



PEACE OF MIND™ NEWSLETTER

Exclusively for POM Members

801 E. Charleston Road
Palo Alto, California 94303

April, 2025



Finding a Nursing Home Bed

With millions of Boomers and greater lifespans, the need and demand for quality nursing home beds is simply enormous.

We recently advised a family where an individual qualified for Medi-Cal and then looked for a skilled nursing facility that would accept Medi-Cal as the source of payment. Predictably, this has proven to be very frustrating.

While most facilities accept Medi-Cal, many do not. For those that do, vacancies may be rare. Talk with us if you face this issue.

The difficulties are the following:

- A facility receives less money for a resident whose cost is covered by Medi-Cal
- Nursing homes are not required to accept a resident who is already on Medi-Cal
- Such facilities strongly prefer private pay patients

One proven approach is for an individual to enter a facility paying privately, even if the funds have to come from other family members. Once in the facility, the individual can obtain Medi-Cal coverage – and be protected from eviction if the facility is Medi-Cal certified.

We are aware of families whose elders have been placed in facilities scores or even hundreds of miles away because of this problem. It is frustrating beyond words.

Obtaining appropriate long-term care support, at home or at a facility, is a challenge that countless families face on a daily basis.

If an individual does not have long term care insurance, which we generally recommend, private funds must be used or the state Medi-Cal program will be relied upon.

Exacerbating the problem are probable changes and funding cuts at the federal level, noting that Medi-Cal is California's version of the federal Medicaid program.

Peace of Mind Webinar Top Five Issues of 2025

Date: Tuesday, April 29, 2025

Where: 1875 Embarcadero Rd., Palo Alto

Time: 2:00 PM

Register Online at www.Gilfix.com/peace-of-mind/seminars



Special Report – Property Tax Planning and Special Needs Planning

We have a remarkable success story that we want to share with you. It illustrates how timely tax avoidance planning can be critical to the well-being of a special needs child. The more general point is that proactive planning saves a small fortune, avoids family upset, and makes life much better. Here is the story:

Mr. & Mrs. D came to us some in late 2020 with a focus on special needs planning for their child who is on the Autism spectrum.

Many years ago, they purchased a small house as a rental. Property taxes were in the area of \$4,000 per year. It was always their plan that this would be the home for their daughter, who would live there with caregivers. They found the perfect couple to be “surrogate parents” to their daughter. That couple has lived with their daughter for a number of years, dramatically easing the trauma and transition when the parents pass.

Because of Proposition 19, there would have been a \$40,000 annual property tax increase for that property when the parents pass away. While the house is very modest, it is in a location that makes it valuable.

We prepared a sophisticated irrevocable trust into which that property was transferred just before Proposition 19 became law. There will

be no property tax increase when the parents pass away.

We structured this trust so that there will also be a “stepped up basis” when the parents pass away. This will give the trustee of the Special Needs Trust two options: Maintain the house in the Special Needs Trust with dramatically low property taxes or, if wiser, sell the property with no capital gains tax exposure. Capital gains taxes would have otherwise exceeded \$1 million.

This type of property tax planning is perfect for the vast majority of our clients who own real property. The enemy of such proper planning is inertia.

Yes, we share this story to encourage you to think and to act – to protect real property for the next generation.

How POM Members Used their Hour

Mr. & Mrs. J came to see us with a question about titling of assets. To make it easy for their daughter to make payments on her mortgage, they put a significant amount of money into a joint account with that daughter.

We reminded them that joint accounts are ultimately owned by the last person who is living. Because this account was to hold over \$200,000, it would have seriously interfered with their desire to leave their estate in equal shares for all three of their children. This is because the daughter on the joint account would receive that entire amount while equally sharing all other assets that are titled in their trust.

With minor adjustments, this worry was addressed in a practical, manageable way.

Remember, if you don't use your free hour, give it away to a relative or friend.

Peace of Mind Seminar
Top Five Issues of 2025

- Avoiding the Prop 19 Property Tax Increase
- Estate Tax Law – Will It Be Extended?
- Threats to Special Needs Planning
- Long-Term Care –What Medi-Cal Will and Won't Do
- Planning to Age At Home

Please email us your questions to Shanna@gilfix.com. The top questions will be addressed during seminar.

Date: Tuesday, April 29, 2025

Where: 1875 Embarcadero Rd., Palo Alto

Time: 2:00 PM

Register Online at www.Gilfix.com/peace-of-mind/seminars or email Shanna@gilfix.com

★Use or Share your FREE hour POM consultation★

Remember: If you do not plan on using your annual consultation, let a family member use it. It is transferrable. Use the attached certificate and just make the appointment!

PEACE OF MIND

FREE CONSULTATION* CERTIFICATE

I/We, _____, give to _____
[POM Member] [Recipient]

our 20____, annual free Peace of Mind Consultation to be used on or before
_____, 20____.

Dated: _____
[POM Member]

[POM Member]

*When calling to make this appointment, please indicate that you have this Certificate

GILFIX & LA POLL ASSOCIATES, LLP

PEACE OF MIND

Member Newsletter

UPCOMING EVENTS

Exclusive Peace of Mind Webinar
Top Five Issues of 2025

Date: Tuesday, April 29, 2025

Time: 2:00 PM

Register Online at www.Gilfix.com/peace-of-mind/webinars/

**NEWSLETTER
FOR EXCLUSIVE
POM MEMBERS**