



# Glossary of Terms

**Accelerated Death Benefit** – A life insurance policy benefit that lets the insured person use some of the policy's death benefit prior to death for purposes such as long-term care.

**Activities of Daily Living (ADL)** – Activities usually performed for oneself in the course of a normal day. Although definitions differ, ADLs are usually considered to be mobility (i.e., transfer from bed to chair), dressing, bathing, self-feeding, and toileting. People may need assistance with ADLs regardless of their living arrangements. Assistance to a person limited in his/her ADLs is customarily performed by a family member, a home health aid or attendant, or a nurse's aide in a nursing facility. The assistance is of a nonmedical nature, commonly characterized as personal care, custodial care or physical care. Assistance provided in a home setting may extend beyond ADLs and include such nonmedical activities as housekeeping (i.e. cleaning, cooking), laundry, and shopping. Medicare cannot be looked to, except to a limited extent, for coverage of assistance with ADLs. Medicare pays for acute care services and does not provide coverage for chronic personal or custodial care. Medicaid, unlike Medicare, will cover Medicaid-eligible persons for many home care services including personal care, and in certain cases ancillary services such as housekeeping.

**Acute Care** – The provision of care to a person who is in the acute phase of an illness or injury and who will probably have a hospital stay of less than 30 days.

#### **Administrator**

A person who takes care of the business (debts and assets) of the estate of a person who is deceased and left no Will. The administrator is appointed by a court upon a petition, usually by one or more of the heirs at law of the decedent. A female administrator is called an "administratrix." An administrator is a personal representative.

**Adult Day Care** – Community-based group programs designed to meet the needs of functionally and/or cognitively impaired adults. Adult day centers provide a caring, home-like protected setting for individuals. They are normally open five days a week during business hours and include a mixture of health, social and support services. Specialized programs for individuals with Alzheimer's disease or related disorders also exist.

#### **Advance directive**

A written instruction, such as a living will or durable power of attorney for health care, which guides care when an individual is terminally ill or incapacitated and unable to communicate his/her desires.

#### **Advocate**

A person who assists, defends, helps the right of or prosecutes for another.

#### **Aging in Place:**

Concept which advocates allowing a resident to choose to remain in his/her living environment despite the physical and or mental decline that may occur with the aging process of aging.

**Alzheimer's Disease** – A progressive neurological disease that affects brain functions, including short-term memory loss, inability to reason, and the deterioration of language and the ability to care for oneself. An estimated 3% of people between the ages of 65 and 74 have Alzheimer's, rising to about half those age 85 and over. Currently, Alzheimer's disease is incurable.

**Ambulatory Care** – Healthcare services provided on an outpatient basis to people who are able to move about and don't need to be confined to a hospital bed.

**Ancillary Services** – Support services used in a hospital such as laboratory, radiology, etc.

**Area Agency on Aging (AAA)** – A nationwide network of State and local programs that help older people plan and care for their life-long needs. Services include information and referral for in-home services, counseling, legal services, adult day care, skilled nursing care/therapy, transportation, personal care, respite care, nutrition and meals.

**Assignment of Benefits** – When a covered person authorizes his or her health benefits plan to directly pay a health care provider for covered services. Traditional health insurance pays benefits directly to the covered person.

**Asset(s)**

Property, including real property (land or buildings) and personal property (for example, cash, stocks, or vehicles) that belong to a person, corporation, estate, or other entity; a resource that has economic value to its owner such as cash, accounts receivable, inventory, real estate and/or securities.

**Assisted Living Facility** – Provides a combination of housing and personalized health care in a professionally managed group-living environment designed to respond to the individual needs of the persons who require assistance with activities of daily living (ADL). This type of facility is specifically designed to promote maximum independence and dignity in the most residential and homelike setting possible. It may be all or part of a building that houses a few or several hundred persons, or a distinct part of a residential campus. It traditionally serves the more frail resident who cannot or chooses not to live alone, but who does not require the 24-hour skilled or custodial care of a nursing home. Generally, residents of this type of housing pay privately in the form of rent, rent plus service charge, and sometimes a deposit or entry fee. In some states, Medicaid will pay for certain ADL services under home and community-based services waivers.

