

Financial Safety Planning for Older Women

2007 Edition



*Iowa Coalition Against Domestic Violence
Iowa Commission on the Status of Women
Iowa Department of Elder Affairs*

The idea for this booklet came from the Wisconsin Coalition Against Domestic Violence and the Elder Law Center of the Coalition of Wisconsin Aging Groups. Printed in 1998, their *Financial Safety Planning for Older Women* booklet answered questions posed by older abused women throughout Wisconsin. Permission was granted to Iowa by these groups to reprint parts of their publication that were relevant to Iowa for its *Financial Safety Planning for Older Women*. This booklet was created through the efforts of many people and organizations. As partners in the planning and creation of the publication, the Iowa Coalition Against Domestic Violence, Iowa Commission on the Status of Women, and Iowa Department of Elder Affairs focused the booklet on the specific needs of elderly women in Iowa.

For additional free copies, contact:

Iowa Coalition Against Domestic Violence

515/244-8028 or icadv@aol.com

Iowa Commission on the Status of Women

800/558-4427, 515/281-4461, or chr.icsw@iowa.gov

Iowa Department of Elder Affairs

800/532-3213 or 515/242-3333, or

www.state.ia.us/elderaffairs

*The information in this booklet
does not constitute legal advice.*

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Why Financial Safety Planning for Older Women?



Many older women face challenging family relationships. Husbands, partners, or adult children may tell them they cannot make their own decisions, such as how they can spend their money. Some older women may be isolated from supportive family members and friends. They are sometimes afraid and feel they do not know what to do or where to turn.

The purpose of this booklet is to provide financial and personal safety information to women age 50 and older who are hurt or controlled by a family member or by someone they love. Whether a woman chooses to stay in or to end a relationship, she may be able to take steps to protect her finances and property for herself and for other family members. This booklet briefly describes financial information and resources that can assist in financial safety planning and decision-making.

This booklet was written for older women because women are harmed by family members in later life more often than men. Financial strategies for older women may differ from men because many older women stayed home during their childbearing years. Many older women do not have access to information about their family finances. They may not be aware of the benefits available to them and of their financial options -- and they do have options.

While many of the suggestions highlighted here apply to those being harmed by any family member, most of the information relates to benefits available to wives. If women are not married to their partner, they are not eligible for their partner's Social Security and do not have automatic rights to any pension benefits. Information about partners and adult children is included whenever possible.

HOW CAN THIS BOOK HELP ME?

If you are being hurt by someone you love, learning about your financial options and where to turn for help may be two steps toward deciding how to live more safely or to leave a hurtful relationship. In this booklet, you will find five sections. Section I briefly describes sources of income to meet your basic needs (Social Security, pensions, investments and assets, and wages from employment). Section II discusses the right to control your financial resources, including access to bank accounts and credit. Section III addresses getting and/or maintaining health insurance. Section IV discusses safety planning—what to do if you leave or stay in a hurtful relationship. Section V lists additional resources and phone numbers.

If you are not eligible for Social Security benefits, you may find sections on other government programs (pages 18-21), health (pages 37-39), and safety planning (pages 40-51) most useful. Contacting your local domestic abuse program may also provide you with additional information and support (pages 57-60).

INFORMATION ABOUT YOUR RESOURCES AND OPTIONS

Accurate information may give you the power to make informed choices. Sometimes hurtful family members do not share or tell the truth about family finances. If you are being hurt by a family member, use caution when gathering information.

Mail

Consider where would be the safest place to have information mailed to you. Is it safe to have materials come to your home or to a trusted friend or safe family member, or should you get a post office box?

Phone

When making phone calls, keep in mind that occasionally they are monitored by other family members. Caller ID, tapping devices, “*69,” and phone bills can be used by others to learn about calls that you have made from your home. Think about where the safest place is to make phone calls (e.g., a pay phone or at a friend’s house).

You may want to stress the importance of keeping your inquiries confidential to anyone you contact. Remember, you have the right to gather information about your finances and options. The first step is to figure out how to get the information safely.

Section I

Sources of Money to Meet Your Basic Needs



Many older women wonder how they will pay rent and buy food if they separate from a hurtful family member. Other women would like to have access to their own money while continuing to live with a family member. This section discusses Social Security and other government benefit programs, pensions, investments and assets, and wages from employment.

SOCIAL SECURITY

This section briefly describes Social Security and provides answers to some commonly asked questions. To learn about your eligibility for Social Security and related information, contact the Social Security Administration's National Hotline at 800/772-1213 or <http://www.socialsecurity.gov>.

