

Arranging for prepaid plan helps ease funeral burden on family

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Monday, September 10th 2007, 4:00 AM

Anthony Ventarola Jr. thought his father's finances were safely in order. But then pneumonia and dementia struck in 2005, and the cost of a nursing home began to quickly eat away at his dad's life savings.

As his 85-year-old father, Anthony Sr., prepares to go on Medicaid, the government health assistance program for the poor, Ventarola finds himself with power of attorney over his dad's affairs - and the dilemma of how to pay his bills.

"My dad saved all his life," said Ventarola, 39, who lives near his father in the Bronx. "And now that's in danger."

Under Medicaid rules, New Yorkers like Anthony Ventarola Sr. can keep up to \$700 in monthly income and \$4,200 in assets. Anything more must be used on medical care, such as a hospital stay or residence in a nursing home.

Instead of spending savings on health care, a person can use their cash on certain authorized expenditures and let Medicaid handle the medical bills.

One of the most prudent investments, Medicaid experts said, is on an event that's 100% certain to happen - one's death.

Arranging a prepaid funeral helps spare a family the significant cost and many of the details when a person's life finally ends.

"It's a little morbid to talk about," admitted Ronald Fatoullah, a Great Neck, L.I., lawyer. But he added: "There really is no downside. . . . You're never going to lose your money," said Fatoullah, who's helped many clients arrange prepaid funeral plans.

"It's always a difficult thing to talk about - even a 97-year-old has a difficult time," added Mary Dodd, a program director at the Carter Burden Center for the Aging on the Upper East Side. "But we really advise them to have a plan. We don't want them to end up in Potter's Field."

When someone reaches retirement, savings should be spent wisely, Manhattan lawyer Bernard Krooks said.

"People don't like to think about mortality," he said. "But I say to people, 'You have a choice. . . . What do you want to do?' "

The Ventarolas went to Krooks, who suggested an irrevocable burial plan. It is not considered an asset under Medicaid, and does not count against someone receiving need-based medical assistance.

"This is Medicaid planning 101," he said. "Everyone ought to be doing this."

You don't need a lawyer; prepaid burial plans can be arranged directly through a funeral parlor. The funeral, burial and related fees are paid up front. The cost is more than if a person died today, but the plan is paid in full, even if the person doesn't die for decades. Had Anthony Ventarola Jr. learned of prepaid funeral plans sooner, he could have saved more of his dad's money.

"I'm kind of kicking myself," he said. "But I'm more at peace now. I know he's taken care of."

When Steve Kroon's father, Efrain, passed away in January, he had a lot of decisions to make. Unfortunately, Kroon and his dad had never discussed them.

"It caught me off-guard," said Kroon, 59, of Queens. "He passed away, and the next day I was in the funeral parlor. You're not even allowed to grieve - you're dealing with business." The Kroons worked with Fatoullah to secure the finances of Efrain's wife of 62 years, Lucretia.

"The generation of my parents was in the Depression and they believe in saving money, they believe in the bank system," Kroon said. "That's great, until a certain age, when that doesn't really help you anymore."