

**PROTECT YOURSELF!
STAY CURRENT!**
More than ever, seniors must keep their estate plan updated

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The following information calls your attention to the importance of updating your estate plan periodically. It also includes a summary of the key documents you need, along with a present view of Medicaid.

Durable Power of Attorney

Our office is receiving an increasing number of calls from clients who are experiencing problems with a bank or financial institution regarding their Durable Power of Attorney (DPOA). Legally, the DPOA is valid for your lifetime if it is "durable." To avoid problems, we are recommending that our clients update their DPOA at least once every 5 years. At the same time, a review of the appointment of your agent(s) and assurance that the latest Statutory form is in place is essential. An expanded Statutory form provides key power provisions which are not automatically part of the form.

Health Care Proxy and Living Will

As in the case of the DPOA, it is a good idea to update your Health Care Proxy (HCP). We are presently recommending a relatively new HCP which provides for organ and tissue donation. Our clients are further advised regarding a recent change under HIPPA pertaining to privacy of medical information. An expanded DPOA and HCP can provide the names of several family members who could access your medical records, should the need arise. It is also important to have a Living Will which reflects your desires as to extraordinary life sustaining treatment.

Medicaid

The good news is that the 2005 Governor's Budget Bill was passed without any changes to the Medicaid eligibility rules. It is critical, however, that you implement a plan to protect yourself and your assets in the event that you need long term care. It is likely that the Governor will propose restricting access to Medicaid in next year's budget. We are also facing possible changes at the federal level which will make it more difficult for seniors to access Medicaid. The time to implement a sound long-term care plan is "NOW."

Estate Taxes

For those with taxable estates, you should review your estate tax plan according to the "phase-in" of the estate tax law over the next five years. If your assets exceed \$1,500,000 (the current exclusion amount), you should seek counsel to minimize any estate tax on your demise. We must be "on the watch" to see if Congress repeals the federal estate tax before the "phase-in" occurs. (That is unlikely.)

Last Will and Testament

When was the last time you reviewed your Will? To avoid complications of any kind, you should review who receives your assets and when those assets are to be distributed, as well as who you have named as your Executor (and Successor Executor) and Trustees. You might want to make certain changes to meet your current desires. Remember, if there is anything you do not understand about this document, seek legal counsel immediately.

Living Trusts

If you have a Living Trust, you should also review this Trust to make sure it meets with your wishes. Like your Will, you should revise your Trust as your life circumstances change.

Where Do You Keep Your Documents?

You might have a very safe place in your house where you keep these documents, but if your family has no clue where to find them, or whom you appointed to represent you, complications set in very quickly. A well-executed estate plan can go by the wayside if your family is unaware of your wishes and advance directives. The name, address and telephone number of your attorney would be available to your family.