



# THE CIMINOCARE CONNECTION

INTRODUCTION

SPRING 2009

Things really got exciting for us when CiminoCare core value number 4 emerged into our consciousness, which is “Strive to make senior care more accessible.” You could feel the excitement around the room during our long term strategic planning session that day as we articulated those words and wrapped our brains around this concept and its meaning. It is one thing to strive for excellence in service, but it is another thing to try and figure out ways to make it so that more seniors have more options and access to it. I know of one competitor in particular, whom we respect so greatly as an operator; however, their rates are so astronomical that only a few select can access it. Someone I respect very much affirmed this core value of ours by saying “So, CiminoCare is trying to accomplish the real, difficult task—create great senior services in a way that is more reachable, and hence, fulfilling a real need in our community.” At the end of the day, everyone on the CiminoCare Team is trying to fulfill that need in our community in one way or another.

Furthermore, in these tough economic times, that core value has resonated well and it has occurred to us, that besides *internal initiatives* to keep costs down, we should focus some extra time this year to figuring out additional, *external ways* to help seniors gain access.

One of the biggest challenges to seniors in this economic downturn, for example, is that many of them have not been able to sell their home as readily as in the past, causing them to forego a wanted or needed move. In an effort to address that, we have recently aligned with Elderlife Financial, a finance company specializing in helping seniors and their families gain access to short term funds for assisted living care while waiting for their home to sell or Veteran’s benefits to be approved. (See separate informational article in this newsletter.

Another way we are working to fulfill CiminoCare

core value number 4, is finding funds available for seniors whenever possible. To that end, we recently trained our marketing teams on the Veteran’s Aid and Attendance benefit. This is a benefit for Veterans and their spouses that they may not know is available, so we have made a commitment to educate about this program. (See article inside for qualifications) We remain excited about the future, in that we will continually work on both *internal* and *external ways* to help our seniors access the services and care they so well deserve.

We have been so blessed by the team members who fulfill that need, day in and day out, faithfully with commitment and sacrifice. Please keep our Team Members in your thoughts and prayers so that they will continue to find the inspiration to keep going.

*Mark*

CONNECTIONS

UPCOMING EVENTS

**EASTON CREEK VILLA IN BURLINGAME** We are happy to announce that we re-opened our 6 bed board and care home in Burlingame which was the original community that Wilma and John Cimino opened in 1988! Easton Creek is ambulatory community for seniors.

**COMING SOON....CIMINO SENIOR DAY CENTER, BURLINGAME** We are anxiously awaiting to open our doors late Spring for a day program for Seniors at 755 California Drive. This will be CiminoCare’s first day center and we look forward to providing support and day time respite to families who care for their loved ones at home. For more

**NON SERVICE CONNECTED PENSION PROGRAM**

The VA has a benefit that provides a monthly income for veterans and their widows that meet certain requirements. You may have heard something about the secret program that the VA has that nobody knows about. You may have heard something about an Aid & Attendance (A&A) program. A common misconception is that the A&A program is a benefit by itself. In all actuality it is a part of the New Improved Pension Law. In order to be eligible you have to meet all the requirements of the pension program plus it requires that you need a higher level of care.

Basic eligibility for VA pension benefits is based on wartime service and is contingent upon, among other things, your income. Your net worth is also a factor in determining eligibility.

**TO BE ELIGIBLE YOU MUST:**

- ❶ **Be permanently and totally disabled.** The VA presumes you are permanently and totally disabled if you are age 65 or a patient in a nursing home or receiving Social Security Disability or SSI Payments. If you do not meet the above criteria you will need a statement from your doctor indicating that you are permanently and totally disabled.
- ❷ **Have served on active duty for a period of 90 days with one day during a wartime period.** Actual service in a combat theater is not required. War periods include WWI, WWII, Korea, Viet Nam and the Gulf War.
- ❸ **Have limited net worth.** The pension program is not intended to protect substantial assets or build up the beneficiary's estate for the benefit of heirs. If a claimant's assets are large enough that the claimant could use these assets to pay living expenses for a reasonable period of time, net worth is considered a bar.
- ❹ **Have limited income.** Your income for VA purposes must be below the Maximum Annual Pension Rate in order to qualify.

