R. Thomas Murphy & Associates, P.C.

Volume 1, Issue 1
Fall 2010

Estate & Elder Law Report

INSIDE THIS ISSUE:

Serving clients in Franklin, Fulton, Adams, Bedford and Cumberland counties.

WELCOME MESSAGE

As this is our first newsletter to our clients and friends, I thought it would be appropriate to explain a little about the work we do.

As one of only 39 Certified Elder Law Attorneys in Pennsylvania, I have dedicated my firm to focus solely on serving the elderly and their families in the areas of long-term care planning, asset preservation, estate planning and the probate process.

As a firm, we strive to meet the needs of seniors in Central Pennsylvania often traveling to meet our clients throughout Franklin, Fulton, Adams, Bedford and Cumberland counties.

We work hard to ensure that our clients and their families receive the best service whether they are facing a nursing home admission, are planning for their future or dealing with the probate process.

We assist families with the complex legal, medical and financial issues that surround the care of an elderly individual or the death of a loved one.

We are grateful for the many referrals that you have given because of our expert advice and kind service.

Please contact us at either our Waynesboro or Chambersburg offices if we can help in any way.

--- Tom Murphy

PLANNING FOR YOUR ELDER YEARS

If we were to ask an older person what his or her most important concerns for aging are, we would probably get a variety of different answers. According to surveys frequently conducted among the elderly, the most likely answers we would receive would include the following three principal concerns or wishes:

(Continued on page 3)

NURSING HOME CARE JARGON

Institutionalized Spouse (I.S.) - The spouse who receives nursing/ rehabilitative services in a nursing facility or other medical institution for a period of at least 30 consecutive days.

Federal Death Tax Repealed for 2010

During the year 2010 the federal estate tax has been repealed; therefore, if an individual were to die during this year they would be allowed to pass on to their heirs an unlimited amount of money without owing any Federal Death Tax. This does not apply to the Pennsylvania Inheritance Tax which remains 4.5% for children and grandchildren and 12% or 15% for other beneficiaries.

Millions will be saved from Federal Death Tax during 2010

Unless Congress acts soon, the Death Tax will be up to 55% for estates over $1,000,000 beginning on January 1, 2011.

While we watch Congress to determine what course of action it will take regarding the Death Tax remember, good planning can substantially avoid the Death Tax.

Document Discussion

Power of Attorney — An agent named by a Power of Attorney (POA) has a fiduciary obligation to put the interest of the Principle (person signing the POA) before their own interests.

A good agent is someone who can be trusted completely. If there are any hints or hesitation that the person contemplated as an agent may not be completely trustworthy, that person is likely not a good candidate to serve as an agent.

A Power of Attorney is a wonderful tool for the elderly but can easily be abused when the wrong agents are chosen.

Susan Barlup New Elder Law Paralegal

Susan Barlup has joined Murphy & Associates, P.C. as an Elder Law Paralegal. A native of Waynesboro, she graduated from Waynesboro Area Senior High School.

Before coming to the firm she worked for fifteen years at Citizens National Bank of Waynesboro as a Teller and General Ledger Bookkeeper. She then worked at Quincy Village for twenty years as an Accounts Payable Clerk and Medicaid Specialist.

Susan received her real estate license in 2000.

Susan is active in her church and enjoys singing in the choir. She is a past president of the Waynesboro Lioness Club.

Susan is married and has three sons. Please join us in welcoming Susan Barlup to the team.

Simple Estate Planning

Something simple that everyone should do is to check and update your beneficiary designations on your life insurance, IRA's, annuities, and brokerage accounts.

Remember:
Life Insurance, Annuities, IRAs, and 401ks are normally controlled by beneficiary designations not your will.

Though many people realize the need for good "paperwork" (i.e. Power of Attorney, Will, Trusts, etc.), most forget that some assets are not controlled by a person's Will but rather by their beneficiary designations.

Therefore, take a few minutes today to verify that your beneficiaries are properly named and that they know where your accounts and policies are located.

PLANNING FOR YOUR ELDER YEARS

(Continued from page 1)

1. Remaining independent in the home without intervention from others
2. Maintaining good health and receiving adequate health care, and
3. Having enough money for everyday needs and not outliving assets and income.

To address these concerns or wishes and maintain the quality of life wanted in the elder years, it simply takes a little preplanning.

The process of long term care planning involves the following three principles:

1. Knowledge and preparation are the keys to success.
2. Maximizing funds to pay for care expands the choices for care settings and providers.
3. Using professional help relieves stress, reduces conflict, and saves time and money.

Elder law attorneys can give you direction on how best to protect your assets in the event of the possible future nursing home admission.

Do your paper work. Now is the time to create your Power of Attorney, Mental Health Power of Attorney, Will, Living Will and any other documents you may need for future use.

Gather insurance policies and bank records where they can be found by family members in case you cannot get them yourself.

Now is the time to do long-term care and estate planning.

True or False:

As a condition of admission to a nursing home, you must deed your house to the nursing home?

False

In fact—

Your home is normally an exempt asset from nursing home costs.

Contact

R. Thomas Murphy & Associates

to learn more about how to protect your home and other assets

Estate and Elder Law Firm of

R. Thomas Murphy & Associates, P.C.

2005 East Main Street
Waynesboro, PA 17268

14 North Main Street
Suite 306
Chambersburg, PA 17201

Waynesboro Phone:
717-762-1032

Chambersburg Phone:
717-261-0117

Fax: 717-762-1832

E-mail:
info@rthomasmurphy.com

We Are on the Web!

www.rthomasmurphy.com

As part of our commitment to the Community, our staff provides presentations and trainings to local civic, church and professional groups on a variety of Long Term Care, Estate Planning, and Asset Protection topics.

New Attorney Available for Estate and Elder Law Matters

Jared S. Childers, Esq., LL.M. recently joined the firm of R. Thomas Murphy & Associates, P.C. as an estate and elder law attorney.

Jared graduated from Penn State Dickinson School of Law in Carlisle, PA and while there was a Senior Editor of the Penn State International Law Review and published several articles relating to issues surrounding cross-border

Jared S. Childers, Esq., LL.M.

retirement.

Jared completed his Masters in Law from New York University in Taxation immediately prior to joining R. Thomas Murphy & Associates, P.C.

Jared is active in his church and supervises a site for the Volunteer Income Tax Assistance Program (VITA), which offers free income tax assistance to low-income individuals. He is married and the father of four children.

Jared is currently assisting clients with elder law, asset protection and estate matters.