

## *Footprints of a Donor* Making a Lasting Impact

“I could definitely see an increased level of stress and anxiety.” Jane (not her real name) was explaining to me the impact of financial worries on her mother, a long-time resident of La Posada. “I was getting daily phone calls telling me how she feared she would run out of money and then what would she do?”

The answer was the Life Lease that is available to all residents who came to the campus in independent living according to their Residency and Service Life Lease Agreement. The first step, which Jane and her mother took several years ago, was to meet with me to learn about the process that can ultimately lead to support from the Posada Life Foundation’s Good Neighbor Fund.

I explained that we like to meet with any resident who has concerns. Often we can reassure them that there is no cause to lose sleep. If there is a possibility that finances might run out, we explain that when assets diminish to a certain point, we will build a receivable against the refundable entrance fee thereby reducing it. When that has zeroed out, the Good Neighbor Fund will kick in and confidentially support our resident. (In 2017 we developed a Life Lease brochure, available upon request, which explains this process in greater detail.)

Jane inquired as to why there is an increased demand on the Good Neighbor Fund. I explained that there are several factors – the economic ones of the dot.com bubble in 2001 and then the ‘Great Recession’ and real estate bubble of 2007. These negatively impacted the assets of many residents. On top of that, our residents are living longer and experiencing greater healthcare costs.

While Jane admits her mother wishes she could spend on trips and gifts like she used to, she appreciates that the Foundation has to exercise some fiscal restraint when it comes to Good Neighbor Fund support.

“My mother has said she is so grateful to be here and to be taken care of. Because of the Good Neighbor Fund, mom doesn’t have to leave all her La Posada friends and the staff that treats her so well. She lives stress-free and continues to receive the same high-level care as always.”

The Life Lease and Good Neighbor Fund is one of the many advantages our residents have because La Posada is a not-for-profit organization. We receive donations from caring residents who are interested in seeing that their good neighbors (like Jane’s mom), can continue to make La Posada their home.

## WHY LEAVE A LEGACY TO LA POSADA?

People often feel a connection to the college or university that was there for them when they transitioned from adolescence to adulthood. Through good times and bad, the university experience often laid the foundation for the successful career that followed. It is understandable and admirable that people want to give back to their alma mater where they got started.

I would propose that the same case can be made for La Posada. As the saying goes, it isn’t how you start the race, it is how you finish. What can be more important than a safe, secure, satisfying lifestyle in your later years? Free of worries about housekeeping, maintenance, cooking, and care when you need it. Where one push of the button (dial 0) will bring needed help. Where neighbors look out for each other and you can celebrate your birthday with 70 friends even if you outlive your financial resources. With an extraordinary, 100 acre campus that includes the Gardens of Central Park and the Shoppes at La Posada, a morning walk can be as memorable as walking to class at old State U.

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Mark Dugan

## Foundation UPDATE

It's August and the end of another scorching Southern Arizona summer is in sight. Whatever the cause behind the higher temps, it has certainly gotten hotter in the 16+ years I have been a resident of the Sonoran Desert. I'm ready for a return of the 70s and 80s!

Another thing that has gotten hot is the demand on our Good Neighbor Fund. This is the fund that allows residents to continue to reside at La Posada even when they have outlived their financial resources. It fulfills the promise of our Life Lease. Since 2011, the usage has increased every year except one.

Part of the security of living at La Posada is knowing that – should you outlive your financial resources through no fault of your own – you can always have a place to live along with access to services and care. As older adults live longer, they face increasing healthcare costs, accompanied by decreasing resources. They can become financially challenged at the time in life they are also most fragile. That's why the Posada Life Foundation's Good Neighbor Fund has stepped forward to meet this shortfall so that we can offer uninterrupted quality care for those we serve. With the increased demand, however, we need to grow this fund to avoid adding to the campus overhead.

We actually have two Good Neighbor Funds. One is the endowment and the other is the general fund. In the endowment, we maintain the principal and annually spend the earnings up to 5% to help our neighbors. The general fund can spend all donations and, due to demand, is currently zeroed out. Please look at the 'Calling Good Neighbors' article for details of our current situation.

In my time at La Posada, I have witnessed the true compassion our residents show for the well-being of their friends and neighbors. I have no doubt that they can rally to the cause of enhancing the Good Neighbor Fund so that the support is there when most needed. In our donor profile, you can hear first-hand from child of a resident about what the Good Neighbor Fund means to her and her parent. For confidentiality reasons we do not disclose which residents we assist, but you can believe that each of their stories would be just as compelling.