**ADDITIONAL ALLOWANCE FOR AID & ATTENDANCE:**

There is an additional allowance available for claimants that are so helpless as to require the aid of another person to perform the functions required by everyday living.

**Maximum Annual Pension Rates for 2008:**

Single Veteran: .....\$1644.00  
 Married Veteran: .....\$1949.00  
 Widow: .....\$1056.00

**HOW DOES THE VA COMPUTE YOUR INCOME FOR VA PURPOSES?**

- ❶ Take your gross income from all sources, to include interest, rental property etc.
- ❷ Subtract your on-going medical expenses, such as Medicare deduction, HMO/Supplemental Premiums, Home Care Providers or Assisted Living Costs.

**EXAMPLE 1:** An 85 year old married veteran and his spouse pay \$93.50 each for Medicare, \$90.00 each for their HMO premium and \$3500.00 in an Assisted Living Facility that provides for their care. The veteran's doctor indicates that he requires the assistance with his care. They have a monthly income of \$2800.00 from Social Security, a small pension and interest from a small savings account.

On-going medical expenses are \$3867 per month.  
 Monthly income is \$2800.00.  
 Income for VA purposes is 0. **Therefore the amount of money that the VA would pay is \$1949.**

**EXAMPLE 2:** A widow pays \$96.40 per month for Medicare, \$90.00 a month for her HMO premium and pays her daughter \$1000.00 per month to assist her in bathing and medication management. Her gross monthly income is \$1500.00 from Social Security.

On-going medical expenses are 1183.50  
 Monthly income is \$1500.00.  
 Income for VA purpose is \$316.50 (1500-1183.50=316.50)  
**Amount of pension is \$681.50 (998-316.50=739.50)**

I would like to give you a word of caution about this program. **It is against the law for anyone to charge you more than \$10.00 to file a claim with the VA.** If you are approached by anyone wanting to charge you, remember all County Veterans Service Officers in the State of California are paid by their counties to file claims at no charge to you.

I know this is confusing so if you have any questions, please feel free to contact me at (530)889-7968.

## ELDERCARE FINANCIAL OFFERS ASSISTANCE TO SENIORS AND THEIR FAMILIES WITH FINANCES DURING ECONOMIC CRISIS



CiminoCare will soon be launching a “Financial Solutions” program designed to help seniors and their families overcome the challenges of these trying economic times. The goal of the program is to help families pay for senior care by providing as many financial options as possible. The program will provide access to financing through a senior living line of credit, while waiting for the sale of a house or for funding from the Veteran’s Aid & Attendance benefit. We understand that families are nervous to make the commitment to move their loved one in to a senior community with all the negative press regarding the economy. As part of our goal to make senior housing accessible to seniors programs like Elderlife Financial make meeting these goals easier. “In the face of falling home and stock values, rising inflation, and depleted savings, many families are seeking access to liquidity and flexible payment options,” explained Elias Papasavvas, CEO of Elderlife Financial Services the national leader in providing loans to help families and individuals pay for senior living, “With the current economic conditions predicted to last throughout 2009 and beyond, alternative funding options for senior housing and care are increasingly sought by families.” CiminoCare will be distributing literature to seniors and their families discussing the varieties of financial options available.

