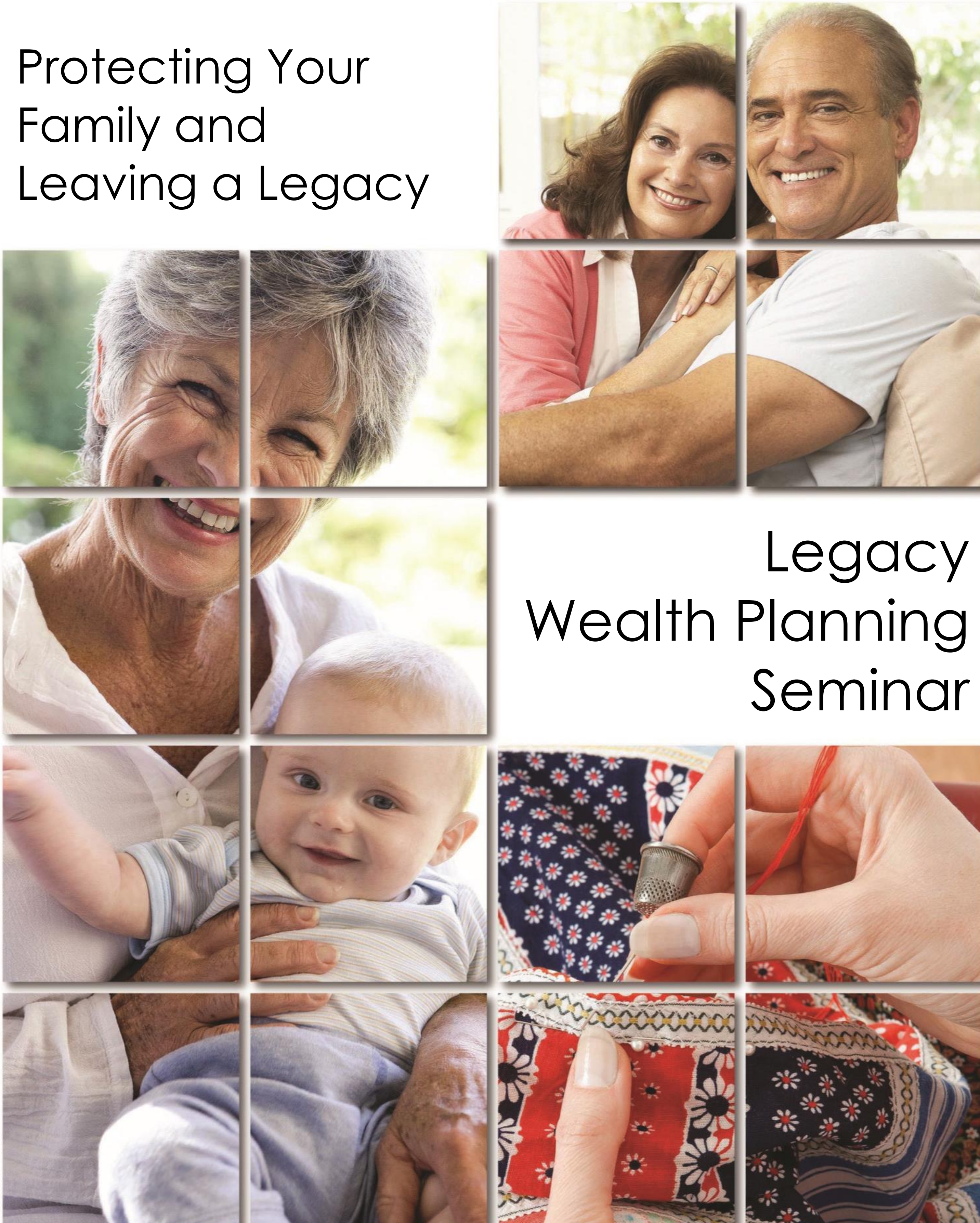
Protecting Your Family and Leaving a Legacy



Legacy Wealth Planning Seminar

The Bond Law Firm

16701 Greenspoint Park Drive, Suite 150 | Houston, Texas 77060

Phone: (281) 448-4100 | Fax: (281) 445-3101

www.Va-Medicaid.com

ABOUT THE FIRM, ABOUT THE SPEAKERS

The Bond Law Firm has been providing trusted advice in estate planning, elder law, probate, and trust administration for more than twenty-one years. We have helped thousands of Texas families protect their loved ones and their wealth. Attorney Robert D. Bond is Board Certified in Estate Planning and Probate by the Texas Board of Legal Specialization and he is a CPA. The law firm is built to last, Stephanie Searcy has been with the firm for nineteen years, Jeff Green has been with the firm for over ten years, Leslie Berry for more than four years, and they play a critical role in assisting Attorneys Bond with fact gathering, document preparation, implementation and financial analysis. In addition they coordinate with the local courts, state Medicaid Eligibility Workers and VA Personnel. We take pride in our people and their abilities to assist our clients.