Medicaid will not pay for room and board charges. Private long-term care insurance may also be used for some of the provided services. Licensure of this housing type varies by state, depending upon each state's own regulatory requirements. These facilities sometimes are called residential care homes, domiciliary care homes, personal care homes, adult congregate living facilities, homes for the aged, catered living facilities, or board and care homes.

**Attorney-in-fact**

The person or organization designated in a power of attorney to act for the principal. This person or organization is also referred to as an agent. The agent has whatever power the principal authorizes, and can act to benefit the of or bind the principal to the extent of that authority. The agent owes a fiduciary duty to the principal and could be liable to the principal or a third party for a breach of that duty.

**Beneficiary**

Person who is entitled to receive the benefits (usually assets) under a will or a trust.

**Benefit Period** – The number of years an insurance policy will provide benefits. Many long-term care insurance policies offer buyers a choice of between three and five years; some offer lifetime benefits.

**Benefit Trigger** – A condition that must exist in order for an insurance company to pay benefits under a long-term care insurance policy.

**Benefits** – Monetary sums paid or payable to a person insured under an insurance policy, or to someone else, such as a health care provider, to whom the insured person has assigned the benefits.

**Board and Care Home** – A small to medium-sized group residence that provides residents with a private or shared room, and meals. These homes offer some assistance with activities of daily living, but not skilled nursing.

**Buy/Sell Agreement**

A buy/sell agreement controls what happens to a business when a specified event occurs, such as a shareholder's death or disability.

**Caregiver** – An adult (typically a family member or friend) who provides unpaid assistance to another adult who can no longer independently attend to his or her personal needs and/or perform his or her normal activities of daily living.

**Care Manager** – A health care professional, typically a nurse or social worker, who arranges, monitors, or coordinates long-term care services (also referred to as a care coordinator or case manager). A care manager may also assess a patient's needs and develop a plan of care, subject to approval by the patient's physician.

**Certified Nursing Assistant (CNA)** – CNAs are trained and certified to help nurses by providing non-medical assistance to patients, such as help with eating, cleaning and dressing.

**Charitable Trust**

Any trust designed to make a substantial gift to a charity and also achieve income and estate tax savings for the person who creates the trust (the grantor). There are various versions of Charitable Remainder Trusts and Charitable Lead Trusts.

**Codicil**

A supplement or addition to a will. A codicil may explain, modify, add to, subtract from, qualify, alter or revoke existing provisions in a will. Because a codicil changes a will, it must have the same signing formalities that are required of the original will.

**Companion Caregiver Services** – Companions services provide in-home non-medical care, which can include cooking, light cleaning, medication reminders, bathing assistance, conversation, and light errands. May also be termed “senior home care, home care services, caregiver services”.

**Congregate Meal Programs** – Nutritional programs that provide lunches for older adults Monday through Friday in senior centers, community centers and schools.

**Conservator**

A court-appointed surrogate decision-maker with the authority to make decisions about property only. In some jurisdictions the term is used synonymously with the term guardian.

**Contingent Beneficiary**

An alternate beneficiary named in a will, trust or other document. This person or entity would only be entitled to a share if some named contingent event occurs.

**Continuing Care Retirement Communities (CCRCs)**

CCRC's are like little towns, with different kinds of housing and different levels of care. There are apartments, small houses, assisted living homes and nursing homes. Typically, you move in when you are healthy and active and stay for the rest of your life. You live in the place that provides the care you need at that moment.

**Contract**

An agreement between two or more competent parties in which an offer is made and accepted, and each party benefits.

**Custodial Care** – Care that is provided primarily to meet the personal needs of a patient. The care is not meant to be curative or providing medical treatment.

**Death Taxes**

Taxes levied at death, based on the value of property left behind. Federal death taxes are called estate taxes. Some states levy inheritance taxes on people who inherit property and some have estate taxes.

**Discharge Planner** – A nurse or social worker who assists patients and families in transitioning from the hospital to another setting. Services may include assistance in locating home care services, rehabilitation, or nursing home care.

**Discharge Planning** – This service is usually performed by a social worker on staff in connection with a discharge of a patient from a hospital, nursing home or like institution. Discharge planning involves the social worker assessing the

patient's level of functioning and needs following his/her discharge, including a smooth transition in moving from one level of care to another, for example from a hospital to a nursing home or from a hospital to home care. The discharge planner also contacts home health agencies to assist the patient in connection with his/her home care.