*See below article for more info from NCAL (National Center for Assisted Living).*

## PROVIDERS MAY OVERCOME SALES OBJECTIONS BY OFFERING FINANCING PLANS

During this period of economic slowdown and slow home sales, prospective assisted living sales and marketing teams may find prospective residents hesitant to move in because they want to wait until their homes are sold or their property values increase. A solution for providers’ sales and marketing teams may be to offer alternative financing methods. Elderlife Financial Services, located in Washington, D.C., and Life Care Funding Group, Lewiston, Maine, are two different types of financing options that assisted living providers can offer to prospective clients. Elderlife Financial Services (EFS), formerly known as Grannie Mae, offers an interest-only loan program called efs:access. Loans are made through M&I FSB Bank, a division of Marshall & Isley Corp., a financial services company headquartered in Milwaukee, Wis. “Communities that offer our efs:access product can significantly increase their resident census and reduce past-due accounts,” says Elias Papasavvas, EFS founder and executive director. “Providers get individuals to move in right away because the family is not waiting for the sale of a house or benefit, such as long term care insurance, to begin paying or for the individual to spend down their assets to become Medicaid-eligible.” Providers

can participate as long as they have a satisfactory Dunn & Bradstreet rating and are not under investigation by a state attorney general’s office. Aegis Living and Merrill Gardens are among the assisted living companies that currently offer the program. Merrill Gardens’ Lori Taylor, vice president of sales and marketing, says their marketing representatives provide a brief explanation and an Elderlife brochure to prospects. To see if a prospect is eligible for the Elderlife loan, Merrill Gardens encourages prospects to call Elderlife Financial while the prospect is at the Merrill Gardens facility. Or Merrill Gardens encourages the prospect to call Elderlife when they get home after touring the community. Taylor said training marketing staff about the Elderlife program took about 30 minutes, and during the first week of offering the efs:access loan, Elderlife approved three prospects. In addition, Elderlife realizes family members often pay for their parents’ assisted living care, and to accommodate those family members, up to six relatives can be co-signers on the loan. Another new alternative financing option is available to prospective clients with life insurance policies. Lifecare

insurance policies into payments through a process called life settlements. A life settlement is the sale of a life insurance policy by a policy holder while he or she is still alive to an institutional investor that will pay a lot more for the policy than if the policy holder “surrendered” the policy for its cash value. The institutional investor purchases the life insurance policy and then carries the policy as an investment for the remaining life span of the policy owner. For example, the cash surrender value paid to a policy owner by an insurance company may range in value between 2 percent and 5 percent of the face amount of the policy, or death benefit, whereas a Life Settlement could yield 20 percent to 60 percent of a policy’s value. “We have found Life Settlement to be an excellent marketing tool and funding alternative to present to everyone we talk with about entering one of our properties,” says Glen Cyr, senior vice president and chief financial officer of North Country Associates, a privately owned company that owns and manages 23 skilled nursing and assisted living facilities in Maine and Massachusetts. For more information about Elderlife Financial, visit [www.elderlifefinancial.com](http://www.elderlifefinancial.com). To contact Lifecare Funding Group, call (888) 670-7773 or visit [www.lifecarefunding.com](http://www.lifecarefunding.com).





### REFERRING RESIDENTS TO OUR COMMUNITIES

We are pleased that over the years our greatest source of referrals has been the families and loved ones of our existing residents. Who better to attest to the care we provide? We would like to show our appreciation by crediting your loved one with \$500 for each referral that results in a long-term move-in to any of our communities. Please inform us in writing shortly after the new move-in so we can say "Thank You" and credit the account.

### OUR COMMUNITIES INCLUDE:

#### **BURLINGAME VILLA, Burlingame**

*Memory Care (650) 344-7074*

#### **EASTON CREEK VILLA, Burlingame**

*A Residential Care Home (650) 344-3798*

#### **MILLS ESTATE VILLA, Burlingame**

*Assisted Living (650) 692-0600*

#### **AUBURN OAKS SENIOR LIVING, Citrus Heights**

*Independent Living (916) 729-9200*

#### **CITRUS HEIGHTS TERRACE, Citrus Heights**

*Memory Care (916) 727-4400*

#### **COURTYARD TERRACE, Sacramento**

*Memory Care (916) 486-1281*

#### **RIVER FOUNTAINS OF LODI**

*Independent And Assisted Living (209) 334-3763*

CIMINOCARE

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