If you or your loved ones would like a complimentary consultation to review your estate plan and financial strategy, you can visit our website at www.bondlawfirm.net, or call us today at our office at 281-448-4100 to schedule an appointment.

A Message from the Firm Founder

ROBERT D. BOND

In these turbulent times, many families have pressing concerns about estate planning or qualifying for Medicaid benefits to pay for nursing home care. At The Bond Law Firm we continue to expand our capabilities and services to meet the demands of a complex and changing estate planning world. Our experience has shown us that what was a solution yesterday may no longer be adequate to fully protect our clients today.

We have expanded on the services we've always provided, shifting from "traditional estate planning" to a more comprehensive approach we call "Legacy Wealth Planning." This holistic approach allows us to protect, preserve and support your family's financial and non-financial wealth. We reach out to our Houston community with free educational seminars each month at our law office and frequent public seminars at locations across Houston.

What You'll Learn at Our Seminars

In our seminars, we discuss subjects most of us want to avoid: death, disability, and taxes. Many people don't give a thought to the certainty of their own death; yet it will happen to each of us. Then what? When you ask most people to summarize their wishes for their estate after they pass, most reply that they:

- Want to avoid excessive attorney's fees, court costs, and delays in passing on their inheritance;
- Want to avoid or, at least, minimize the payment of state and federal death taxes; and
- Want their estate to be distributed to the people they choose, when they choose.

Our firm is dedicated to you, and the goal of our seminars is to provide you with new information, likely never discussed with you before, based on research, studies and our real life experiences working with families just like yours.

Why We Do What We Do

Our firm is different than most because we have a passion for this work and feel there is a gap in most families' plans. They mainly address "after death" issues, leaving families vulnerable when the unexpected happens "during life." We know it is a great privilege to help families effectively plan their estate and leave a meaningful legacy, and we realize that clients entrust us with all of their worldly wealth and ask to make sure it's preserved, not only for them but for generations to come.

About The Speaker

Robert D. Bond

Attorney

Attorney Robert D. Bond is Board Certified in Estate Planning and Probate by the Texas Board of Legal Specialization, and he is a CPA. He has been providing trusted advice in estate planning, elder law, probate and trust administration to Texas families for More than twenty years. Mr. Bond also served in the U.S. Army as Infantry Officer and retired after twenty years of service with the rank of Lt. Colonel.

During his military career, he earned a Master's Degree in Accounting and passed the CPA Examination. After his retirement, he attended St. Mary's Law School in San Antonio, where he was a member of Phi Delta Phi and the Board of Advocates. Mr. Bond is a member in good standing of the State Bar of Texas and the College of the State Bar.

Mr. Bond believes that estate planning is one of the most interesting and civilized parts of the law. The vast majority of Americans have done no estate planning. Confusion and misinformation rule the day. He believes that he can be of service to others by educating the public about the benefits of estate planning and helping clients plan for their families and loved ones.

WHAT IS ESTATE AND LEGACY PLANNING

When we die, we pass on much more than just our financial assets. Sadly, traditional estate planning ignores the non-financial legacy we leave behind. Our goal is to help you examine your financial and non-financial goals, take action to minimize the impact on your family, and ensure that your legacy lives on through those you love. Before we talk about planning options available to you, let's start with the basics.

An estate is everything a person owns when they die. This includes, but is not limited to:

- Bank accounts and cash
- Personal property
- A home, real estate
- Retirement plans
- Vehicle(s)
- Life insurance
- Family heirlooms
- Business interests
- Stocks, bonds, mutual bonds

What is an Estate?

Many people mistakenly think they don't need an estate plan because they don't have an "estate." Almost everyone has an estate and estate planning doesn't have to be complex to be worthwhile. Often, people think if they don't own a huge house, multiple vehicles, art, antiques, jewelry and other financial investments, that they don't have an estate. **The truth is that we all have estates, even those of us with a modest home, one car, one good piece of art, a diamond ring, or some money tucked away in the bank.** Even if you don't have seemingly great financial wealth you still need effective estate planning.

