for your best interests.

Final thoughts...

Power of attorney is important because it empowers people who are handling important affairs in your life. Whether it has to do with your property, financial transactions, or your health, if something happens to you, you are trusting this person with important matters.

POA vs. Conservatorship

Conservatorship	POA
<ul style="list-style-type: none">• No retained rights• Difficult to revoke• Invasive<ul style="list-style-type: none">- Establishment- On-Going Reports• Psychological effect on Allegedly Incapacitated Person	<ul style="list-style-type: none">• Retained Rights• Easily revocable• Privacy• Does not protect against bad decisions• Relatively inexpensive• May be a “temporary fix”

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LONG TERM CARE PLANNING

Why is long-term care planning necessary?

Nowadays, people are living longer, which gives many people more time to enjoy their retirement years. However, aging also brings difficult challenges, such as declining health and the necessity of planning for long-term care. Because the costs of elder care can be exorbitant, particularly at a skilled nursing facility, it is critically important to plan for your care in a way that will preserve your legacy.

What are the common long-term care issues?

Our comprehensive estate planning services encompass a wide range of long-term care issues, such as:

- Planning for incapacity (advance medical directives, living wills)
- Selecting the right nursing home or assisted living facility
- Arranging for home care
- Qualifying for public benefits (e.g. Medicaid, Veteran's Benefits)
- Guardianship
- Asset protection

Is Medicare a viable option for long-term care?

Many people mistakenly assume that Medicare will cover the costs of skilled care at a nursing home or assisted living facility. Medicare only pays for limited services on a short-term basis, such as nursing home care or rehabilitation services for a set number of days. Moreover, many elders require non-skilled care to assist with daily tasks of living — dressing, feeding, light housekeeping — not covered by Medicare. This makes long-term care planning critically important.

Should I consider long-term care insurance?

This type of insurance is designed to cover the cost of personal and custodial care at home, an assisted living facility or nursing home. You may also be covered for a certain amount of assistance with daily activities such as bathing, dressing, or eating. Qualifying for such coverage can be complicated because pre-existing conditions may render you ineligible. Moreover, premiums are costly and based on factors such as your age, the maximum amount per day the policy will pay, and the maximum number of days or years covered. Our attorneys can help determine if long-term care insurance is the best option for you and consider alternatives if the premiums are not affordable or you do not qualify.

Medicaid planning and long-term care

While Medicaid is the largest payer of nursing home care in the country, the program is needs-based, and many elders have financial resources that exceed the eligibility threshold. Our legal team can help you qualify for Medicaid and protect your assets through a variety of strategies such as spousal income and asset transfers, annuities, and qualified income trusts.

Long-term care options for veterans

Our attorneys routinely advise veterans and their spouses about benefits available through the Veterans Administration, such as Aid and Attendance. This is a pension program that assists individuals who need assistance with performing daily tasks or require long-term care in a skilled nursing or assisted living facility. Aid and Attendance is only provided to qualified war veterans — those who served at least one day of active duty during a designated period of war. Veterans may also be eligible for disability compensation, free or low-cost medical care through VA hospitals and medical facilities, and education programs.

Planning for incapacity and long-term care

Although thinking about the possibility of becoming incapacitated is unpleasant, it is crucial to plan your finances and healthcare around the possibility of being unable to speak for yourself. Our estate planning attorneys can draft a tailored estate plan that authorizes a trusted person to manage your personal and financial affairs — paying monthly bills, managing real estate, bank accounts, and investments — when you are unable to do so. We also recommend having advance medical directives which appoints someone to act as your agent in coordinating your preferred medical care when you cannot make such decisions independently. Finally, a Living Will declares the type of end-of-life care you wish to receive or have withheld (e.g. a ventilator or feeding tube) when you are terminally ill or in an irreversible condition.



MEDICAID PLANNING

What is Medicaid?

Medicaid is a health care program that was designed to provide free or low-cost health coverage to certain categories of people, such as families with children, pregnant women, the elderly, and people with disabilities. Many states have expanded their Medicaid programs to cover all people below certain income levels.

How does Medicaid planning work?