Social Security benefits are monthly payments to an individual or family member who has experienced retirement, a disability, or death of a relative. Nearly every American has Social Security protection, either as a worker or as a dependent of a worker. Whether or not you have worked outside the home, it is important that you know exactly what Social Security coverage means for you.

Retirement Benefits

Retirement benefits under Social Security are cash payments made to individuals who have worked long enough in employment or self-employment covered by Social Security (generally 10 years) and who are at least age 62. Full retirement age is age 65 for those born before 1938, gradually increasing to age 67 for those born from 1939 to 1960. If you opt to begin your benefits before your full retirement age, benefits will be permanently reduced.

Benefits may also be paid to the retired worker's spouse who is at least age 62 (or younger if caring for a child entitled to benefits on the worker's record), and to the worker's unmarried minor, student, or disabled children. Spouse's benefits may be paid to the retired worker's spouse who is at least age 62 (younger if caring for a child entitled to benefits on the worker's record) if the spouse is not eligible for a larger retirement benefit based on her own work. Children's benefits are also available for the retiree's unmarried children under age 18 (or age 19 if in high school) and for children 18 or over who became disabled before the age of 22.

Survivors' Benefits

Survivors benefits are available to widowed individuals at age 60 and to disabled widows at age 50. Survivors' benefits are also available for unmarried children under age 18 (or age 19 if in high school) and for children 18 or over who became disabled before the age of 22.

Disability Benefits

Disability benefits are available upon determination of disabled status at any age. You must meet the requirements of both a medical test and an employability test. These are difficult criteria, but the Social Security Administration will help you gather as well as pay for the necessary evidence. Social Security asks claimants to supply whatever medical evidence they may have in their possession. Most have none. The application process includes an authorization to release medical records, which are then used to request reports from the various treating sources (doctors, therapists, hospitals, etc.) Again, the Social Security Administration will help pay for the medical reports. In addition, if your condition cannot be adequately documented with the available evidence (no recent treatment, for example, or conflicting information), Social Security will schedule and pay for a current examination.

You are entitled to receive disability benefits if you have made contributions to Social Security while employed over a sufficient period of time (called “insured status”). Insured status for a disability requires a current connection with the workforce — five of the ten years immediately before the onset for those who become disabled after age 31, and one-half the time between age 21 and the onset of disability for those under age 31 at the time of the onset. Benefits are based on either your own work record or the work record of your spouse, but not both. *Unfortunately, if you were never married to your partner, you will never qualify for Social Security benefits based on your partner’s record.*

1. Am I entitled to Social Security benefits?

If you worked outside the home: You are eligible for Social Security if your employment was covered and you contributed long enough to get insured status. The Social Security Administration can tell you if you are entitled to Social Security *on your work record*. Call 800/772-1213.

If you never worked outside the home, worked very little or had low earnings: You may still be entitled to benefits, depending on whether you are married, never married, divorced, or widowed. The following paragraphs briefly describe eligibility for each type of marital status. For information about your situation, contact the Social Security Administration at 800/772-1213.

Married: You are entitled to benefits on your spouse's work record if your spouse is eligible or receiving benefits. You must have been married at least one year and be either age 62 or over, or caring for a child who is under age 16 or disabled.

Never married: You are not eligible for your partner's Social Security. However, if you have a disability or are age 65 or over, you may be eligible for Supplemental Security Income (SSI) (pages 18-19). For more information, call 800/772-1213.

Divorced: You may also be eligible through the work record of your former spouse if you:

- were married for ten or more years (That is ten full years. No break is given for a marriage that ended at nine years, 11 months, 27 days, etc.);
- you are presently unmarried; and
- you are age 62 or older (if he is deceased, you can collect benefits at age 60 and age 50 if you become disabled.)

If your ex-husband has not applied for benefits, but can qualify for them and is age 62 or older, you can receive benefits on his record if you have been divorced from him for at least two years and meet the above-listed requirements.

If your ex-husband is deceased, you can receive benefits on his record even though you were not married to him for 10 years:

- if you are caring for his child who is also your natural or legally adopted child and is under age 16 or disabled; and
- you are unmarried.

Your benefits will continue until the child reaches age 16 or the child's disability ceases.

The amount of benefits you receive as a divorced spouse does not affect the amount of benefits another spouse receives on your ex-husband's record.

Many women get a higher benefit based on their ex-husband's work record than on their own record, especially if he is deceased. If you have never asked the Social Security Administration about receiving benefits on your ex-husband's record, you should do so at 800/772-1213. When you apply, you'll need to give his Social Security number. If you do not know his number, you will need to provide his date and place of birth and his parents' names.