Traditional estate planning only focuses on the transfer of what you own at death to whom you want, when you want, and in the way you want all at the lowest possible cost. Estate planning should include more than just the passing on of physical property and assets. It starts with those personal moments in life that define who we are and what is truly important to us.

Defining Moments

Your defining moments are those precious events that are emotional anchors for all of us, those moments you will remember and look back on. They are special days like:

- College graduation
- Your wedding day
- Births of your children, grandchildren or other loved ones
- Weddings of your children, grandchildren or other loved ones
- A serious illness or health scare
- Death of loved ones

What Are YOUR Defining Moments?

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- ……………………………………………………
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Often times when these moments occur, the last thing we think about is the condition of our finances. We instead think about how to preserve the little things left behind: stories, values, life lessons, and family heirlooms that are emotionally priceless.

Wealth is More Than Just Financial

In estate planning, wealth is usually discussed in limited terms such as: financial assets, investments, real estate, cash, and possessions. **True wealth, however, is more than just money it's about what we value. Once we see what we value most in our lives, financial assets and material things may not be at the top of our list.**

Let's look at a more holistic approach regarding family wealth, something more than just finances or possessions, and discover how this changes everything you've ever thought about estate planning.

What Do YOU Value Most in Your Life?

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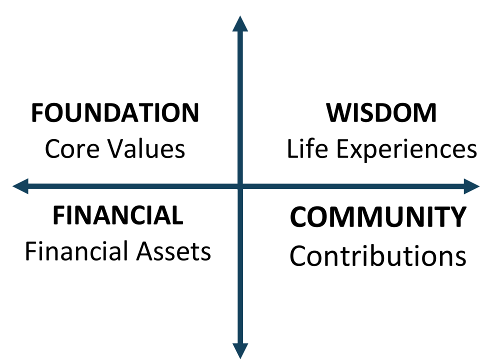
A Holistic View of "True" Wealth

We can categorize family wealth into four categories of "true" wealth:

1. **Foundation**—These are our core values: family, health, talents, background, and attitudes. This can also include family heirlooms that have little or no real financial value, but are treasures to family members.
2. **Wisdom**—The sum of our life experiences: formal and informal education, relationships, work ethic, and our commitment to spiritual beliefs or practices.
3. **Financial**—This refers to our collective financial assets or material wealth; real estate, vehicles, life insurance, cash, stocks, bonds, and retirement accounts.
4. **Community**—This is our contribution back to society, our responsibilities as good citizens and neighbors. This can include financial charitable gifts or volunteer work.



Rank the 4 categories of TRUE WEALTH in order of what's important to you?
(List in order of importance 1 – 4)

____ **Foundation** ____ **Wisdom** ____ **Financial** ____ **Community**

Your legacy – and the legacy of your ancestors – also includes your family's values, history, traditions and anecdotes. Your family will appreciate the assets you pass on, but they will treasure even more, the memories and stories you leave behind. You want to protect your legacy by setting up an estate plan that addresses all pieces of what you have spent a lifetime accumulating. You want the years you have invested in building your estate and legacy to actually mean something to future generations.

Why Most Estate Plans Fail

There is more wealth to pass on today than any generation before. Unfortunately, most wealth is lost in three generations because heirs are not prepared and assets are not protected. Poor planning can cause your inheritance to be squandered or reduced to next to nothing.

There are five main reasons why most traditional estate plans fail:

1. Lack of maintenance
2. No protection against real life issues (i.e. nursing home care, remarriage, divorce, financially inexperienced heirs, special needs, etc.)
3. Poorly drafted documents
4. Not updated with changes in the law or new planning strategies
5. Doesn't capture your legacy… your Defining Moments

We want to show you how you can make your estate plan a valuable tool to protect your legacy and leave the assets you've earned over your lifetime, both financial and emotionally valuable, to those you love.

Typical Concerns

Here are just a few of the common concerns we hear from our clients when discussing their estate plans…

- **Long-term care expenses:** Losing their nest egg to rising nursing home costs.
- **Living probate:** Possibly expensive court proceedings that would manage their estate if they became mentally or physically disabled, such that you are unable to manage your own affairs.
- **Death probate:** Expensive court proceedings to manage and distribute their estate after death.
- **Death taxes:** Federal estate tax on everything owned at death, 40% of everything over the applicable exclusion, which is $5 million (adjusted for inflation annually).
- **Victimization of the surviving spouse and heirs** by unethical, immoral predators, or creditors.
- **Family concerns:** Possible remarriage of their surviving spouse, new blended families or their children going through a divorce, leaving their nest egg exposed to new or ex-spouses.
- **Family conflict and feuds** over the improper dispersal of personal items and heirlooms.

