



Planning for Elder Care Needs

Develop a Written Plan

- Discuss needs and wishes, such as:
 - Staying home vs. going to a facility
 - Who will administer care
 - What services are needed now? In the future?
 - How will you pay for the care? (Out of pocket, with insurance, or using other services)
- Have the discussion with affected family member(s) concerning their wishes and desires for their care, and their available options
- Once the plan is known and in place, discuss with all involved “need to know” family members. (i.e. named successors, guardians for children, powers of attorney for financial matters, powers of attorney for medical decisions, estate beneficiaries)
- Make sure necessary documents for incapacity are signed and in place
 - Including a Durable Power of Attorney for financial, and a Health Care Directive
- The Financial Planner can ensure that all pieces of the plan are in place:
 - Work with a care placement specialist and long term care agent to assess benefits
 - Meet with an estate planning attorney
 - Meet with insurance agent regarding long term care and/or life insurance needs
 - Complete a Letter of Instruction that includes important contacts, important document locations, inventory and whereabouts of all financial accounts

Financial Matters to Consider

Remember Both the Short Term and the Long Term

- Day to Day:
 - Bank accounts and how they are titled (for example, listing additional people as joint owners, or placing assets in a trust)
 - Income & auto deposits (Social Security, Pensions, Other income)
 - Expenses & automatic/recurring Bill Pay (for all standard living expenses)
 - Scheduling and coordinating care
- Investment Portfolio
 - Identify and prioritize what accounts will be used to fund eldercare expenses
 - Ensure all titles on accounts are current and up to date (Trust, POD, other)
 - Confirm beneficiary listings for retirement accounts, annuities, and life insurance contracts



- For those with serious health conditions, consider processing any Required Minimum Distributions (RMD) early in the year to avoid additional documentation and paperwork required after death to process the RMD, which is mandatory before the account may be distributed to beneficiaries
- Process any annual gifts under the exemption amount early in the year (\$15K per person in 2021)
- Consider reallocation of investments
 - Ensure cash reserve and the availability of amount needed for expenses
 - Consider changes due to change in risk tolerance/risk capacity

Long-term Care Considerations

Eldercare Specialist or Consultant

- Work with a specialist to assess an older family member's current medical condition and level of care needed – identify resources to manage evolving concerns
 - Can offer guidance and help deal with physiological and emotional aspects of aging
 - Will help determine objectives and explore appropriate alternatives – *lifestyle, location, activities, family, and friends*
 - Can assist in all aspects of eldercare planning – *medications, care delivery, financial, quality of life, residential living facilities, skilled nursing facilities and home safety*
 - Will help monitor ongoing care and adjust as necessary

Financial Planning and Elder Care

Role and Use of a Financial Planner

- Financial Planners can play a key role in helping you plan for elder care for yourself or a loved one
- We are often one of the first resources the client will turn to when someone becomes incapacitated or it's evident needs additional assistance
- The Financial Planner can act as a stabilizer in a time of crisis, after a family member has been incapacitated and emotions are running high and basic decision making can seem overwhelming
- A Financial Planner can help clients know what steps are needed now and what can wait until later based on the circumstances, creating a timeline that helps keep family members from feeling overwhelmed