Reading Between the Lines: Basic Financial Issue Spotting

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Timeliness

- Toxic Assets
- Reduction in Force
- Bailout
- Financial Stimulus Plans
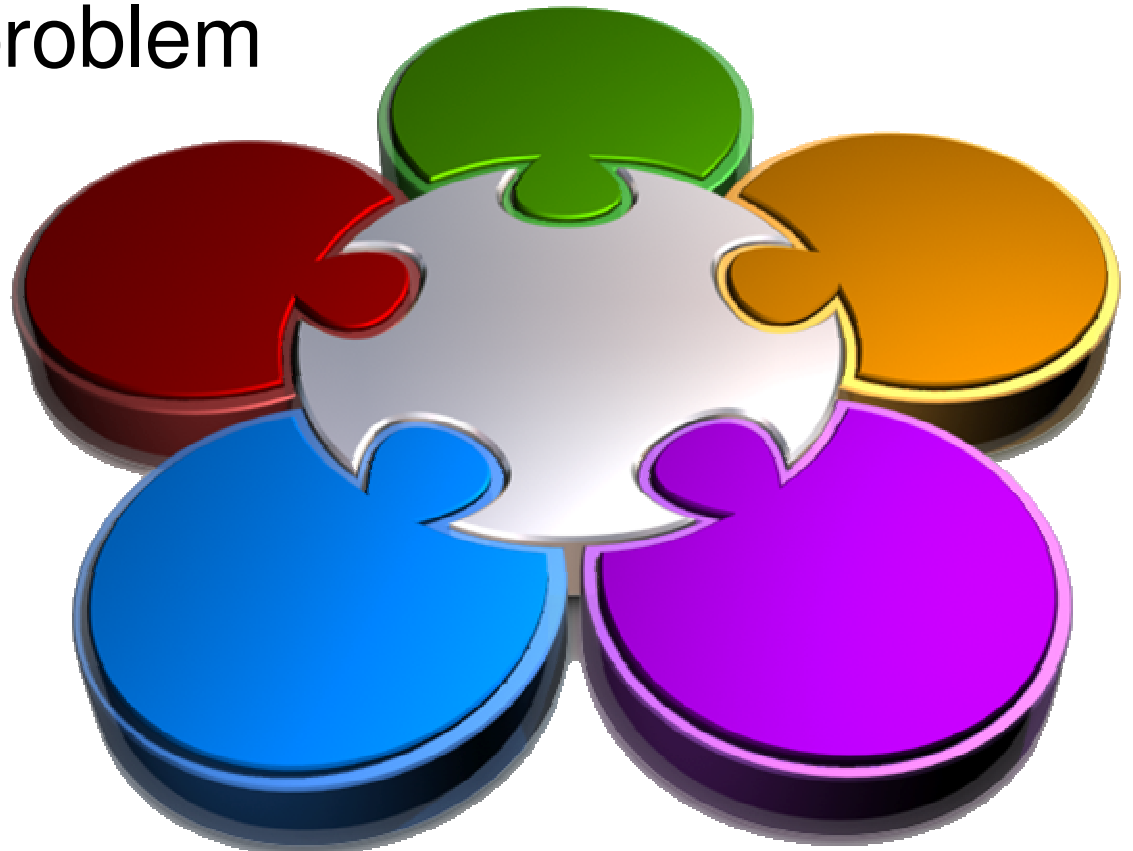- Foreclosure Crisis
- Credit Crisis
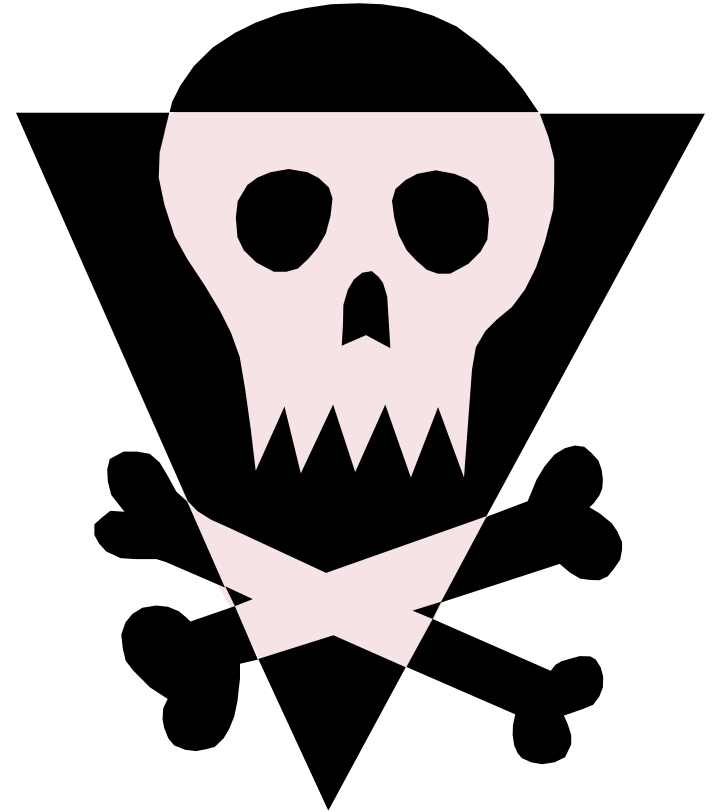
1st Poll
Getting to know you