# Calling Good Neighbors

Our Good Neighbor Fund provides financial assistance (room & board) to residents who have outlived their financial resources. It allows people to continue to enjoy the friends, neighbors, staff and surroundings at La Posada without concern of having to leave the campus. It really is a case of our good neighbor donors providing the funds to assist their fellow resident in need.

In 2017, we are experiencing greater demands on the Good Neighbor Fund; through June we have assisted 9 residents at an average cost of \$25,000. per month. Additionally, two more folks will be receiving assistance within six months. Currently, our funds are limited: the endowment has \$424,000. and we can only use the earnings up to 5% each year or \$21,200. in 2017. As you can see, we have already exceeded that amount in just the first months of the year. Our non-endowment Good Neighbor Funds were depleted in the first months of the year. If you believe in the motivation behind our Good Neighbor Fund and would like to help, please give me a call to discuss various options.

### Good Neighbor Fund

YEAR	# OF RESIDENTS	TOTAL YTD	YEAR	# OF RESIDENTS	TOTAL YTD
2009	3	\$64,672	2014	6	\$92,460
2010	3	\$117,179	2015	8	\$226,609
2011	2	\$19,461	2016	6	\$169,781
2012	3	\$40,210	As of June 2017	9	\$152,917
2013	4	\$101,275	2017 Projected	9	\$275,000



## WHY LEAVE A LEGACY TO LA POSADA?

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It would not be difficult to go on and on, but I hope you see the merits in the case for supporting La Posada. That is why we hope you value what we do and will remember the Posada Life Foundation in your will, trust, or, if a resident, from your refundable entrance fee. Your legacy will be an acknowledgment of those important to your senior years as well as those of your youth. Think of it as the other bookend to a life well led.

# AN EASY WAY TO CREATE A LEGACY

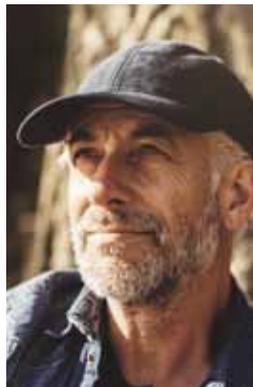


Every day our organization touches the lives of many people. Our endowment, built through the generosity of supporters like you, permits us to continue our work today and in the future. If you are looking for a way to leave a lasting legacy, it's easier than you might think to make a significant impact through a gift to our endowment. While gifts of cash and checks are always appreciated, gifts to our endowment can be made in many other ways. And you can make a gift without affecting your current lifestyle by using your assets during your lifetime and leaving what remains to help further our mission.

You could name our organization as a beneficiary of the following assets:

- Retirement accounts such as an IRA, 401(k) or 403(b)
- Life insurance policies
- Commercial annuities or investment accounts

For an even simpler way of giving, you could name our organization as a "payable on death" beneficiary of your savings or investment accounts. When you name our organization as a beneficiary on any of your accounts or assets, you can potentially reduce taxes for your family and your estate. You can also reduce your estate administration costs. Best of all, when you give to our endowment, your values, your ideals and your legacy last forever. Call or e-mail us for more ideas on ways to endow your legacy.



## Case Study...

### Scenario:

Jay wanted to support one of La Posada's priorities – the Good Neighbor Fund – at a significant level - \$100,000. He valued that the fund allowed residents to continue to live at La Posada even when they had outlived their financial resources. However, he was only capable of giving \$25,000 this year.

### Question:

Is there something Jay can do to achieve his objective and help out his fellow residents?

### Solution:

We shared the idea with Jay that he could make a combination gift to achieve his objective. Here are several options Jay considered:

- \$25,000 cash gift today and a \$75,000 bequest in his will or from his refundable entrance fee.
- \$25,000 gift of appreciated stock (no cash out-of-pocket and significant tax savings) and a \$75,000 bequest in his will or from his refundable entrance fee.
- \$25,000 gift of appreciated stock, \$50,000 charitable gift annuity funded with stock (numerous tax advantages and fixed payments for life) and a \$25,000 bequest or from his refundable entrance fee.

Jay selected the second option. By making a \$25,000 gift of appreciated stock and satisfying the remaining balance with a bequest from his refundable entrance fee, Jay was able to achieve his goal of a \$100,000 gift. He liked the fact that he knew he would be helping his neighbors today and continue his commitment to the Good Neighbor Fund in the future.

## 2017 CHARITABLE GIFT ANNUITY RATE TABLE

Why are charitable gift annuities the most popular way to support La Posada and Posada Life Community Services? As the accompanying chart illustrates, donors can ...