**Durable Medical Equipment** – Medical equipment that is ordered by a doctor for use in the home. These items, such as walkers, wheelchairs, and hospital beds, must be reusable. Durable medical equipment is paid for under Medicare, subject to a 20% coinsurance of the Medicare-approved amount.

### **Durable Power of Attorney**

A written instrument authorizing another to act as one's agent or attorney-in-fact that survives the subsequent incapacity or disability of the principal. An individual can have a financial durable power of attorney or a health care durable power of attorney, or both.

**Elder Care** – A wide range of services provided at home, in the community and in residential care facilities, including assisted living facilities and nursing homes. It includes health-related services such as rehabilitative therapies, skilled nursing, and palliative care, as well as supervision and a wide range of supportive personal care and social services. Typically, elder care is provided over an extended period of time to people who need another person's assistance to perform normal activities of daily living because of cognitive impairment or loss of muscular strength or control. Regardless of where it is provided, most elder care is custodial care, the type of care that is not paid for by Medicare.

**Eldercare Locator (1-800-677-1116)** – Developed by the U.S. Administration on Aging, the Eldercare Locator is a free service. It helps older people and their caregivers find state and local support services to help them live independently and safely in their homes and communities for as long as possible. Look for the resources you need by following the directions on their website. Or, call their toll-free phone number 1-800-677-1116, between 9AM and 8PM weekdays, Eastern Time.

### **Encumber**

To place a claim, lien, charge or liability on property (e.g., mortgage, judgement lien, mechanic's lien, security interest).

### **Estate**

A term commonly used to denote the sum total of all types of property owned by a person at a particular time, usually upon his or her death.

**Estate Tax** – A tax levied on a person's estate after that person's death.

**Exclusion** – A health condition, situation, item, service or expense that an insurance policy does not cover. Medicare excludes coverage for most prescription drugs, long-term care, and custodial care in a nursing or private home.

**Executor**

The person or entity named in a will who has the responsibility of carrying out the terms of the will (that is, collecting the will maker's assets, paying the debts, and distributing the remaining assets to the beneficiaries).

**Fiduciary**

Normally, a fiduciary is synonymous to a trustee, which is the classic form of a fiduciary relationship. A fiduciary has rights and powers which would normally belong to another person. The fiduciary holds those rights which he or she must exercise to the benefit of the beneficiary. Fiduciary responsibilities exist for persons other than trustees such as between attorney and client.

**Full Faith and Credit**

A constitutional legal principle requiring judges to recognize and enforce valid decrees and judgments issued by courts in other states.

**Geriatrician** – A geriatrician is a physician who specializes in the care of the elderly, primarily those who are frail and have complex medical and social problems.

**Grantor**

A person who grants another person or entity (an agent) the authority and power to act on behalf of the grantor in accordance with the powers set forth in a power of attorney document; or the powers set forth in a trust document.

**Guarantor**

A secondary party who agrees to become obligated to repay a debt for the party primarily responsible if the party responsible fails to repay the obligation.

**Guardian**

An individual or organization named by order of the court to exercise any or all powers and rights over the person and/or estate of an individual. The term includes conservators and certified private or public fiduciaries. All guardians are accountable to the court.

**Health Care Power of Attorney or Proxy**

A health care power of attorney is more detailed than a living will. It allows you to appoint the person or persons you trust to make health decisions for you if you cannot. It also allows for more detailed advance care planning, letting you state your wishes about resuscitation, feeding tubes, antibiotics, hospital transfers, respirators, and more.

**Health Insurance Portability and Accountability Act (HIPAA)** – The federal law that changed many insurance rules including giving people the right to change jobs without fear of losing coverage. It also contained some provisions regarding patient privacy.

**Holographic Will**

An unwitnessed handwritten will. A few states allow such documents to be admitted to probate, but most courts are very reluctant to accept them.

**Home Care** – Provides a range of supportive services in the home from intensive medical support to assistance with activities of daily living (ADL) to light housekeeping. This type of care can include nurses, social workers, occupational therapist, physical therapist, and other rehabilitation services. This support allows many elders and people with disabilities to remain in their own homes.

**Home Health Aids** – Individuals who provide care to older adults or people with disabilities at home. Training or certification may vary for home health aides, but typical services include assistance with activities of daily living, managing medications and some household tasks.