- I am a?
  - A. Legal services developer
  - B. Attorney in a legal aid program or III-B program
  - C. Hotline Attorney
  - D. Intake and referral Specialist
  - E. Program or project manager

Looking for hidden issues

- Problems come in clusters
- People seek help for the most recent or most pressing problem

Training Overview

- Issue spotting is about being able to spot fact patterns that raise a red flag for further investigation
- Income
- Benefits
- Assets
- Exploitation

The easy clients

- My car has been repossessed
- The other parent won't allow me to see my child
- I need a divorce
- I have been hurt
- I am being sued
- I have been arrested
- I'm being evicted

Is it ever as easy at it looks?

- Self identified legal problem

- Screen for:
  - Legal or non-legal issues
  - Urgency/Legal deadlines
  - Health and Mental Health
  - Eligibility for public or other benefits
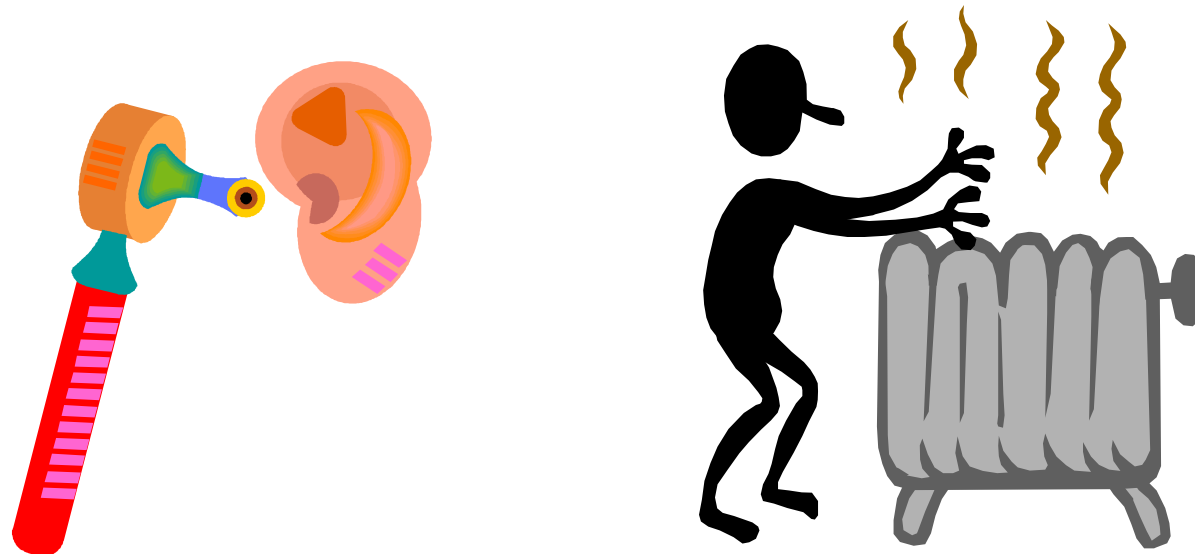 - Financial issues