It involves structuring your financial resources and preparing the Medicaid application documentation to ensure the best possibility of being accepted into the Medicaid program. Medicaid has been designed with certain criteria in place, which means only people on a low income and with under \$2000 in countable assets (in most states), qualify for it and therefore financial help with the cost of their care.

Even though certain assets are excluded, it is still very easy to deplete your savings before Medicaid will begin covering your long-term care expenses. However, the goal of Medicaid planning is to keep you from exhausting all your resources, while still being eligible for benefits.

How will my finances be structured?

In most cases it involves creating trusts, manage asset transfers, and convert countable assets into exempt assets to ensure eligibility and to preserve a family's wealth.

CAUTION – It is important to understand there is legislation in place that means Medicaid officials will penalize you for making certain types of asset transfers for 60 months (5 years) prior to your Medicaid application. This is called the “look back” period and penalties vary depending on the amount transferred and the average cost of nursing care in your state, with the penalty taking the form of a delay until your Medicaid coverage starts.

What types of asset transfers are exempt?

Examples of some exemptions include:

- Your spouse (although there are limits to the amount of assets your spouse can own and also to their monthly revenue, which if exceeded, will impact your Medicaid)
- A trust for the sole benefit of your child who is blind or permanently disabled.
- Into trust for the sole benefit of anyone under age 65 and permanently disabled.

In addition, you may transfer your home to the following individuals (as well as to those listed above):

- A child who is under age 21
A child who is blind or disabled (the house does not have to be in a trust)
- A sibling who has lived in the home during the year preceding the applicant's institutionalization and who already holds an equity interest in the home

- A “caretaker child,” who is defined as a child of the applicant who lived in the house for at least two years prior to the applicant's institutionalization and who during that period provided care that allowed the applicant to avoid a nursing home stay.

Ok, now that I am aware of the “look back” period, what are the tools I can use?

Medicaid Trust - There is an earlier section dedicated to trusts, which we recommend you read in full. However, a Medicaid trust can be used to help with Medicaid planning, because it involves you giving your property / assets to another person or institution (trustee) to hold for the benefit of another person (beneficiary – usually your children). This can help reduce the total countable assets you own to under the \$2000 threshold necessary for you to qualify for Medicaid. Please note, a Medicaid trust is a form of irrevocable trust, which, when formed, is irreversible and it is potentially subject to the 60 months look back period.

Asset Transfers – as explained above, there are some asset transfers that are exempt for the “look back” period, however, one of the simplest actions you can take is to give your assets to loved ones. Be aware though, those individuals have no obligation to use what you give them in the manner you had hoped or even discussed.

Exempt assets – These include your primary residence, personal property and household belongings, one motor vehicle, life insurance with a face value under \$1,500, up to \$1,500 in funds set aside for burial, certain burial arrangements such as pre-need burial agreements.

CAUTION – Although your home will not affect your eligibility for Medicaid, it can affect whether Medicaid will pay for your long-term care services, including nursing home care and home and community-based waiver services. Whether it does, or not, depends on the equity value of your home (which is a fair market value of your property minus any loans attached to it, such as a mortgage). Furthermore, it is also important if you own the property individually or with someone else. If it is joint owned, then the equity amount should be halved. In 2021, the Federal Government set the equity limit at \$603,000, with the states having the option of raising this limit to \$903,000.

In summary, what are the benefits and limitations of Medicaid planning?

Effective Medicaid planning is another way of preserving your family's wealth and preventing financial issues later in life. However, early planning is crucial for some of these tools to work effectively. For example, the government can look back up to five years to determine if you have made a disqualifying transfer.



MEDICARE

What is Medicare?

Medicare is the federal health insurance program for:
People who are 65 or older

- Certain younger people with disabilities
 - People with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant, sometimes called ESRD)
- What does it involve exactly?**
- There are different parts of Medicare that help cover specific services:

Medicare Part A (Hospital Insurance)

Part A covers inpatient hospital stays, care in a skilled nursing facility, hospice care, and some home health care.

Medicare Part B (Medical Insurance)

- Part B covers certain doctors' services, outpatient care, medical supplies, and preventive services.