- **Outright distributions** leaving an inheritance to financially inexperienced heirs to squander their hard-earned assets.
- **Not passing on values and wisdom:** Allowing their lifelong guiding principles and unique life experiences to die with them.

Here are some of the critical times *during* your life as well as *after* your death that you may need to plan for.

CRITICAL REASONS TO PLAN: WHILE YOU'RE ALIVE

The truth is that there are many life situations that need to be planned for while you are living. One of the greatest risks isn't death, it is disability. What will you do when the unexpected happens; such as your spouse having a stroke or you becoming disabled? What about planning for those needs that may happen while you are still living?

A Health Emergency or Disability

Modern medicine has lengthened our lives, giving us more time to spend with our loved ones, but with that we have also seen an increase in chronic or debilitating illness. Medical decisions will need to be handled by someone other than you **if you are incapacitated**. In many states your spouse can make medical decisions for you, but this is not always true. If you are unmarried but have a life partner, that person will have no legal right to make decisions for you.

What Are Your TOP Concerns About Passing on Your Estate?

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Living Probate/Conservatorship

Mention the word probate and most people think it's something that only happens to your estate when you die. Probate can also occur while you're still living, often referred to as a *living probate*, technically called a *conservatorship* or *guardianship* proceeding. **If you become mentally or physically disabled, such that you are unable to manage your own affairs, the probate court will appoint someone to take control of all your assets and personal affairs.** In the event that you don't recover and are unable to manage your own affairs, you will need to go through living probate. The entire process is often expensive, time-consuming, and humiliating.

Long-Term Health Care Concerns

Statistics reveal that you are six times more likely to become disabled before you die, so it's not a surprise that most people aged 65 and older are more afraid of going into a nursing home than death. The expense for nursing home care rises every year, and if you require long-term care your nest egg may quickly diminish and the plans you've made for the future may quickly unravel.

FOUR WAYS TO PAY FOR LONG-TERM CARE

1. **Savings:** Dip into your personal savings and pay it all yourself.
2. **Long-Term Care Insurance:** Regular health insurance won't pay for these long-term custodial care bills.
3. **Medicare:** Health insurance for those aged 65 and over (and with certain disabilities), which offers very limited long-term care benefits. Most people think Medicare is an option for paying their long-term care when in most cases, it's not.
4. **Medicaid:** A federal and state partnership program that pays for medical and long-term health care expenses when most of a person's wealth has been depleted, and pays for about 50% of the nursing home costs of Americans.

A Few Facts About Long-Term Care

1. The average cost of a private room in a nursing home is approximately $255/day or $92,977/year. That's $223,144 in 2.4 years, the average stay in a nursing home.[1]
2. According to a 2009 estimate, more than 42 million Americans provide care to an adult with limitations in daily activities, and nearly 62 million provide care to an adult at some time during the year. These family caregivers provide a staggering $450 billion worth of unpaid care every year![2]
3. Since 2000, an estimated 5 million families have filed bankruptcy in the aftermath of serious medical problems.[3]

Missteps with Medicaid Pre-Planning

Statistically, about half of us will end up in a nursing home for one to two years before we die. To qualify for Medicaid, many families naively think they have to impoverish themselves and that they can just give away their assets in order to qualify for benefits. There are strict laws and penalties in place when giving away assets to qualify for Medicaid benefits, not to mention the estate planning problems it may create.

Caring for a Special Needs Family Member

When a family member has physical, emotional or mental challenges, planning is even more crucial. Depending on the degree of their disability, they may require specialized treatment that encompasses therapy, housing, education, adaptive equipment, and in-home care, among many other costly services. The need for this care may extend throughout their childhood and last well into adulthood, or even their entire life. Without the right plan in place, leaving financial resources to special needs family members could jeopardize their eligibility for government and private benefit programs.