Looking for Underlying Causes

- A problem is frequently caused or aggravated by another problem
- Treating the symptom rather then the cause
- Model: medical legal partnerships
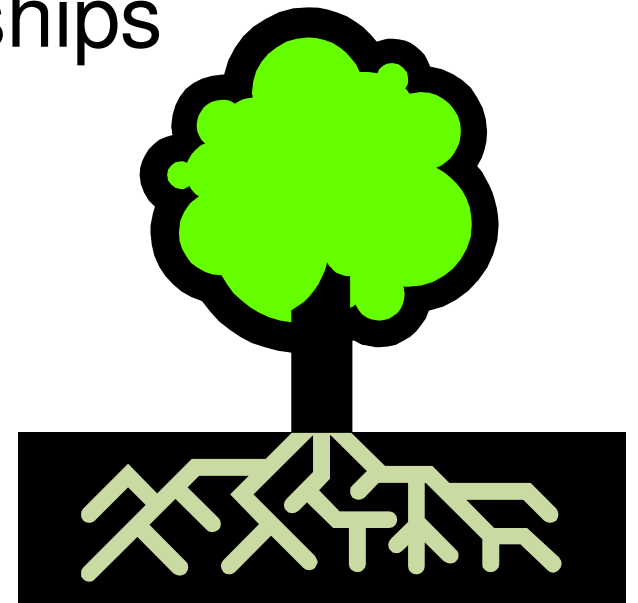
Medical Legal Roots

- Chronic ear infections
- Landlord providing intermittent heat
- Fix the landlord problem and the ear infections become less frequent

Non-Medical Example

- Client needs help with a collection case
- Standard solution is to review and if possible defend the collection case
- Holistic approach is to look for an underlying or a systemic issue

Look for problems with

- Income
- Exploitation
- Abuse
- Debts
- That complicate or aggravate other problems or interfere with independence and quality of life

Why Money?

- Are they entitled to:
- Income
- Benefits
- Assistance

- Are they being exploited?
- Money solves a lot of problems

Poll 2

- What is the Greatest need of your clients?
  - A. Housing
  - B. Paying debts
  - C. Obtaining suitable employment
  - D. Being free from abuse
  - E. Transportation

Supplemental Security Income

- Anyone who is:
  - aged (age 65 or older)
  - blind;
  - or disabled.

- Income and assets
  - Income below single $674 couple $1011(higher in some states)
  - Minimal savings ($2000 / $3000)

Social Security Disability

- Past work history, 6 months ago became permanently and totally unable to work
  - Must have worked in covered employment
  - Rules have changed on how long they must have worked
  - And
  - How recently they must have worked

Social Security Retirement

- 10 or more years in covered employment
- 62 years of age or older
- Some other detailed technical qualifications
- Not automatic
- Must file
- Can file online
- Anyone can assist with application

SOCIAL SECURITY ONLINE
THE OFFICIAL WEBSITE OF THE U.S. SOCIAL SECURITY ADMINISTRATION

Poll 3

- Joe had a stroke at age 60 and is totally and permanently unable to work he may be eligible for?
    - A) Social Security retirement benefits
    - B) Supplemental Security Income (SSI)
    - C) Social Security Disability benefits
    - D) B and C

Poll 4

Joe is only eligible for $5 a month in SSI, why would he bother with the paperwork for SSI?

– A) Medicare

– B) Medicaid

– C) $5 is important

- Child Support
- Biological parent not living with child
  - Minor child in home or
  - Uncollected past support

Questions?

- Text your questions using the chat function in the Q&A tab

Medicare Savings Plans

- **Medicare Savings Plans**
- **QMB**
  - Medicare Part B premium and
  - out of pockets for covered services
- **SLMB**
  - Medicare Part B premium

1. Do you have Medicare Part A, also known as hospital insurance? If you aren't sure, look on your red, white, and blue Medicare insurance card, or call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778.

2. Is your income (for 2009) at or below the income limits listed below?

Medicare Savings Program	Individual Monthly Income Limit*	Married Couple Monthly Income Limit*	Helps Pay Your
QMB	$923.00	$1,235.00	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)
SLMB	$1,103.00	$1,477.00	Part B premiums only
QI	$1,239.00	$1,660.00	Part B premiums only
QDWI	$3,695.00	$4,942.00	Part A premiums only

3. Are your resources* (for 2009) at or below $4,000 for an individual or $6,000 for a married couple? (Resources include money in a checking or savings account, stocks, and bonds. When you count your resources, don't include your home, car, burial plot, up to $1,500 for burial expenses, furniture, or other household items.)

