



## Key Considerations for Developing an Elder Care Plan

As financial planners, we are the first line of defense either helping to craft a plan ahead of time or acting as a resource to coordinate services once someone is incapacitated

During the planning process, we talk with clients about eldercare issues whether it is for their parents, a family member, a spouse or themselves. In this planning process, we cover the following

- Develop a plan ahead of time (for yourself)
  - Philosophical discussion
    - Do you want to be at home or in a facility?
    - Who will administer the care?
  - Monetary factors
    - Do you want to self insure or transfer the risk via insurance?
    - Are there other resources to help with care costs?
  - Having a written plan with your wishes
- Contingency planning when you may be financially responsible (for a parent or family member)
  - Who in your family might you be financially responsible for?
  - To what extent do they have resources in the event of needing additional assistance
  - Who else will be involved in sharing the responsibility; time or financial
  - Are they open to planning conversations?
  - Incorporate various scenarios with varying levels of financial commitment into your own financial plan to understand impact; most likely, somewhat likely, not likely
  - Get clear on what you're willing and able to commit to, or where there may be limitations
- Ensure the pieces of the plan are in place. This may include
  - Conducting a family meeting with everyone who will be involved
  - Meeting with the estate planning attorney
  - Meeting with an insurance agent regarding long term care or life insurance
  - Visiting active living or skilled nursing care facilities
  - Completing a Letter of Instruction with important contact information and phone numbers, an inventory of accounts, and location of where important documents may be found
- Once the plan is in place, discuss with family members, especially those who will be involved
  - Determine who needs to be "in the know"
  - Successor guardian for children



- Power of attorney for health and financial matters – ensure they have a copy of your documents
- Beneficiaries of your estate – avoid sibling rivalry issues during incapacitation
- How will various duties be split; in-person visits or care time, monitoring and coordination of services, monetary responsibility
- Have necessary documents for incapacity in place ahead of time
  - This does not only include Powers of Attorney but custodians also require W-9 (while able to sign) OR Letter of Incapacitation (if not able to sign) for the use of a Durable Power of attorney
- Do a dry run
  - With the client, go through the scenario if something happened tomorrow, what steps would you go through and who would be involved

At incapacitation, given the frequency with which we see clients, we are often one of the first resources the client will turn to

We act as a “stabilizer” after a family member has been incapacitated where emotions run high and basic decision making can seem overwhelming

- Inform the client what steps are needed now and what can wait until later based on the circumstances
  - We meet the client where they are in terms of stress level and the time it will take to accomplish what needs to be done
  - For ease, we breakout what steps are necessary and then provide them to the client one step at a time to mitigate them feeling overwhelmed
- Involve a care coordinator, where necessary
  - Provide financials and preliminary facts and data
  - Assist with follow-up
- Involve an estate planning attorney
  - Provide financials and preliminary facts and data
  - Coordinate appointments, calls and finalization of documents
  - Ensure all documents are up to date or,
  - Implement any new documents necessary with title changes, beneficiary designations
  - Inform necessary parties
- Involve insurance broker
  - Provide financials and preliminary facts and data
  - Assist in information coordination to begin benefits
- Consider any changes necessary to investments
  - Ensure cash reserve is available for expenses
  - Determine whether the portfolio should be restructured for changes in risk tolerance / risk capacity in light of the situation



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- Put in place an updated Investment Policy Statement (IPS) if we are working with the Power of Attorney overseeing assets for someone who is incapacitated to ensure they are in line with their fiduciary responsibilities
- Email updates to all parties involved
  - Example: providing a list of open action items and or next steps with a cc to the attorney, insurance agent, care provider and or anyone else that may be involved