Medicare Part D (prescription drug coverage)

- Helps cover the cost of prescription drugs (including many recommended shots or vaccines).

Are there associated premiums?

Most people do not pay a monthly premium for Part A - You usually don't pay a monthly premium for Part A if you or your spouse paid Medicare taxes while working for a certain amount of time. This is sometimes called "premium-free Part A."

If you don't qualify, you can still pay for Part A - If you aren't eligible for premium-free Part A, you may be able to buy Part A. You'll pay up to \$499 each month in 2022. If you paid Medicare taxes for less than 30 quarters, the standard Part A premium is \$499. If you paid Medicare taxes for 30–39 quarters, the standard Part A premium is \$274.

Everyone pays for Part B - Most people will pay the standard Part B premium amount. The standard Part B premium amount in 2022 is \$170.10. If your modified adjusted gross income as reported on your IRS tax return from 2 years ago is above a certain amount, you'll pay the standard premium amount and an Income Related Monthly Adjustment Amount (IRMAA). IRMAA is an extra charge added to your premium.

How does Medicare work?

With Medicare, you have options in how you get your coverage. Once you enrol, you'll need to decide how you'll get your Medicare coverage. There are 2 main ways:

Original Medicare - Original Medicare includes Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance). You pay for services as you get them. When you get services, you'll pay a Deductible at the start of each year, and you usually pay 20% of the cost of the Medicare-approved service, called coinsurance. If you want drug coverage, you can add a separate drug plan (Part D). Original Medicare pays for much, but not all, of the cost for covered health care services and supplies. A Medicare supplement Insurance (Medigap) policy can help pay some of the remaining health care costs, like co-payments, coinsurance, and deductibles. Some Medigap policies also cover services that Original Medicare doesn't cover, like emergency medical care when you travel outside the US.

Medicare Advantage - Medicare Advantage is Medicare-approved plan from a private company that offers an alternative to Original Medicare for your health and drug coverage. These "bundled" plans include Part A, Part B, and usually Part D. Plans may offer some extra benefits that Original Medicare doesn't cover — like vision, hearing, and dental services. Medicare Advantage Plans have yearly contracts with Medicare and must follow Medicare's coverage rules. The plan must notify you about any changes before the start of the next enrolment year. Each Medicare Advantage Plan can charge different out-of-pocket costs. They can also have different rules for how you get services.

Medicare prescription drug coverage (Part D)

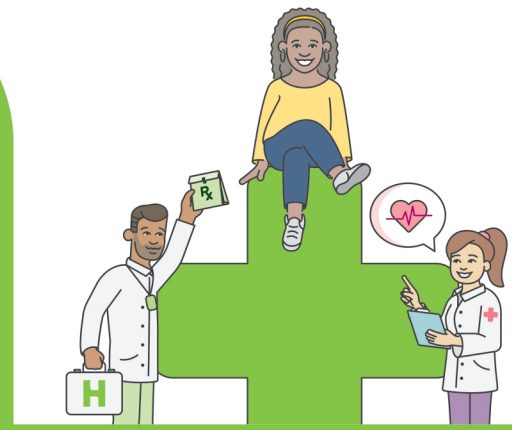
Medicare drug coverage helps pay for prescription drugs you need. To get Medicare drug coverage, you must join a Medicare-approved plan that offers drug coverage (this includes Medicare drug plans and Medicare Advantage Plans with drug coverage). Each plan can vary in cost and specific drugs covered, but must give at least a standard level of coverage set by Medicare. Medicare drug coverage includes generic and brand-name drugs. Plans can vary the list of prescription drugs they cover (called a formulary) and how they place drugs into different "tiers" on their formularies. Plans have different monthly premiums. You'll also have other costs throughout the year in a Medicare drug plan. How much you pay for each drug depends on which plan you choose.

How does Medicare work with my other insurance?

When you have other insurance, there's more than one "payer" for your coverage.

Turning 65 or new to Medicare?

Humana puts solid Medicare experience at your service



To match you with the right Medicare Advantage plan to meet your needs

Humana is committed to providing you with the right Medicare coverage for you.