Also:

- you are eligible for benefits if you are divorced and your former spouse dies and/or remarries, and you meet the criteria.
- if you receive survivor's benefits, those will continue if you remarry at age 60 or older (50 or older if disabled)

Widowed: You may be eligible for benefits on your husband's work record if your spouse was eligible and you:

- were married for at least nine months prior to your spouse's death, unless death is accidental (3-month duration of marriage); or
- are age 60 or over; or
- are age 50 or over and disabled; or

- are caring for a child who is under age 16 or is disabled.

Benefits may be available for surviving divorced spouses if your former spouse died, and you meet the criteria for divorced spouse's benefits (see page 13). Also, if you remarried after age 60 and your former spouse died, you are generally still eligible for Social Security benefits under the deceased spouse's record.

2. If I am entitled to Social Security benefits, what amount will I receive?

The amount of Social Security you will receive depends on the number of years worked, earnings during those years, whether you are drawing off your own work record or someone else's work record, and also the age at which you take it.

The Social Security Administration sends an annual statement to all American workers over the age of 25. It contains estimates of your future benefits. If you need a new statement, you may request one online or by calling 800/772-1213 and ask for a *Request for a Personal Earnings and Benefit Estimate Statement*. The national hotline can also schedule an appointment for you to meet with a Social Security representative at your local office.

3. If we shared a family business or farm, am I entitled to Social Security benefits?

If you and your spouse own and operate a business or

farm together and you share in the profits and losses, you may be entitled to receive Social Security credits as a partner. This may be true even if you and your husband have no formal partnership agreement. To receive credit for your share of the business income, you must file a separate self-employment return (Schedule SE), even though you and your husband file a joint income tax return. If you do not file a separate SE, all the earnings from the business are reported under your husband's Social Security number. In that case, your Social Security record will not show your earnings, and you may not receive Social Security credits for them. Contact a Social Security Administration representative at 800/772-1213 for specific information on your situation.

4. What if I served in the Military?

If you have served in the military since 1957, you have paid into Social Security. Inactive duty service in the Armed Forces Reserves and National Guard weekend drills has been covered by Social Security since 1988. If you served in the military before 1957, you did not pay into Social Security directly, but your records may be credited with special earnings for Social Security purposes that count toward any benefits you may be entitled to receive.

You may be eligible for both Social Security benefits and military retirement. Generally, there is no offset of Social Security benefits because of your military retirement. You will get your full Social Security benefit

based on your earnings. Your Social Security benefits may be reduced, however, if you also receive a pension from a job in which you did not pay Social Security taxes. Spouses may receive Social Security benefits based on their spouse's work record, which includes military service.

Social Security survivor's benefits may affect benefits payable under the optional Department of Defense Survivors Benefit Plan. You may check with the Department of Defense Finance Accounting Center, PO Box 919, Cleveland, Ohio 44199 or 800/321-1080. You may also contact your military retirement advisor for more information.

5. How do I apply for Social Security benefits?

You can apply for Social Security benefits in person, on the phone or on-line at www.socialsecurity.gov. To make an appointment for an office or phone interview, call 800/772-1213. Plan to bring or send the following items:

- your Social Security number and the Social Security number of the person on whose work record you are applying (e.g., spouse);
- proof of your age, such as a birth certificate (If you do not have a copy of your birth certificate, contact the Department of Public Health at 515/281-4944 to receive one. If you were born in another state, they will be able to give you the contact number for that state.);

- your marriage certificate, if you are applying on your spouse's work record (Contact the Department of Public Health at 515/281-4944 to receive a copy of your marriage certificate. If you were married in another state, they will give you the contact number for that state.); and
- your W-2 forms from the previous year, if applicable.

Factors that May Affect Social Security Benefits

6. If I leave my spouse, will the amount of Social Security I receive change?

Physically leaving a household will not change the amount of Social Security you receive. However, a divorce may impact your Social Security.

7. If I receive Social Security, can my spouse or another family member have it reduced or taken away?

No. Unless you have a conservator appointed by the courts, give financial power of attorney to another individual, or the Social Security Administration appoints a representative payee to receive your benefits, no other person may legally receive your benefits.

8. Does the amount of my Social Security benefits change based on my marital status?

- If you are getting divorced and are collecting or want to collect benefits based on your former spouse's record, you may receive (or continue to receive) benefits on his work record if he is eligible and you were married ten or more years.
- If you are widowed, you may be entitled to benefits. Call the Social Security Administration for information about your circumstances.
- If you remarry, you are entitled to benefits after one year of marriage if your current spouse is collecting Social Security.