**Homemaker Services** – Services delivered at home which do not include hands-on care including shopping, laundry, light cleaning, meal preparation, and transportation assistance. Also referred to as home chore services.

### **Hospice**

Hospice is a special concept of care designed to provide comfort and support to patients and their families when a life-limiting illness no longer responds to cure-oriented treatments. Hospice care neither prolongs life nor hastens death.

Hospice staff and volunteers offer a specialized knowledge of medical care, including pain management. The goal of hospice care is to improve the quality of a patient's last days by offering comfort and dignity. Hospice care is provided by a team-oriented group of specially trained professionals, volunteers and family members. Hospice addresses all symptoms of a disease, with a special emphasis on controlling a patient's pain and discomfort. Hospice deals with the emotional, social and spiritual impact of the disease on the patient and the patient's family and friends. Hospice offers a variety of bereavement and counseling services to families before and after a patient's death.

### **Incapacitated**

A term used to describe a person lacking the ability to make decisions concerning health care or, more generally, personal matters. The incapacity may be mental (i.e., Alzheimer's disease) or physical (i.e., the effects of a stroke).

When a person has a guardian appointed, the person is often referred to as "incapacitated." Incapacity also describes a legal disability to perform a specific act or acts.

**Incontinence** – The inability to control urination, bowel movements or both.

### **Intestacy**

The state or condition of dying without having made a valid will, or without having disposed of a part of property by will.

### **Independent Living Communities**

For seniors who want to (and can) live independently, prefer to live among their peers, desire additional security and no longer want to maintain a home.

Independent senior housing is planned, designed and managed with the needs of older persons in mind and is conducive to comfort, security and safety. These housing arrangements offer an enriched lifestyle filled with recreational, educational and social activities. Although personal care services are not provided, it is common for meals, housekeeping, transportation and planned social activities to be offered.



**Instrumental Activities of Daily Living (IADLs)** – These are tasks that, in addition to activities of daily living, you must be able to perform in order to live independently (without the assistance or substantial supervision of another person). Examples include grocery shopping, meal preparation, using the telephone, laundry, light housekeeping, bill paying, and managing your medications. Most long-term care insurance policies will not pay benefits for the loss of ability to perform IADLs.

### **Irrevocable Trust**

An irrevocable trust is an arrangement in which the grantor departs with ownership and control of property. Usually this involves a gift of the property to the trust. The trust then stands as a separate taxable entity and pays tax on its accumulated income. Trusts typically receive a deduction for income that is distributed on a current basis. Because the grantor must permanently depart with the ownership and control of the property being transferred to an irrevocable trust, such a device has limited appeal to most taxpayers.

Irrevocable trusts, however, are useful in life insurance planning. For instance, a properly structured irrevocable life insurance trust can avoid probate costs and fees, and estate taxes on the insurance proceeds paid to the trust upon the grantor's death. Irrevocable trusts are also useful in providing children, especially those over age 14, with a fund for education or other specific planning purposes. Again, the trust is usually funded with "after-tax" dollars through a gift.

### **Irrevocable Life Insurance Trust (ILIT)**

An irrevocable life insurance trust (an "ILIT") is an irrevocable trust created for the principal purpose of owning a life insurance policy. As with any other trust, the insurance trust is a contract between a grantor and a trustee to administer certain property, in this case an insurance contract, for the benefit of named beneficiaries. The insurance trust, like other irrevocable trusts, cannot be rescinded, amended, or modified in any way after it is created. Once the grantor contributes property to the trust, he cannot later reclaim ownership of the property or change the terms of the trust.

One of the primary reasons executing a life insurance trust is estate tax considerations. If an ILIT is properly structured, the death benefits paid to the trust will be free from inclusion in the gross estate of the insured. In addition, the ILIT can also be structured so that the trust will provide benefits to the insured's surviving spouse without inclusion in the surviving spouse's gross estate either.

**Joint Tenancy in Common** – A type of joint tenancy of property without right of survivorship. Upon the death of any joint tenant, his or her ownership interest is transferred according to the terms of his or her will that may, or may not, provide for transfer to a surviving joint tenant(s).

**Joint Tenancy with Right of Survivorship** – A type of ownership of property by two or more persons in which each owns an interest in the whole. Upon the death of any joint tenant, his or her ownership interest automatically passes to the surviving joint tenant(s).