* If you have income from working, you may qualify for these benefits even if your income is higher than these limits. Many states figure your income and resources differently, so you may be eligible in your state even if you think you exceed these limits. Limits are slightly higher in Alaska and Hawaii.

Unemployment Insurance

- Recent loss of employment
- Reduction in force
- Terminated for cause (may be able to appeal)
- Voluntarily separated
- Have they applied?

HELP WANTED

- Housing assistance (various age or disability plus income & asset limits)

- Utility Assistance (age, disability plus low income & assets)

- Home repair (various age, disability, income & assets)

Tax Exemptions

- Tax exemptions, credits, deferrals (age, disability)
- Property Tax Exemptions
- Property tax deferrals
- Earned income tax credits
- Economic Stimulus payments

- Pensions
  - Worked and were covered by a plan
  - Common issues
  - Employers out of business, merged, changed names
  - Worked long enough
  - Lump sum distributions
  - Divorced with pension mentioned in decree
  - Surviving spouse

Status of applications
Have they applied?

No:	Yes
• Are they likely to be eligible	• What is the status
• Do they need help applying	• Is there something missing
• Is there an underlying issue that needs to be resolved before they can apply	• Have they been denied
• Barriers to applying	• If so why
	• Might there be a legal solution to the reason for the denial
	• Can the facts be restructured

Look for patterns of problems

Lost benefits

- Have benefits been terminated or reduced
- Examine the reason **why** they were lost or reduced
- Frequently lost due to a failure to renew or provide paper
- Proving a negative
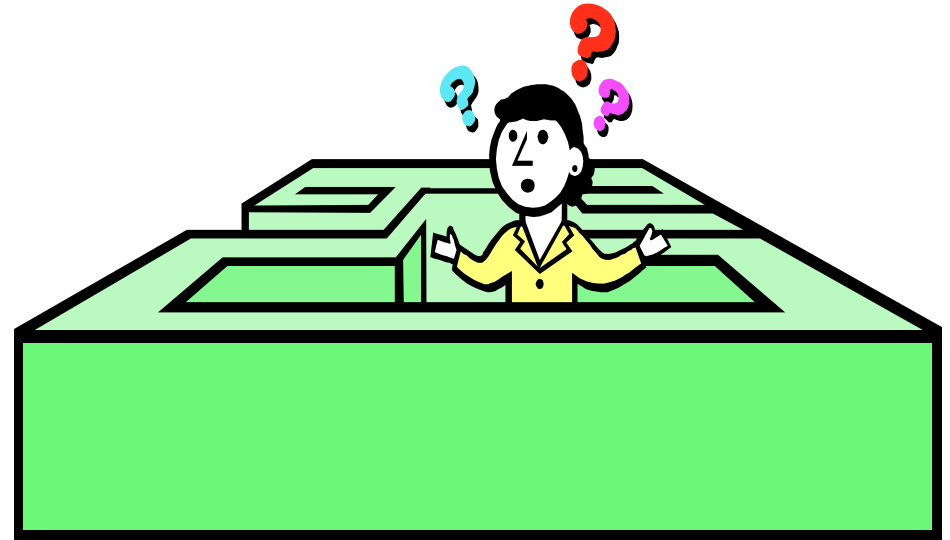
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Assets

- What do they own
- Do they have assets that can be converted to cash
- Cost of maintaining assets
- Emotional attachment to assets they can not afford to keep

Home Equity Conversion Mortgage

- **Reverse mortgage**
  - At least age 62
  - Significant equity in home (worth at least 1/3 more then is owed on it)
  - Counsel to assure that this is a relatively long term solution

Spending

- What are they spending their income on
- Detail is very important
- Looking for:
  - Financial literacy
  - Financial Exploitation

Changes in personal and household income

- Loss of income
- Loss of benefits
- Changes in family or household composition
- Looking for changes in eligibility for benefits or income or debts
- Is there an underlying legal or social issue

Poll 5

- This training was?
  - A) Extremely helpful
  - B) Very Helpful
  - C) Helpful
  - D) Slightly Helpful
  - E) Not Helpful

The Importance of Training

- No one can know it all
- The rules and programs change
- Not looking to become experts
- Issue spotting for review by experts

Just the Beginning

- Impossible to cover it all
- Use this as a model
- Contact me for more ideas and information
- Send me training that you develop

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