9. Will the amount of Social Security benefits I receive be affected by pension benefits?

Probably not. In most cases, Social Security benefits are not affected. Contact the Social Security Administration at 800/772-1213 or the company that administers your pension to find out if your pension is exempt. If, however, you are getting both Social Security benefits and a government pension, your Social Security benefits may be reduced. For more information on pensions, see pages 21-24.

Confidentiality Issues Regarding Social Security Benefits

10. Can anyone find out if I am receiving Social Security?

Under the law, information regarding your Social

Security account is not available to anyone else, including your spouse, former spouse, or adult children. Your spouse or former spouse is not notified when you apply for benefits on his work record.

However, if someone knows certain identifying information, such as your Social Security number or your mother's birth name, it is possible for him/her to get information about your Social Security account. Family members may also notice Social Security Administration mailings coming to your house. If you are concerned about a family member taking your Social Security check, you may want to consider the following:

If you set up an individual bank account: Joint owners of accounts have the ability to make withdrawals from the joint account even if they have not contributed to the balance. To secure your Social Security funds, set up an account in your name only.

If you receive your check by mail: At one point, the Social Security Administration's policy was to only allow direct deposit—that is no longer the case. You can have your check mailed to you. If you share a mailbox or post office box with other family members, they will have access to your check. If you are concerned that a family member may forge your signature or force you to sign over your check, you can get an individual post office box in your name only. To get your own post office box, contact your

local post office; cost for a small box is approximately \$15 for six months. Notify the Social Security Administration of your new address. Remember, however, if you deposit the check into a joint account, your partner has access to those funds.

If you receive your check by direct deposit: If your check is deposited into a joint bank account, both parties have access to the funds. To ensure that you have control over your money, set up an individual bank account at your bank and arrange for direct deposit by contacting the Social Security Administration.

Problem Solving in Other Situations

11. How can I keep the money from my Social Security check separate from our household money?

You can decide to have your check deposited directly into an individual bank account. (See question 10 for more information.)

12. If someone signs my Social Security check or forces me to sign it over to them, what can I do?

There are at least three options:

- Call the Social Security Administration at 800/772-1213 immediately. Tell them what happened and ask them to stop payment on the check and issue you a new check.

- Consider calling law enforcement. If a crime such as theft or forgery has occurred, you may want to file a report with the police.
- Consider contacting a private attorney to discuss possible civil actions.
- If you cannot afford an attorney, you can contact the Legal Services office closest to you and see if they can help. (See Resource section for listing on pages 66-68). Iowa also has a legal hotline for Iowans age 60 or older. The hotline provides free and confidential legal advice and referrals over the telephone. Call 515/282-8161 or 800/992-8161.

13. If I don't get my check, what should I do?

The Social Security Administration will not take a report of non-receipt of a check until the third mail delivery day after it is due. (The only exception is if you have direct deposit; non-receipt can be reported immediately. This is another good reason for having your check directly deposited.) If, by then, you have not received your check, immediately contact the Social Security Administration at 800/772-1213.

14. If my husband lives in, or moves to, a nursing home, how will my Social Security benefits be affected?

Depending on how his care is being paid for, there is a small chance that your Social Security may be

affected. Generally, when one spouse enters a nursing home, the spouse at home keeps all income received in her name. Medicaid funding in Iowa, which helps pay costs for nursing home care, is handled by county Department of Human Services offices. Contact your local Human Services office with questions.

15. Are Social Security benefits taxable?

If your total income exceeds certain amounts (they are different depending on your income tax filing status), a portion of your Social Security is taxable at your ordinary tax rate.

OTHER GOVERNMENT PROGRAMS

If you do not qualify for Social Security benefits, or if your benefits are very low and you are having trouble making ends meet, you may be eligible for one or more of the many other government programs listed below. Keep in mind that many of these programs have eligibility requirements and waiting lists. A few may be able to provide emergency assistance in a crisis.

NOTE: If you are age 60 or over and have questions about any of these programs, contact your local Area Agency on Aging for information and assistance. (See Resource section pages 52-54 for listings.)

Supplemental Security Income (SSI)

Supplemental Security Income provides an income-supplement program for people age 65 and over, blind or disabled, with very low income (in 2005, \$623 per month for individuals living alone in their own home and approximately \$934 per month for couples) and low assets (\$2,000 for individuals and \$3,000 for couples, not counting the house, car, personal items, and a few other exclusions). For individuals who qualify, the government provides a monthly cash payment. In addition, eligible individuals automatically qualify for state medical assistance, also known as Medicaid. To apply for SSI, contact the local Social Security Administration at 800/772-1213.

Food Stamps

The Food Stamp program provides a monthly allotment to eligible individuals that can only be used for the purchase of food items. This program provides coupons for low-income individuals, which can be spent like cash to purchase food items. Eligibility for food stamps is determined by the total income and resources of the household. To apply for food stamps, contact your local Department of Human Services office.