**Joint Trustees**

Two or more persons who are entrusted with property for the benefit of one or more others. Unlike joint executors, joint trustees cannot act separately, but must both join in conveyances and receipts, for one cannot sell without the others, or receive more of the consideration money, or be more a trustee than his or her partner.

**Legatee**

Also known as a beneficiary. A person named in a will to receive property. A legatee is a person to whom a legacy is given by a last will and testament.

**Litigation**

A case, controversy, or lawsuit. A contest authorized by law, in a court of justice, for the purpose of enforcing a right. Participants (plaintiffs and defendants) in lawsuits are called litigants.

**Living Trust**

A trust created during the maker's lifetime. Some living trusts are set up so that they can be changed during the maker's lifetime. These are called "revocable" trusts. Others known as "irrevocable," are set up so that they can't be touched.

**Living Will**

A declaration that states an individual's decisions about artificial-life support. Also known as a medical directive or advance directive. This written document states a person's wishes regarding life-support or other medical treatment in certain circumstances, usually when death is imminent.

**Long-Term Care** – Medical services provided to persons who have chronic physical and/or mental impairments. This care is provided in a variety of settings, including the home, specialty facilities and nursing homes.

**Long-term Care Facility**

Generally synonymous with a nursing home, but could also describe any residential facility which is considered a permanent home (such as a board and care home), and in which some degree of medical attention is provided.

**Managed Care** – A system of providing healthcare through which access, cost and quality are controlled.

**Meals on Wheels** – Local agencies provide low cost, hot, nourishing meals to the elderly and disabled, allowing frail, homebound people to remain in their own homes. To find a local program near you or your loved one, call the toll-free ElderCare Locator number at 1-800-677-1116, weekdays from 9AM to 8PM, Eastern time, for the nearest Meals On Wheels program.

**Medicaid**

The joint federal and state program that provides healthcare coverage to low-income persons less than 65 years of age. Medicaid is a federal-state partnership. The federal government contributes around 2/3 of the medical care costs. States pay the rest, often with help from local governments. It provides basic help with costs of: inpatient hospital care, outpatient hospital care,

laboratory, x-ray, skilled nursing facility care, physicians' services and home health care.

### **Medicare Hospital Insurance**

A federal program that is financed by payroll contributions from working people. It provides basic help with costs of: inpatient hospital care, home health care, hospice care and post hospital skilled nursing facility care.

### **Medicare Medical Insurance**

A federal program that is financed by monthly premiums paid for by the insured person and the federal government. The government pays about 80% of the costs of: physicians' services, medical services and supplies, home health care services, outpatient hospital services, therapy and other services.

**Medicare** – The federal program that provides healthcare services to all persons 65 years of age and older, regardless of income.

**Medicare Part A** – The portion of Medicare that covers hospital services.

**Medicare Part B** – The portion of Medicare that covers outpatient services and physician visits and must be purchased by enrollees. (Enrollees pay a monthly premium for Part B.)

**Medicare Cost Report** – The lengthy form hospitals must submit to HCFA each year showing the total costs and charges associated with providing care to all patients. In addition, it shows the portion of those costs allotted to Medicare patients and the payments made to a facility for Medicare patients.

**Medigap Coverage** – The private insurance Medicare beneficiaries can purchase that covers the portion of the bill not paid by Medicare (i.e. deductibles and copays).

### **Negligence**

People are responsible for the intentional harm they cause. They are also responsible for their failure to act as a reasonable person would be expected to act in similar circumstances (i.e. "negligence"). Negligence, if it causes injury to another, can give rise to a liability suit under tort. Negligence is always assessed having regards to the circumstances and to the standard of care that would reasonably be expected of a person in similar circumstances. Between negligence and the intentional act there lies yet another, more serious type of negligence which is called gross negligence. Gross negligence is any action or an omission in reckless disregard of the consequences to the safety or property of another.

### **Nursing Homes (NHs)/Skilled Nursing Facilities (SNFs)**

NHs provide 24-hour skilled nursing. Some residents will return home after a short rehabilitation stay, following hospitalization for an illness or accident.

Others may require care for an extended period, due to the chronic nature of their illness or disabilities. Some facilities offer specialized programs for residents suffering from advanced stages of Alzheimer's disease. Facilities vary from hospital-like settings to more home-like residences. Strict safety regulations

are adhered to within these facilities to accommodate the physical and mental disabilities of their residents.