That means helping you choose the plan that meets your healthcare needs and your budget. Like a Medicare Advantage plan that includes everything Original Medicare has—and may have benefits you might not get with Medicare Part A and Part B.

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SOURCING SUITABLE PROVIDERS OF CARE

What are the different forms of care available?

Home Health Care Providers - Healthcare agencies are becoming more and more common and a more popular alternative. They can provide anything from companion services to skilled nursing services on an a la carte basis. Many families feel paying for 4 to 8 hours a day for assistance from a home healthcare agency is a preferred method of starting the process of getting the care for their parents. If a family member does not require around the clock skilled nursing care, this part-time arrangement usually works well.

Assisted Living Facilities - The assisted living industry has experienced tremendous growth over the last 10 years. These facilities usually provide room, board and around-the-clock availability of a nurse while others provide assistance with the activities of daily living. Usually, a person can remain in an assisted living facility as long as whatever assistance they require can be provided by one person. Most of these facilities usually charge somewhere around half of what the cost of a nursing home would be.

Senior Citizen Apartments - Senior citizen apartments have generally been around longer than assisted living facilities and can vary greatly. They can be as simple as providing apartment-style living for people over age 60 but these facilities generally do not provide medical services and they may or may not provide cleaning services. Generally, they do provide transportation and they do have somebody on call in the event of an emergency.

Memory Units - With people living longer, more and more people are living with some degree of dementia or Alzheimer's. Many assisted living facilities have memory units where everything is generally the same as an assisted living apartment, but the stove is removed to prevent a cooking hazard, there is increased awareness by the staff of the potential memory-related issues and the outside doors are typically alarmed so that staff can be alerted in the event the senior attempts to leave the facility.

Nursing Homes - Residents in a nursing home require around the clock care and monitoring. They typically live with more complex health care conditions that require the assistance of a skilled nurse or a physical or speech therapist. Some require respiratory care services.

Does Medicaid cover all the different types of care mentioned above?

Every state has different regulations regarding what is and is not covered. However, as part of your consultation, we will be happy to explain exactly what types of coverage are included and also help you source reputable local facilities and organizations that accept Medicaid contributions, some of which we have featured opposite for your benefit.

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DOWNSIZING AND PREPARING YOUR HOME FOR SALE

Moving into a Senior development or care facility can be a stressful time, however, with a little forward planning, it need not be! To help you with this transition we have prepared these top tips:

Space planning

Time to get the tape measure out! Use the floor plans to confirm which furniture will fit in your new home. If you are struggling, ask the facility if they can provide space planning assistance, or alternatively, consider using a professional relocation and transition specialist.

Sort your possessions into categories

Move, Maybe (move and decide later), Sell (at auction, yard sale etc), Give Away (family or friends), Donate (to charity) and Throw Out.

Throw out strategies

The key thing is to resist the “maybe we will need to sometime” mindset. If it hasn’t been touched for more than a year, throw it away. Consider if it’s worth the cost and effort to pack, move and unpack. Still can’t decide? Put it in a sealed, unlabeled, and dated box; if unopened a year later, throw it away, unopened.

Managing time

Start early, ideally starting before the house is listed, in case it sells quickly. Remember, most downsizing processes take 2-3 months. Try to set a schedule by room, week, month or other milestones.

Preparing for a sale

And when you are preparing your house for sale, remember these five tips:

1. **Make sure the buyer can see walls and floors** – cleaning up and clearing out the property of personal belongings is crucially important.
2. **Fresh paint and floors** – make the home look refreshed and move in ready with paint and flooring. This will give the home a reasonably new and updated look, even if the kitchens and bathrooms are not renovated.
3. **Eliminate red flags** – if there’s anything scary looking, like a big crack going down a wall or water stains on the ceiling, this can cause buyers to do one of two things: 1) ask for a big discount, or 2) walk out the front door and say “next”.
4. **Other questions to consider:**
 - Do you replace the roof, HVAC, or repair any of the systems prior to selling?
 - Do you replace the kitchen countertops, counters or update the appliances?
 - Do you update the bathrooms?