Energy Assistance and Weatherization Programs

These programs help low-income households pay for home-heating costs. Grants are available annually, with emergency grants available in crisis situations. Grants are based on household size. For more information

contact your local community action agency, local utility provider, or call 515-281-4204.

Property Tax and Rent Relief Program

These programs help elderly and disabled citizens pay their property taxes or receive rent reimbursement. To qualify, an individual must be at least age 65, a surviving spouse at least age 55 or totally disabled, a resident of the state of Iowa, and meet income guidelines. Forms must be filed each year between January 1 and June 1. For questions about property tax relief, contact your county treasurer, and for rent reimbursement, the Iowa Department of Revenue at 800/367-3388 or 515/281-3114.

Homestead Credit

Most homeowners qualify for a homestead tax credit, which lowers their home property taxes. Offered to individuals regardless of their age, homeowners must file a verified statement and designation of homestead with the County Tax Assessor by July 1.

Medical Assistance (Medicaid)

Medicaid pays for certain medical and health care costs for qualified persons, not to be confused with Medicare. SSI-related Medicaid is designed to include individuals age 65 and older, the blind, disabled, and others who meet SSI requirements, except for those with excess income and resources. It is also available for those who need to stay in a long-term care facility. To see if you qualify, contact your local Department of

Human Services office or your Area Agency on Aging office. (See pages 52-54.)

Qualified Medicare Beneficiary and Specified Low-Income Medicare Beneficiary Programs

These programs pay for Medicare premiums and/or deductibles and co-insurances for individuals with low income and assets. For more information, contact your local Department of Human Services office or the Senior Health Insurance Information Program (SHIIP) at 800/351-4664.

Housing Assistance

Many local, state, and federal programs provide assistance with housing, including specialty housing projects for low-income and/or older persons. For more information on housing programs in your area, contact your Area Agency on Aging office or the Iowa Finance Authority at 515/242-4858 or 800/432-7230.

PENSIONS

For some women, pensions are an important source of retirement income. *All* women should be concerned about pensions. Three pension sources are: government, private, and union plans. Whether or not you are still eligible for pension benefits if you are legally separated, divorced, remarried, or widowed depends on the pension eligibility guidelines.

16. If I work outside the home, how do I find out if I am entitled to receive a pension?

You should receive information about pension eligibility from your employer. If you have additional questions, you should contact your employer or former employer(s). Ask if the company has a pension plan, and for a copy of the Summary Plan Description, which includes the name of the “plan administrator.” The plan administrator is a specific person who manages the plan and should be able to answer your questions.

17. Am I eligible for funds from my spouse’s pension?

To find out whether you are eligible for benefits under your spouse’s plan, contact his employer. Be aware that a spouse can designate who has the right to his pension if he dies before the pension benefits are paid out. Under some plans, a husband may be allowed to ask his wife to sign away her right to his pension. Before signing any papers regarding a pension plan, read them carefully and consider contacting an attorney.

18. Can I get information about my husband’s pension from his employer without his knowing?

Employers have different policies about information disclosure. Some do not give any information without consent from the employee. However, you can ask the employer if they have a pension plan, if your spouse is

a participant, and if so, whether you are named as the beneficiary. Keep in mind that the employer may tell him about your inquiry.

19. If I receive a pension, can a spouse or family member ever have it reduced or taken away?

No. Once you are entitled to receive retirement or death benefits under a pension plan, you are 100% “vested” in those benefits. Vested means that legally, a spouse or family member cannot take away or reduce those benefits.

20. Can the amount of the pension I receive ever change?

Yes, pension benefits can be affected by marriage, legal separation, divorce or death of a spouse. To learn more about your situation, contact an attorney.

21. Can I change the address where I receive pension benefits without my husband's knowing?

Yes. If you are receiving a pension based on your own employment, tell the plan administrator your change of address and ask for this information to be kept confidential.

If you are receiving a pension based on your spouse's plan, contact the plan administrator and request a change of address for your pension payments. Again, ask that the new address be kept confidential.

However, keep in mind that your spouse may be able to get your new address from his employer.

22. If I divorce my husband, how do I get my share of his pension?

If you legally separate from or divorce your spouse, you should make sure that you are entitled to a portion of his retirement benefits as part of any property division. Be sure to tell your attorney about your spouse's pension, and get a copy of the Summary Plan Description. You can obtain a copy from your husband's employer.

You may also contact the U.S. Department of Labor, Pension and Welfare Benefits Administration for general information about your possible rights to pension benefits. In some cases, the Department of Labor may be able to assist you. The Employee Benefit Security Administration number is 202/219-8776.