Administration and Probate of Your Estate

DYING INTESTATE

If you die without an estate plan, it is called dying intestate. Your estate will be subject to intestacy laws in your state and go through probate court. This means the division and distribution of your estate will be subject to a predetermined formula, usually providing half of your estate to your spouse, and the remaining half allocated in equal portions to your biological children. For many parents in blended families and unmarried couples, the state's distribution plan is worlds apart from how they would choose to distribute their assets themselves.

WILLS AND DEATH PROBATE

If you have a Will or do not have an estate plan, probate court will take over at your death to make sure your debts are paid, assets are distributed to your heirs, and any loose ends are taken care of. **A Will *guarantees* death probate.** All property that is controlled by your Will must go through the probate court. A Will does not control distribution of all of your assets and does not take effect until you die so it is no help with lifetime or long-term care planning. Upon your death, your Will becomes a public document, enters the probate process and is in the hands of probate attorneys – not your family.

In some states, the probate process may be long, complicated, and costly. While probate is more streamlined in some states, it still has other disadvantages, such as a loss of privacy. There are five exhaustive steps to settling an estate in probate court, of which just a few are: all assets are frozen, all records of the estate are made public, inventory and appraisal of all assets must be made, and payment of all debts and other expenses before heirs receive their share.

Exposure to Death Taxes

In addition to the expense and delay of probate, your family may also be liable for death taxes. Death taxes come in two varieties, "estate" and "inheritance" taxes. An estate tax is a tax on your right to transfer property to others at your death. Current federal law provides for an estate tax of 40% of every dollar in your estate over the amount of the exemption. The federal exemption is over $5 million (it's inflation adjusted). In addition to the federal estate tax, some states have a separate state estate tax. If a state has a separate estate tax, it typically has a much lower exemption than the federal exemption. The result is that state estate taxes typically kick in at a *much* lower level than the federal estate tax. A few states also have an "inheritance" tax. An inheritance tax is levied on transfers at death based on the relationship of the recipient to the deceased. So, with an inheritance tax, a transfer to a friend may be taxed more steeply than a transfer to a child, for example.

No Protection for Your Family

Family is often the primary reason why you feel the need to plan ahead. You want to leave your "true wealth" to those who matter most. The following are common family concerns.

- **Concerns with Blended Families:** If you've remarried and established joint ownership of assets with your new spouse, you may be unintentionally disinheriting children from a prior marriage.
- **Remarriage Protection for Your Surviving Spouse:** Remarried life complicates estate planning for many families because the most fundamental assumption, how wealth will be passed on, can no longer be taken for granted.
- **Divorce Protection for Your Children:** With divorce affecting over half of the marriages in the country, your child's inheritance is at risk of ending up in the hands of a "soon-to-be-ex" in-law.
- **Creditor and Lawsuit Protection for Your Children:** You don't want to hand off your inheritance just to have all that you've worked for lost in a frivolous lawsuit your heirs may get mixed up in.

Your Non-Financial Legacy

Few things are as heart-wrenching as a dispute among family members. Families can often be torn apart when cherished heirlooms are fought over. Most of these items have no real financial value, but instead have deep emotional value to your family, like mom's china or grandfather's class ring. Which of your heirs end up with what items, and which don't can ignite arguments or long-lasting feuds in even the happiest of families. More families fight over these sentimental items than any financial item.

You also have to consider that you have more to share with your family than the material things you've accumulated during life. This important legacy is perhaps your most valuable possession. If they are not documented, discussed, and passed on, the values, experiences and life lessons you have to impart, will be lost forever after you're gone.

Legacy Wealth Plan

A Legacy Wealth Plan looks at all of your concerns, before and after death, and puts together a plan to make sure every issue is addressed. It can provide complete protection for your family by controlling all of your assets both during your life and after your death.

When set up correctly, your Legacy Wealth Plan will avoid:

- Living probate
- Death probate
- Time delays
- Humiliating court proceedings
- Loss of control
- Expenses (court fees, attorney fees, accounting fees)
- Loss of assets to nursing home and long-term care expenses

- Loss of an inheritance due to children's divorce or creditor issues
- Loss of your children's inheritance if your surviving spouse remarries

LEGACY WEALTH PLAN SOLUTIONS

We've looked at a lot of areas to help you choose the protection you need in your Legacy Wealth Plan. You will likely find several important issues that haven't been looked after in your current estate plan, if you have one. You'll want to get those concerns taken care of.

Complete Legacy Planning covers all the same financial concerns that a traditional estate planning approach addresses, but it also looks after other concerns and non-financial assets that traditional planning does not address in a number of unique ways. The cornerstone of a Legacy Wealth Plan is a Family Wealth Trust which provides protection for you and your family both while you are alive and after your death.