All these questions must be answered on a case by case basis and depend on the condition of the home, its age, budget and market competition.

5. **Repair and upgrades must be neighbourhood appropriate** – it does not make sense to over-improve, relative to neighbours, because you may never see that money back in a sale.

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Our Mission: To help people achieve the dream of home ownership one family at a time.

Our Vision: To help educate everyone through the process of home ownership because, Home . . . is where your story begins!

Should you require assistance for real estate, please contact
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TAX PLANNING

Should you work with a certified public accountant (CPA) even before your estate needs to be distributed or finalized? The answer is generally yes and here are a few of the most important reasons why:

They will help reduce taxes.

Your estate may or may not be subject to taxes upon your passing. While the threshold for owing federal income taxes is high, an estate with such features as a business, significant real estate, or other expected inheritances can surpass the taxable minimum. Your CPA can advise how to reduce the chances of owing estate taxes as well as what the tax impact of various choices might be to your heirs.

A CPA is also up to date on tax law changes that could affect your estate. With recent tax reform, even existing estate plans – especially those involving spouses – may need to be updated to avoid potential problems later.

They can aid in trust planning.

Do you know how to deploy trusts within your estate plan? Trusts are legal tools you can use for a variety of purposes, including preparing arrangements in case you are incapacitated and cannot make your own financial decisions. Trusts are also used for the ongoing care of someone with special needs, minor children, or even adult children who need more structure in their financial assets. An attorney can help set up trusts, but a CPA will aid you in ensuring you follow the tax rules, understand, and file the proper tax forms, and use the right type of trust. For instance, the income earned by a grantor trust is often taxable to the grantor, if not sufficiently decoupled from your control. These distinctions are important if you want to protect your financial interests.

They may advise early actions.

Not all estate planning activities happen within your will or trust. Many people also find that making some smart moves now will help everyone down the line. For instance, if your estate may exceed the tax exemption, the CPA may suggest using the gift tax exclusion to give money annually to heirs in advance. If the fair market value of your business could be the problem, you may diversify ownership or alter the business entity now to reduce the value of your stake in it.

They can help your Executor.

The intended executor of your estate will have a big job ahead of them. How prepared are they for their responsibilities? Most executors are unfamiliar with what they need to do and will have a lot of responsibilities during a difficult time. If you're proactive about working with them, you increase the likelihood that your wishes will be carried out and that everyone will have a smooth transition. The CPA will develop a relationship with the executor so she or he has someone to turn with questions and the CPA can provide practical help filing a final tax return and estate forms.

The CPAs featured in this guide are here for your convenience. However, you are under no obligation to use them.

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FINANCIAL PLANNING

As explained at the beginning of this guide, estate and later-in-life planning will require the input of professionals from a variety of different sectors. A financial advisor helps you create strategies for managing financial risk and building wealth over the long term. They can give you a plan that puts you on track to achieve your financial goals. Typically, this will include:

Retirement and pension planning – with people living longer lives, it is important to have a plan in place for retirement. Typically, this will involve one or more pension products, which a financial advisor will be able to assist you with.

Mortgage advice – purchasing a property, for most people, will be the largest purchase they make and will typically involve borrowing money in the form of a mortgage loan. Furthermore, more and more people are choosing to invest in property, using buy-to-let mortgages or accessing funds later in life through equity release, which is a type of loan secured on a property. A financial advisor will be able to organize and advise you on the various products and lenders available to you.

Savings and investments - there are a variety of ways in which you can choose to invest your money ranging from placing it in a bank account to investing in shares on the Stock Market. A financial advisor will listen to your goals as well as assess your attitude towards financial risks, before advising you on the various products and services that best match your overall goal.

Insurance and protection – these are covered in more detail in the following section.

PLEASE NOTE...

There are various Federal and State organizations that regulate the activities of financial advisors by providing them with strict guidelines regarding how they can operate. We can confirm that the companies featured in this guide are registered with the necessary Federal and State regulators and therefore have demonstrated their adherence to their guidelines and are featured here for your convenience, however, you are under no obligation to use them.