23. Will my husband still receive the same amount of pension if I leave him?

It is possible that his pension benefits will be reduced. Contact an attorney to learn the specifics of your situation.

24. Is a pension from the Veteran's Administration different?

Yes. A Veteran's Administration pension is governed by federal government rules. For more information, contact your local Veteran's Affairs Office or the regional office at 800/827-1000.

INTEREST FROM OTHER INVESTMENTS

Some people receive interest generated from investments such as bank accounts, certificates of deposit (CDs), stocks, and bonds.

25. If I don't know where our money is invested, how do I learn what investments we have and if any are in my name?

If you are married and file a joint tax return with your spouse, a copy of the most recent returns should provide you with information on investments and income payments. If you know where copies of your tax returns are kept, you may want to make copies for yourself. Or if someone other than your spouse does your taxes, he or she may be able to provide you with a copy of your tax returns. Some families keep financial records in a computer spreadsheet or financial management program. If you are getting a divorce, you can ask the court to order your spouse to give an accounting of all marital property.

WAGES FROM EMPLOYMENT

Wages are another potential source of income. If you have been unable to find a job, consider working with an agency that helps older or displaced workers. (See the Resources section, pages 61-62.)

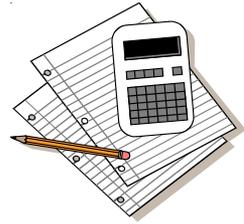
You may want to consider having your own individual bank account in which to deposit your wages. If you are concerned that a family member may forge your signature or force you to sign over your paycheck, you may want to contact a local bank about setting up an account in your name only. You may also want to have your paycheck directly deposited into your individual account, if your employer offers this option.

26. Do I have to limit my earnings to receive Social Security benefits?

It depends. Once you have reached your full retirement age, your earnings will not affect your benefits. For younger retirees however, there are annual limits. From age 62 until the year before full retirement age is reached, the limit is \$12,960; earnings above this limit will reduce the Social Security benefit for the year by \$1 for every \$2 over the limit. In the year you will reach your full retirement (up until the month before full retirement age is reached), the limit is \$34,440, and the benefit is reduced by \$1 for every \$3 over the limit. These limits change annually; the above amounts are effective for 2007.

SECTION II

The Right to Own, Control Your Financial Resources



Income is only one financial resource. You may have property and assets to consider when you are planning for financial safety. This section discusses three areas of ownership and control of your assets or property: access to bank accounts, Iowa’s Marital Property Law, and credit and debt.

Examples of your “assets” or “property” are your checking and savings accounts, pension principal, real estate (such as your home), and your car. These are different from your “income,” which is the amount of money you receive each month from wages, government benefit programs such as Social Security, pensions, or interest on investments.

Budgeting your financial resources may be new to you. If this is something that you have never done before, you may want to take a course at the local community college or speak with your bank regarding any services or courses that it offers. Your county extension service may also be able to provide information. Their phone number can be found in your local phone book.

You may want to consider obtaining a financial planner to assist in managing your financial resources. If you

choose to do so, the following tips are important:

- Ask family members, friends, or coworkers for recommendations of financial planners they have used.
- Any financial planner claiming to offer investment advice is generally considered an investment advisor. Investment advisors must be registered either with the Securities and Exchange Commission or the state securities regulator where the investment advisor is based. Investment advisors are not currently registered by the State of Iowa. For questions regarding financial planners, you may call the Securities Bureau at 515/281-4441 or the Insurance Division at 515/281-5705.
- Check with the Better Business Bureau at 800/222-1600 to see if complaints have been filed against the firm or planner.
- Be leery of financial planning firms that have been in business a short time (less than five years). It may be better to work with an established firm.
- Finally, prior to selecting a financial planner, discuss with them how you will pay for services. Paying a fee for services is generally better than commission.

BANK ACCOUNTS

Access to Bank Accounts

Bank accounts include savings accounts, checking accounts, certificates of deposit (CDs), a holiday fund account, and any other amounts of money held in a bank.

Individual Accounts

The only person who legally has access to the account is the person in whose name the individual account is opened. For example, if the account is titled, “Deseree Jones,” then only Deseree Jones may withdraw funds from this account.

Joint Accounts

Access to a joint account is determined by the use of “and” or “or.” If the joint account lists two names using the word “or,” either individual may legally manage the account. This gives either person the right to withdraw funds and close the account. For example, if the account is titled “Lorenzo Hernandez or Sandra Hernandez,” then either Lorenzo or Sandra may write a check, withdraw funds, or close the account.

