

Elder Law Attorneys and Daily Money Managers: A Unique Relationship to Help Seniors in the 21st Century

By Rebecca R. Eddy

Here is something you already know: when an elderly client arrives at your office, he or she often has issues which need to be resolved quickly. Here is something you may not know: by collaborating with a Daily Money Manager (DMM), Elder Law Attorneys (ELAs) can help the client move more efficiently and rapidly toward his or her goals.



Think about the challenges that you as an ELA face when a new client arrives at your office. The client has a pressing issue, perhaps how to prepare for long term care for themselves or a parent, or he or she needs a will and some estate planning.

- You ask them for income and expenses, for a list of assets and liabilities, but the client does not have all the information easily available, and does not know where to begin to find it.
- Your client can give you accurate up-to-date information about holdings, income and expenses, but when it comes time to document five years of financial activity, does not have a clue where to start.
- Stocks are in certificate form and need to be transferred to a spouse, child or trust and the process is too daunting for your client.
- Your client admits that he or she has not filed income taxes in several years.

In all these cases, you can give them guidelines, but do not have time to go to their homes and sift through files, or piles of financial documents, to piece together an accurate accounting or to make the calls to stock companies.

Families might be helpful, but often are preoccupied with their own work and children, or live far away. In other situations, the senior does not trust his or her family, is very private and does not want to share financial information with family or friends, or may not have family at all. In all these cases a DMM or Financial Organizer can be a valuable asset to your team.

Conversely, ELAs are important resources for DMMs. When helping a senior with accumulated piles of papers or a huge health insurance issue, DMMs might discover a lack of legal documents or long term care planning and recommend the services of an ELA. The advantages are obvious:

- The senior client and DMM will most likely arrive at the office of the ELA already prepared with the information needed to move ahead.
- When decisions are made to transfer assets, to set up new bank and brokerage accounts, or when additional documentation is needed, the DMM is there to help the client through the process.
- The DMM will sit with the client at home going through papers, help with phone calls and keep the client on task.
- DMMs can advocate for the client with a bank when the client doesn't have the right form of ID or if a bank balks at allowing a Power of Attorney access to accounts.

A. Elder Law Attorneys Are Supported in Their Work

An ELA called a DMM firm to help Melinda when she needed to get her husband on Medicaid because he was in a nursing home. Melinda was a highly energetic, talkative, upbeat woman who had a good handle on their finances. However, the process of preparing the documentation for the Medicaid application was too daunting. She and her husband had no children and she was not prepared to turn to his nieces and nephews. The task for the DMM was to help Melinda set up an account with a brokerage firm and transfer each stock certificate to the brokerage account. Working closely with the brokerage firm and creatively dealing with the stock transfer agents, the DMM finally got everything transferred into Melinda's name. The DMM documented three years of financial history in a situation where many stocks had split and/or changed names since the initial purchase. With instruction from the ELA, the DMM created the massive binder documenting three years of financial history which the ELA submitted with the Medicaid application.

B. Daily Money Managers See the Need for Elder Law Attorneys

A Geriatric Care Manager asked a DMM to work with her client, Ellen, on her finances. Ellen is agora-

phobic with dementia. She needs 24-hour home health aides. Ellen has a son who lives out of town and could not be easily available to help his mother. In the initial meeting, the DMM recognized that Ellen would not be able to afford long term care. The DMM researched and chose an Elder Law firm to help Ellen.

As it turned out, Ellen was the beneficiary of a trust which could not be broken because there were other living beneficiaries. The ELA was able to arrange with the trust to pay Ellen's rent directly and thereby avoid annual distributions. The ELA also set Ellen up in NYSARC. The DMM was granted Power of Attorney to easily handle Ellen's checking account and interactions with NYSARC. The DMM collects the bills and sends them to NYSARC along with a monthly check of the spend-down money and then reconciles the NYSARC accounting. At the time of Medicaid Recertification each year the DMM turns to the ELA for help with the Fair Hearing because Medicaid often makes mistakes.

C. A Win-Win-Win Scenario for Clients, Elder Law Attorneys and Daily Money Managers

In a recent talk to Greater New York DMMs, an ELA said that she likes working with DMMs because they are very thorough, organized, detail oriented and able to get information back to the ELA quickly when the client cannot. In addition, DMMs often maintain a frequent and regular relationship with the client that provides reassurance to the family; and they handle health insurance claims that are too burdensome for ELAs.

One such case involved Margie, a college professor and mother of two young children, whose 72-year old mother, Lisa, needed help with her papers, bill paying, and dividend checks. At the initial meeting, the DMM learned that Lisa had a medical condition akin to mini-strokes which had affected her ability to remember words, to easily write checks, or keep papers in order. Lisa had once been quite well organized with several boxes of records from stocks she had inherited, but which also included the stock certificates. Lisa owned her co-op apartment, and had approximately \$600,000 in assets, including six retirement plans, some qualified and some not. She had recently had a will drawn up,

but lacked a long term care plan. The DMM encouraged Lisa and Margie to consult an ELA, and escorted them to the appointment, prepared with a list of Lisa's assets and their values, and a spreadsheet of her income and expenses. The ELA recommended setting up a trust for Lisa, in order to make her eligible for Medicaid. Lisa's son and daughter would be the trustees. Lisa and the attorney also worked with the board of her co-op to allow her to put her apartment into the trust, just in case Medicaid rules changed in future years. The DMM helped Margie establish a brokerage account for the new trust and submit the stock certificates. Together they consolidated Lisa's retirement plans, where possible, and prepared tax related materials to submit to Lisa's accountant that first year. In the process Margie was trained to handle everything in the future. About two years ago, Lisa was hospitalized and the DMM received a call from Margie that Lisa would need full time aides. She wanted advice from the DMM. The advice was to call the ELA to set Lisa up in NYSARC and to work with the geriatric care manager to submit the application to Medicaid. The process was a simple one because Lisa had not had assets in several years.

Conclusion

These are a few examples of the way that DMMs and ELAs interact and together can give quality support to their senior or special needs client. The American Association of Daily Money Managers (www.aadmm.com) is an important resource for ELAs and their clients. The site will give you a list of DMMs by location and questions to ask in interviewing a DMM. The Code of Ethics and Standards of Practice to which DMMs adhere is listed on the site as well. If you are unable to find a DMM in your region, you can try finding a Financial Organizer through the National Association of Professional Organizers (www.napo.net).

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