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INSURANCE

There are a variety of different insurance products available that can help protect every aspect of your life and that of your family's.

Health Insurance

Getting sick can be expensive. Even minor illnesses and injuries can cost thousands of dollars to diagnose and treat. Major illnesses can cost many times that. Health care coverage helps you get the care you need and protects you and your family financially if you get sick or injured. Health insurance can be provided through your job, provided through a government program like Medicare or Medicaid, or if you do not qualify for those, you may purchase a private healthcare plan.

Life Insurance

We all want to protect what is important to us - our home and our loved ones. Dying is obviously not on your to-do list, but the reality is if anything happened to you, life insurance pays out a lump-sum, which will help ensure your family does not have to worry about money.

Long-Term Care Insurance

This is insurance that is designed to help people pay the costs of long-term care. However, such insurance is not a cure-all because individuals with pre-existing conditions may not be eligible, premiums are expensive, policies have high deductibles and the services covered varies from insurer to insurer.

Critical Illness Insurance

This insurance pays out a lump sum, or regular payment, if you are diagnosed with a serious illness specified in your policy, giving you peace of mind to help you concentrate on getting better.

Income Protection Insurance

This offers short-term and long-term disability coverage that protects your income by paying a percentage of your pay check if you become disabled and can't work due to a medical illness, injury, or pregnancy.

Mortgage Protection Insurance

This is insurance specifically designed to protect a mortgage, ensuring that your family home is secured, with the mortgage paid off, in the event of your death.

Please Note...

There are various Federal and State organizations that regulate the activities of financial and insurance advisors by providing them with strict guidelines regarding how they can operate. We can confirm that the companies featured in this guide are registered with the necessary Federal and State regulators and therefore have demonstrated their adherence to their guidelines and are featured here for your convenience, however, you are under no obligation to use them.

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PROBATE AND TRUST ADMINISTRATION

If you have a loved one who has passed away, and you need guidance on what to do next, we can help.

IF YOUR LOVED ONE PASSED AWAY WITH NO ESTATE PLAN OR A WILL...

Dying without an estate plan is called dying intestate. The estate will be subject to state intestacy laws and go through probate court. This means the division and distribution of the estate will be subject to predetermined formula, usually providing half of the estate to a spouse and the remaining half allocated in equal portions to the biological children. A will guarantees probate. The probate court will take over at the time of death to make sure debts are paid, assets are distributed to heirs, and any loose ends are taken care of. All property that is controlled by the will must go through the probate court. It is a demanding and challenging job, with many deadlines to be met, most of which are within nine months of the person's death — the mourning period for the family.

Depending on the size of the estate, the complexity of the estate plan, and the nature and extent of the assets involved, there may be additional demands placed on the executor. However, we can help smooth the process.

IF YOUR LOVED ONE CREATED A LIVING TRUST...

Your family will go through a process called trust administration. Upon death, the successor trustee must take steps to distribute trust assets to beneficiaries and fulfill any other obligations of the trust. We serve as counsel to the trustee and provide assistance with the administrative duties required of the trustee, as well as help them take advantage of any benefits offered by the trust. When a trust is not administered properly, the trustee runs the risk of causing the beneficiaries to pay penalties or additional fees.

We are familiar with the rules and procedures governing the estate administration process and the steps required to settle estates, including:

- Probate of the will
- Opening of the estate
- Collection of assets
- Preparation and filing of inventories of assets
- Payment of debts and expenses
- Locating relatives of the deceased individual
- Sales of estate assets
- Preparation of estate accountings
- Preparation of estate tax returns and income tax returns for the estate
- Distribution of assets to beneficiaries

If you have estate administration/probate needs, please contact us directly on 865-291-3686 for more information.

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THE NEXT STEPS

We hope this guide has proved to be informative and helped you realize the benefits you will receive by taking a pro-active approach to planning for the future of yourself and your loved ones.

Please bear in mind, this guide is simply an introduction to the field of estate planning and does not constitute, nor should it be considered as being, legal advice.

If you are ready to start the process of securing your family's legacy, then contact us today on 865-291-3686 to schedule your initial consultation:

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