If the joint account lists two names using the word “and,” neither individual alone may manage or close the account. To remove money from or change this type of account, both individuals must act together.

One individual cannot act alone. For example, if the account is titled, “Sam Smith and Pam Smith,” checks may be written, funds withdrawn, or the account closed only if both sign appropriate forms.

27. Can anyone legally cash a check made out to me?

No. If you believe someone has cashed your check, contact the police.

28. May I get into my spouse’s or partner’s safety box?

Only if you are listed with the bank as a person who may have access to the box, or if you have been given the authority through a financial power of attorney or conservatorship.

29. If I am getting a divorce, how can I find out what assets and income my spouse and I own or receive?

You may ask the court to order your spouse to give an accounting of all marital property.

PROPERTY ISSUES

Iowa’s Marital Property Law

Iowa’s Marital Property Law is based on the fact that Iowa is an equitable distribution state. This means that in the event of a divorce, the court decides on a “fair” division of property and may take a variety of

considerations into account in determining what is fair.

30. May I stop my spouse from giving things away?

Depending on the type of property in question, one spouse may prevent the other spouse from wasting property, materially lessening the property's value or giving the property away. Property where an actual title is required, such as land or a motor vehicle, is easier to retain because you may refuse to sign off on the sale or transfer of the property. With smaller and more portable pieces of property, it is harder to establish clear title to the property and is therefore more difficult to prevent someone from giving the property away. If you are engaged in a formal legal proceeding such as a divorce, annulment or legal separation, you may request from the court an order regarding dissipation of assets that would prohibit the other party from selling, giving away, or wasting any of the assets of the marriage, even including small items. If requested, the court almost routinely grants orders regarding dissipation of assets.

31. If I signed a premarital/marital property agreement, may I get out of it?

In the event of a divorce, the court is required to take into consideration the provisions of any premarital agreement. The court does not have to abide by the agreement in its entirety, but it usually uses the agreement as a base for future property distribution. However, in certain circumstances the court would

consider an agreement void, such as in cases of fraud at the time of signing the agreement or failure to accurately list assets and debts. Each of these things would require proof to the court.

Other Property and Possession Issues

32. If we divorce or separate, may I keep our home(s)?

The court decides how all real estate will be divided. The court, however, will usually adopt any reasonable settlement agreed to by both parties.

33. If I leave my spouse prior to divorce, am I entitled to half of everything?

You may be entitled to half, but it may not be possible to take it without going to court. Property division is determined at the time of divorce or legal separation.

34. Am I entitled to one-half of everything if I divorce my spouse?

At the final hearing, the court will decide how all real estate and personal property will be divided.

CREDIT AND DEBT ISSUES

Iowa's Marital Property Law

Iowa's Marital Property Law states that in the event of a divorce, the court decides on a "fair" division of

property. This law extends into issues regarding credit and dealing with debts.

35. Can I get credit in my own name while I am married?

You can get credit in your own name, assuming that you have sufficient financial resources to obtain credit. A woman cannot be denied credit because of marital status unless similarly situated males are also denied credit.

36. Is it possible that I may have signed away my right to obtain credit in my own name in a premarital agreement?

It is unlikely that you could lose your right to obtain credit by signing a premarital agreement. When you apply for credit, the person providing the credit will not ask to see a premarital agreement before you sign up to receive the credit. Once you are signed up, you have created a contract and are liable for the credit line regardless of what the premarital agreement states.

37. Do I have the right to know if my spouse obtains credit for a marital obligation?

Your spouse can apply for individual credit in his own name and without your knowledge as long as he is not using marital assets for collateral. If he is using marital assets such as your house as collateral for the credit, then you would be required to sign off on the indebtedness.

38. If my husband applies and receives credit and I do not approve, can I cancel the credit account?

If he applies individually and is accepted individually, no one other than the creditor has the right to cancel the credit. If you applied for credit jointly and both your and your spouse's names are listed on the account, then you have the right to cancel the account based on your joint application.

39. Am I responsible for debts that my spouse incurs, and is he responsible for the debts that I incur?

Individually accrued debt on individual credit cards is not the responsibility of the spouse who does not own the card. Certain debts, such as for water, power, and gas, could be considered marital property even if they were accrued individually. Other than subsistence debts, individual debt runs solely to the individual. In the case of a joint account, you would be liable for the debt because you signed for the original obligation. Even if your spouse runs the credit to extreme limits while you have never used the credit line, you would still be liable for the debt that your spouse accrues on a joint credit account.

40. Can my spouse incur a debt that I do not think is necessary?

Your spouse can incur as much individual debt as his creditor is willing to lend him. There is no way to prevent another person from incurring individual debt.