Family Wealth Trust

With a Family Wealth Trust, there's no need for "help" from the probate court or probate lawyers. Your Trust will completely eliminate these unnecessary costs. Moreover, your estate can be distributed instantly at your death. All assets transferred to a Family Wealth Trust completely avoid the probate process, both during your life and after your death. You can amend the Trust or even revoke it whenever you like.

A Family Wealth Trust does more than just hand your loved ones a pile of cash, it passes on your legacy.

Protection: While You're Alive

INCAPACITY PLAN

Your incapacity plan allows you to authorize someone you know and trust – like your spouse, an adult child, or a close friend – to make important financial and health care decisions for you in case you become incapacitated. An incapacity plan is made up of these basic documents:

In some states the Durable Power of Attorney for Health Care and the Living Will is combined into one document called an Advance Health Care Directive.

Durable Power of Attorney

With a Durable Power of Attorney, you choose a trusted friend or loved one to serve as your "agent." This person has the authority to manage your financial and legal affairs

Durable Power of Attorney for Healthcare

A Durable Power of Attorney for Health Care allows you to select someone you trust to communicate with your doctors and make medical decisions on your behalf, in

Living Will

This is the document you use to let your doctors and your loved ones know which life prolonging treatments you would and would not like, such as

according to instructions and limits you provide within the power of attorney document.	case you are unable to make these decisions on your own.	feeding tubes, CPR, and your wishes regarding end-of-life decisions.

MEDICAID PRE-PLANNING

The goal of Medicaid pre-planning is to put a plan in place before you need it and to work within the Medicaid guidelines for nursing home care, should you qualify for Medicaid benefits. With enough time, your attorney can help you gift and reposition assets without impoverishing you. They can also help you avoid recovery of your assets (paying back Medicaid funds you used) by your state Medicaid agency, preserving those assets so they can be passed on to your children after you and your spouse are gone.

DISCOVER THE BEST STRATEGIES FOR YOU AND YOUR FAMILY

To help you determine which estate planning goals are most important to you, please take a moment and complete this questionnaire about priorities for yourself and your family. *We don't expect you to show us your answers, although we will be glad to review them with you, if you so desire.*

If You Do Not Have an Estate Plan

Check the Areas You are Most Concerned About
(Bring these to your FREE consultation)

❒ Marriage or remarriage	❒ Guardianship	❒ Birth or adoption of children
❒ Divorce	❒ Funeral planning	❒ Tax / non-tax laws
❒ Intentions or goals	❒ Probate expenses	❒ Special needs planning
❒ Receiving an inheritance	❒ Long-term care expenses	❒ Illness, injury or disability
❒ Assets or net worth	❒ Pet protection	❒ Other

If You Already Have an Estate Plan in Place

Once you have your estate plan established, you should have peace of mind knowing that your loved ones are protected. But what if things change? Changes in the law or your family can affect the validity of your plan. Your plan must be reviewed on a regular basis to ensure that these changes are taken into consideration and your estate plan updated accordingly.

Check the Areas that Have Changed Since You Established Your Estate Plan

❒ Marriage or remarriage	❒ Assets or net worth	❒ In need of nursing home care
❒ Illness, injury or disability	❒ Birth or adoption of children	❒ Designate guardian for child
❒ Received an inheritance	❒ Tax / non-tax laws	❒ Death of executor/ guardian
❒ Divorce	❒ Residence	❒ Intentions or goals

If you checked any of these boxes and would like to schedule a Free Estate Planning Review Consultation, please contact our office at **(858) 453-0626** or visit us online at **www.armstrongfisch.com**.

THE NEXT STEP

Remember at the beginning we talked about your Defining Moments; your wedding day, the birth of your children, the deaths of your loved ones. What about the impact of *your* death on *your* loved ones? How will you be remembered by your family? Sometimes the entire memory of a loved one can be one of disappointment because the mess they left their family to clean up after their death. In many respects, one of your defining moments is how you plan for after you’re gone. Our law firm provides an easy and effective system to set up a plan that addresses all of your concerns, both now and into the future, and leaves behind a lasting legacy for your loved ones.

Advantages of Working with Our Firm

One of the biggest benefits for our clients is that we are proud members of the prestigious **American Academy of Estate Planning Attorneys.** We offer you access to a nationwide network of qualified estate planning attorneys, ready and able assist you with out-of-state transfers of title, or provide help if you move to another state. We also offer:

FREE one hour consult when a loved one has died. We guide you through what you need to do to administer the trust.