**Nurse Practitioner** – A registered nurse who has received advanced training and is able to provide primary care, including writing prescriptions under the supervision of a physician. A Certified Nurse Practitioner (CNP) is recognized and regulated by the State Board of Nursing.

**Occupational Therapist** – A rehabilitation professional who assists individuals to compensate for functional limitations as a result of an injury, illness or disability by learning skills and techniques needed to perform activities of daily living and optimize independence.

### **Personal Care Homes (PCHs)**

PCHs provide a safe and supportive environment for the semi-independent senior. The range of care (and cost) depends on the needs of the person. PCHs are for people who need assistance with personal care or who cannot safely stay by themselves. They provide residents with a sense of control, independence and privacy by allowing them to make choices for themselves. This type of facility is good for people with good mental function. However, many PCHs provide some level of dementia care.

**Personal Emergency Response System (PERS)** – An electronic device that enables the user to contact help in case of a fall or other medical emergency. A number of private companies offer PERS systems which link the user with designated contact persons and local emergency services on a 24-hour basis.

### **Personal Representative**

A person who manages the legal affairs of another, such as a power of attorney or executor.

### **Power of Attorney**

A written document in which a mentally competent adult (called the “principal”) appoints another mentally competent adult or a corporation (called the “agent” or “attorney-in-fact”) to act on the principal’s behalf. The attorney-in-fact may perform any legal function or task which the principal has a legal right to do for him or herself.

**Physical Therapist** – A rehabilitation professional who utilizes various therapies to assist individuals in maximizing mobility, and restoring strength and body movement following an illness, injury (i.e. stroke, fall, back injury, etc.).

**Physical Assistant** – A specially trained and licensed health professional who performs certain medical procedures under the supervision of a physician.

**Pre-existing Condition** – An illness or disability for which you were treated or advised within a certain time period (typically 6-12 months) before applying for an insurance policy. Any pre-existing condition would not be covered during a designated time period (again typically 6-12 months) after the effective date of the policy.

**Preferred Provider Organization (PPO)** – A health plan that contracts with specific hospitals or physicians to provide care to a defined population using a negotiated fee schedule.

**Primary Caregiver** – The person, usually the spouse or adult child, who takes on the primary day-to-day responsibility of caring for the physical, psychological and social needs of another person.

### **Principal**

The individual authorizing another individual or organization to act in his or her place in a power of attorney.

### **Probate**

The court process in which a will is determined to be valid and a deceased person's estate is distributed in accordance with the terms of the will or the state's law of intestate succession. From Latin meaning to prove.

### **Property**

In addition to money and other tangible things of value, property also includes any intangible right considered as a source or element of income or wealth.

Property is divided into real property, and personal property.

### **Proxy**

A person, appointed in the place of another, to represent him. The instrument by which a person is appointed, is also called a proxy.

**Qualified Medicare Beneficiary (QMB)** – A Medicare beneficiary whose Part B premium and coinsurance is covered by Medicaid because he is at or below the poverty level.

### **Remainderman**

The person who inherits property when someone passes away, and has executed a "life estate deed." For example, John owns a house. He deeds it to himself for life, and then to Jane upon his death. Jane is the remainderman.

### **Renunciation**

The act of giving up a right, usually to property due to be inherited.

**Respite Care** – Relief available for people who care for others on a 24-hour basis, which can be provided in homes, assisted living facilities or hospitals. Temporary or intermittent care for individuals with disabilities, illnesses, dementia or other health concerns to give relief to caregivers from the demands of ongoing care.

**Reverse Mortgage** – A reverse equity mortgage allows senior citizens who are house rich and cash poor to obtain a loan based on the equity in their home. They retain title to their home as long as they continue to live there and receive nontaxable income with they can flexibly use for their own needs. According to the terms of most mortgages currently available, the loan, interest and other costs such as origination fees do not have to be paid back until the owner vacates the property through a move or death. Almost all reverse mortgages now provide a guarantee of lifetime tenancy. Most reverse mortgages

are nonrecourse loans which means that the lender can look only to the value of the home for repayment. Payments to a home owner from a reverse mortgage can be in the form a single lump sum of cash, regular monthly advances or a line of credit. New mortgage plans allow a combination of payment methods. The amount of the loan is seldom for the full value of the property; most lenders place minimum and maximum limits on the size of mortgages they are willing to establish. Loan periods can vary. Some mortgages combine a reverse mortgage with an annuity, thereby guaranteeing individuals monthly income for their lifetime regardless of whether they continue to live in the homes or not. The monthly payments are considered annuity advances and thus partially taxable. For purposes of Medicaid edibility these payments may be counted as income.