41. Is there anything I can do if my spouse uses marital property to pay a debt that was only his debt?

If you are involved in a legal action such as a divorce, you can request a restraining order regarding dissipation of assets. If you are married and not involved in a legal action, there is no way in which you can prevent your spouse from accruing individual debt. However, you can prohibit him from using jointly owned property such as vehicles or land from being used as collateral on such debts by refusing to sign off on any documents setting up the credit/collateral arrangement.

Other Credit/Debt Concerns

42. May I use credit cards that are in my spouse's name only and can my spouse use credit cards that are in my name only?

You may only use your spouse's credit card if you are an "authorized user." In that case, you may only be liable for the charges you make on the account. The spouse who is the account holder may be liable for the entire account.

43. Who may remove a name from a credit card or cancel the credit card?

The individual who opens the credit card account (primary card holder) may hold the credit card in his or her name only, or may choose to add "authorized users." The primary card holder can close the credit

card account or remove the name of an authorized user without the permission of the authorized user. However, an authorized user cannot close the account or remove the primary card holder's name from the account. Only the authorized user can remove his or her name from the credit card account.

44. If we are in the process of a divorce, am I still responsible for the debts he incurs or is he responsible for the debts I incur?

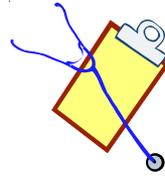
You are not responsible for your spouse's individual debt. If a creditor is moving to collect your spouse's debt, make sure that you do not jointly own assets or have a joint bank account because the creditor could take these joint assets to pay for your spouse's individually accrued debt.

45. Once we are divorced, am I still responsible for his debt if he refuses to pay?

If both parties of a divorce are employed and making approximately the same amount of money, it is not unusual for the court to order payment of marital debts by both parties on a 50-50 basis. Personal debts are ordered paid by the person who accrued the debt. If the debts were accrued by you or were family debts, the creditor may still look to you for payment even if the court ordered your husband to pay the debts.

SECTION III

Health Insurance



Maintaining access to health insurance is critically important for many older women. This section lists potential sources of health insurance.

Medicare

Medicare is a federal health insurance program for people age 65 and older as well as for disabled individuals under age 65. Medicare has no income or resource limitations for eligibility. The Medicare program consists of two parts. Part A is hospital insurance and part B is medical insurance. To enroll in Medicare, contact the Social Security Administration at 800/772-1213.

If you would like more information about Medicare, contact the Senior Health Insurance Information Program (SHIIP) at 800/351-4664.

Medicare Supplemental Insurance (Medigap)

Although Medicare pays for many of the costs associated with health care, it does not pay for all of them. For that reason, people on Medicare should consider supplemental health insurance to fill the gaps in Medicare coverage (often called Medigap). To speak to someone regarding Medicare supplement insurance, contact SHIIP at 800/351-4664.

Iowa Medical Assistance Program (Medicaid)

For information on this assistance program, refer to page 20.

Long-Term Care Insurance

Medicare and/or Medicare supplements do not cover long-term care. Some individuals purchase long-term care insurance policies to protect against possible long-term care expenses. To see if long-term care insurance is appropriate for you, contact a SHIP counselor at 800/351-4664.

Continued Rights to Insurance From Employer

If you leave your job, federal law gives you the right to continue your eligibility for your employer's health insurance plan for up to 18 months (or 29 months if you have been found disabled by the Social Security Administration). However, you will be responsible for payment of the premiums. It is possible that the amount you pay while unemployed will be more than what was paid while you were employed. For more information, ask your employer.

Health Insurance Premium Payment Program (HIPP)

Under this program, the Department of Human Services pays for the cost of enrolling an eligible Medicaid recipient in a health insurance plan when it is determined to be cost effective to do so. For more information on this program, contact your local Human Services office.

46. If I am employed, how can I find out about my health insurance plan?

Contact your employer. If you are employed but not currently receiving health insurance through your job, check with the Personnel Department or the Human Resources Benefits person to find out if you are eligible for benefits.

47. How can I find out if I am on my spouse or partner's health insurance plan?

Call the health insurance company that provides the plan and ask whether you are listed as an individual covered under that health insurance plan. Your physician or health care provider may be a safe person to contact for more information about your insurance coverage.

48. May anyone remove my name from a health insurance policy without my knowing?

Yes. If you are not a policyholder, the policyholder can remove your name.

49. Could my health insurance change if my marital status changes?

Yes, your health insurance may change. If your health insurance eligibility was tied to your spouse (for example, through his job), you may be dropped from a policy if you are separated, divorced, or your spouse dies. Your name can be added to a new spouse's policy if you remarry.