FREE Family Wealth Trust ID cards. These wallet-sized laminated cards with our office address and phone number on one side, and the name and date of your trust on the other, serve as an on-the-spot reference whenever you buy new investments, open a new account or conduct a transaction for your trust.

FREE regular estate planning checkups with more frequent reviews available.

FREE regular client seminars and presentations on other prevalent estate planning topics.

FREE subscription to *Your Estate Matters,* our quarterly newsletter where you can Learn about estate planning topics, and other informative subjects relevant to you, and your family's needs.

FREE phone support. Answers to your estate planning questions are never more than a phone call away. Whether you need specific help with your own trust or want information on other estate planning strategies, call our helpful staff.

FREE eAlerts with news and announcements delivered monthly.

GLOSSARY

"BARE BONES" LIVING TRUST:

Set up to avoid Probate but does not protect families from disability planning.

DURABLE POWER OF ATTORNEY FOR HEALTH CARE, HEALTH DIRECTIVE, AND LIVING WILL:

These documents may also be called Advance Health Care Directive. The documents authorize termination of life support if you are terminally ill and authorize the person of your choice to make healthcare decisions for you if you become incapacitated.

FAMILY ACCESS TRUST:

Provides divorce protection by keeping beneficiary's inheritance separate from his or her other assets, while still maintaining access to the assets. Because the assets remain in the trust, it protects from divorcing spouses and, in most states, keeps future ex-spouses from taking your child's inheritance.

FAMILY INCENTIVE TRUST:

Designed to create monetary incentives to promote or punish certain kinds of behavior or achievements, giving conditional access to the Trust.

FAMILY SENTRY TRUST:

A discretionary Trust whereby the person you appoint, the Trustee, would make decisions for the Trust and make distributions to a child. The child could control investments, but could not control distributions. A Family Sentry Trust protects your child from most of their creditors, lawsuits and bankruptcies, depending upon the state.

FAMILY WEALTH TRUST:

Avoids Living Probate, Death Probate and reduces or eliminates federal estate taxes for married couples.

FUNERAL TRUST:

Legacy Wealth Planning

An insurance policy, where the benefit pays for funeral expenses. It is protected from Probate and can be a useful tool in Medicaid planning.

General Durable Power of Attorney:

Authorizes someone to manage your non-trust property if you become incapacitated.

Joint Tenancy:

Interest owned by any two or more people in which the survivor acquires the entire interest upon the death of the other joint tenants.

Medicaid Protection Trust:

Protects your assets and home from long-term care expenses. Trusts can be an effective Medicaid planning tool; however, in order to be effective for Medicaid purposes, a Trust must conform to strict rules.

Medicaid Recovery:

Process where the state seeks recovery from the estates of certain deceased beneficiaries who have received benefits from a state Medicaid program.

Probate:

Process by which the probate court takes over at death to make sure assets are distributed to heirs, debts are paid, and any loose ends are taken care of.

Trust Administration:

Process to distribute the estate after the surviving spouse passes away.

Will:

Legal document that describes how to distribute assets at death. It also names the guardians of your children. A Will *guarantees* Death Probate.

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1 www.alz.org/downloads/facts_figures_2014.pdf

2 AARP Public Policy Institute Report—Valuing the Invaluable: 2011 Update The Growing Contributions and Costs of Family Caregiving . By Lynn Feinberg, Susan C. Reinhard, Ari Houser, and Rita Choula

3 Medical Bankruptcy: Middle Class Families at Risk/Harvard Law School Testimony Before House Judiciary Committee July 17, 2007. In a recent study by Harvard University nearly half of all personal bankruptcies in the United States were triggered by big medical bills racked up because of serious illnesses or accidents. The study, published in the online journal Health Affairs, looked at 1,771 people who had declared personal bankruptcy to seek court protection from creditors in five American states in 2001. Researchers from Harvard's law and medical schools later talked to 931 of them. They determined that illness or medical bills were either the main cause or a contributing factor in 46.2 percent of the bankruptcies.

NOTES

Making a
Difference One
Family at a Time

The Bond Law Firm
16701 Greenspoint Park Drive, Suite 150 | Houston, Texas 77060
Phone: (281) 448-4100 | Fax: (281) 445-3101
www.Va-Medicaid.com