- receive income for life;
- gain a current-year charitable tax deduction;
- support La Posada's programs and mission; and avoid the angst over the stock market or low money market and CD rates.

Call the Foundation office for annuity rates for other ages or to receive a no-obligation sample calculation tailored to your specific needs.

### \$10,000 Charitable Gift Annuity at Sample Ages

Age	Annuity Rate	Total Annual Income	Tax-Free Portion	Allowable Charitable Deduction	Effective Annuity Rate	Tax Savings in 28% Tax Bracket
<b>SINGLE-LIFE</b>						
75	6.2%	\$620	\$474	\$4,124	9.09%	\$1,155
80	7.1	710	559	4,743	10.7	1,328
85	8.2	820	677	5,397	12.8	1,511
90+	9.6	960	812	6,020	15.4	1,686
<b>TWO-LIVES</b>						
75-75	5.4%	\$540	\$409	\$3,297	7.7%	\$923
80-80	6.2	620	485	3,831	9.1	1,073
85-85	7.2	720	583	4,285	10.8	1,200
90-90	8.8	880	734	4,725	13.4	1,323

# SAVVY LIVING

DEAR SAVVY LIVING,  
WHAT ARE THE STEPS SENIORS NEED TO  
TAKE IF THEY SUSPECT MEDICARE FRAUD?

—SUSPICIOUS SANDY

Dear Sandy,

*Medicare fraud costs taxpayers more than \$60 billion every year, making it one of the most profitable crimes in America. Here's what you should know, along with some tips for preventing, detecting and reporting it, if it happens to you.*

## WHAT IS MEDICARE FRAUD?

In a nutshell, Medicare fraud happens when Medicare is purposely billed for services or supplies that were never provided or received. Here are a few examples of some different types Medicare fraud that's out there:

- A healthcare provider bills Medicare for services you never received.
- A supplier bills Medicare for equipment you never got.
- Someone uses your Medicare card to get medical care, supplies, or equipment.
- A company offers a Medicare drug plan that has not been approved by Medicare.
- A company uses false information to mislead you into joining a Medicare plan.

## WHAT YOU CAN DO

The best way for you to spot Medicare fraud is to review your quarterly Medicare Summary Notices (MSN) or your Explanation of Benefits (EOB). Be on the lookout for things like charges for medical services, medications or equipment you didn't get, dates of services and charges that look unfamiliar, or if

you were billed for the same thing twice. You can also check your Medicare claims early online at [MyMedicare.gov](http://MyMedicare.gov) (you'll need to create an account first), or by calling Medicare at 800-633-4227.

If you do spot any unusual or questionable charges, your first step is to contact your doctor or health care provider. The charge may just be a simple billing error. If, however, you can't resolve the problem with the provider, your next step is to report the questionable charges to Medicare at 800-633-4227, or to the Department of Health and Human Services Office of Inspector General Fraud hotline at 800-447-8477

When you call in, have the MSN or EOB with the questionable charges handy because you'll need to provide them with the following information: your Medicare card number; the physician, supplier, and/or facility name where the service was supposedly provided; the date the service was rendered; the payment amount approved and paid by Medicare; as well as the reason you think Medicare shouldn't have paid. As an incentive, if the suspicious activity you report turns out to be fraud, you may be eligible for a reward of up to \$1,000.

If you need help identifying or reporting Medicare fraud or resolving your Medicare billing errors, contact your state Senior Medicare Patrol program, which provides



free assistance. Go to [smpresource.org](http://smpresource.org) or call 877-808-2468 for contact information.

## PROTECT YOURSELF

To help you protect yourself from becoming a victim of Medicare fraud, you need to guard your Medicare card like you would your credit cards, and don't ever give your Medicare or Social Security number to strangers. Also, don't ever give out your personal information to someone who calls or comes to your home uninvited to get you to join a Medicare plan. Medicare will never call or visit your home to sell you anything. It's also a smart idea to keep records of your doctor visits, tests, and procedures so you can compare them with any suspicious charges on your MSN or EOB.

For more tips and information on how to protect yourself from Medicare fraud, visit [StopMedicareFraud.gov](http://StopMedicareFraud.gov).

*Savvy Living is written by Jim Miller, a regular contributor to the NBC Today Show and author of "The Savvy Living" book. The articles are offered as a helpful and informative service to our friends and may not always reflect this organization's official position on some topics.*

*The Posada Life Foundation is the philanthropic arm of La Posada at Park Centre, Green Valley's not-for-profit continuing care community. La Posada was established to provide resources for programs to enhance the quality of life for seniors.*

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