### **Revocable Living Trust**

A revocable living trust is an arrangement a person makes for management and distribution of property. Like a will, the trust is “revocable,” meaning that it can be modified or eliminated at any time that the Grantor is both alive and competent.

These trusts are established by a written agreement or declaration which appoints a “trustee” to administer the property, and which gives detailed instructions on how the property is to be managed and eventually distributed. If you want your trust to substitute for probate (court administration of property after death) or for guardianship (court administration after incapacity), you must give the trustee detailed instructions about how to handle these situations, and you should legally transfer substantially all of your property to the trustee.

### **Right of Survivorship**

A method of joint ownership where the surviving joint owner(s) gets title to the deceased’s interest.

**Senior Center** – Community-based programs that provide a variety of services, including social activities, nutrition, and educational and recreational opportunities for older adults.

### **Simple Will**

A simple will provides for the outright distribution of all assets in an uncomplicated estate and includes no itemized gifts to specific individuals. A simple will generally leaves everything to a spouse or grown children. Many wills are not simple and an attorney will charge more for a more complicated will.

**Skilled Nursing Facility (SNF), also called Extended Care Facility** – A facility, usually a nursing home, that provides 24-hour medical care to people who are not in the acute stages of illness, but need rehabilitation, convalescent care, etc.

**Social Workers** – Social workers are specialist (in the context of home care work) in helping people cope with the medical, functional, emotional, psychological, family relationship, environmental and financial challenges of living in their own homes. They are trained in counseling and in how to access community services, whether those services are provided directly by the government, or by community organizations.

**Supplemental Security Income (SSI)**

SSI, is a federal cash payment program which provides monthly payments on the basis of need to poor persons who are aged, blind, or disabled.

**Support Group** – A group of people with a common experience, such a disease, disorder, caregiving, etc., where one can share one's thoughts, feelings and concerns and receive information and support from other members of the group. Groups may or may not be facilitated by an expert.

**Term Life Insurance** – Covers a person for a period of one or more years. It pays a death benefit only if you die during that term. It generally does not build a cash value.

**Tertiary Care** – High-level care provided in teaching hospitals or medical centers for patients who have severe, complicated or unusual problems.

**Testamentary**

Providing for the disposition of property after death by a will and, therefore, in accordance with the personal desires of decedent. Formalities in the state statute must be complied with in order for the disposition to be approved and not subject to challenge.

**Testator/Testatrix**

One who makes or has made a will.

**Testamentary Trust**

A trust created by the provisions in a will. Only comes into existence after the writer of the will dies.

**Totten Trust**

A bank account with a named death beneficiary. Upon the death of the named holder of the account, the money transfers automatically to the beneficiary. Also referred to as P.O.D. (payable on death accounts).

**Trust**

Property given to a trustee to manage for the benefit of a third person.

Generally, the beneficiary gets interest and dividends on the trust assets for a set number of years. An agreement under which one person transfers title to specific property to another who agrees to hold or manage it for the benefit of a third person.

**Trustee**

Person or institution that oversees and manages a trust. One to whom an estate has been conveyed in trust. The trust estate is not subject to the debts of the trustee.

**TTY** – A text telephone system that allows a hearing-impaired user to type messages to another person and read responses on a small screen. Similar to today's text messaging, a "read only" conversation can exist between two people who each use TTY equipment. Otherwise, a non-hearing-impaired caller can use a relay service where a special operator acts as a go-between to translate the speaker's words into text and text print into voice communication.

**Waiver of Premium** – If a policy contains this provision, premiums don't have to be paid while an insured person is receiving benefits if the specified conditions are met.

**Whole Life Insurance** – Policies that build a cash value and cover a person for as long as he or she lives if premiums continue to be paid.

**Will**

A written and signed statement, made by an individual, which provides for the disposition of their property when they die.

