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SPECIAL REPORT: Ten Questions For Aging Parents

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When you gather with your family for the holidays, the greatest gift you can give to one another could be an honest discussion about aging. By openly sharing your concerns, adult children and parents can learn how to face the challenges of old age together without creating undue stress or burdens.

If you are squeamish about having this dialogue - especially about whether parents will need to live with their children someday - you are not alone. According to a 2001 study conducted by AARP, three-quarters of adult children think about their parents' ability to live independently, but one-third of the children surveyed avoid the topic with them. Parents have the same reluctance. Nearly 70 percent said they think about their ability to live independently, but more than a third of them said they don't broach the subject with their children.

To help overcome this generational communication gap, below are 10 conversation-starting questions that adult children should ask their parents, as well as resources for dealing with these often difficult issues.

1. DO YOU FEEL COMFORTABLE ABOUT YOUR FINANCIAL SITUATION? WOULD A FINANCIAL PLANNER BE HELPFUL?

There is no bigger pressure point for parents and children than money. In addition to the usual issues regarding monthly cash flow, there are the bigger concerns, such as proper retirement asset allocation and long-term-care insurance.

To remove the emotion from this conversation and to ensure that you have covered all the issues, it's wise to hire a professional. Many financial planners and advisers specialize in working with elderly parents and their children. Friends and colleagues are often the best referral sources.

If parents seem overwhelmed or are ill, children should consider hiring someone to pay the parents' bills and issue a monthly cash-flow statement instead of taking on this job themselves, says Joan Gruber, a Dallas investment adviser who specializes in multigenerational family financial advice. Adult bill paying services are usually somewhat affordable. Automation is also becoming increasingly possible with most providers.

2. DO YOU HAVE AN ESTATE PLAN?

When it comes to wills, trusts, and powers of attorney, there are dozens of potential issues. It's prudent to seek out an estate-planning lawyer. From a few hundred dollars for the simplest power of attorney to a few thousand dollars for a complete estate-planning program, this is money that will pay for itself by reducing the emotional stress on your family. Moreover, a good estate lawyer will help you maximize the assets that will pass to heirs and beneficiaries.

You don't want to navigate these options on your own. For example, company retirement accounts, IRAs, and life-insurance policies automatically pass to any beneficiaries named by the parent. A will, on the other hand, is used for property in the parent's individual name, such as checking accounts and mutual funds. A trust handles

whatever assets have been transferred to it during the parent's life or that are given to it by the parent's will. A will is not effective until after someone dies; a living trust, however, can help manage an estate while a person is living.

3. WHO SHOULD HANDLE YOUR FINANCES IF YOU BECOME ILL?

A durable power of attorney, in which parents give authority to a specific person to act on their behalf in managing any and all aspects of their financial life, may be "the best estate-planning tool out there," says Michael T. Palermo, a Lexington, Kentucky, estate lawyer and financial planner, whose website, Crash Course in Wills and Trusts (www.mtpalermo.com), offers a trove of estate-planning information for consumers.

The durable power of attorney can cover everything from managing retirement assets to paying bills and can be designed to remain in effect should a parent become disabled or incompetent.

4. IN THE EVENT YOU BECOME SERIOUSLY ILL, WHAT LEVEL OF CARE AND INTERVENTION WOULD YOU LIKE?

Once parents make their wishes known, a lawyer can draft an advance medical directive. This document includes your parents' medical choices, including their directives regarding life-support measures, as well as the name of the person they want to communicate their wishes to health-care professionals.

5. DO YOU HAVE ENOUGH HEALTH INSURANCE?

In addition to making sure your parents are covered by Medicare (which becomes effective at age 65), you also need to discuss adding two health-insurance policies. 1) Medigap insurance policies, sold by private insurers, cover the many costs and services not included - or only partially included - under Medicare. 2) Long-term care insurance, as the name suggests, offers coverage if your parents should ever require extended medical care. Both of these supplemental insurance policies have many options. The expertise of a financial planner well can be very helpful.

6. DO YOU FEEL YOUR DOCTOR IS WELL-INFORMED ABOUT ISSUES COMMON TO OLDER PATIENTS?

A physician with experience treating seniors - understanding their issues and how medicines affect them - is an invaluable resource. Geriatric physicians are hard to find, but at least look for doctors who specialize in geriatric care.

When a parent begins to need multiple medical specialists or home health-care services, financial adviser Joan Gruber suggests hiring a geriatric-care manager, especially when the children don't live near their parents. This relatively new breed of social worker operates as a health-care general contractor - scoping out the project, understanding the patient's needs, and then connecting the entire family to geriatric health and support resources.

7. CAN WE MAKE YOUR HOME MORE COMFORTABLE?

If your parents live in a multilevel house, start the conversation now about moving them to a bedroom on the ground floor or installing a stair climber. This is also the time to discuss other housing options, like apartment buildings, condos, and assisted-living complexes.

Think about simple changes, such as getting rid of trip-inducing throw rugs, which can make a house safer for the elderly since older people typically use the bathroom at least once a night, and hip-breaking falls often occur at night, Linda Rhodes, author of *The Complete Idiot's Guide to Caring for Aging Parents* (\$17, www.amazon.com), suggests installing motion-triggered nightlights to illuminate a path from bed to bathroom.

Also discuss what sort of assisted living your parents would accept. Work with a financial professional to be sure that resources are available, since Medicare doesn't cover many types of in-house assistance.

8. ARE YOU FEELING SECURE ABOUT DRIVING?

"The reality is that many aging parents are looking for a way out of driving," says Gary Barg, editor-in-chief of www.Caregiver.com. Children can help facilitate the transition.

Check with your local chamber of commerce, community centers, churches, synagogues, and the local agency on aging to see if there are shuttle services available. If there's a taxi or car service in your parents' hometown, investigate setting up a standing appointment for your parents to be driven to a favorite restaurant or a movie theater.

Senior citizens who are still capable of driving can enroll in the two-day 55 Alive driver-safety program sponsored by AARP (\$10 fee). If you are meeting resistance but need to get your parent off the road, enlist the help of doctors. They are often calming and respected voices for the elderly.

9. CAN YOU SHARE YOUR THOUGHTS ABOUT YOUR FUNERAL?

Even if your parents don't want to discuss the matter, ask them to put their wishes in writing regarding the ceremony; burial or cremation; and any headstone or memorial. The document should be stored in a safe-deposit box. Depending on your family's comfort level, you might consider preplanning the funeral. Decisions you make now, without stress or grief, can save you thousands. If there is not already a family grave site, this is the time for a multigenerational discussion about everyone's preferences.

10. CAN YOUR COMPILER A LIST OF ALL YOUR IMPORTANT INFORMATION?

If your parents need your assistance, it will help to have all their information in one place.

Most importantly, don't lose perspective and let these topics dominate your lives. "I don't think every conversation should be about elder care," says Joy Loverde, author of *The Complete Eldercare Planner*. "Remember to stay connected as a family."

TALKING POINTS

If possible, parents and children should have this discussion in person. Eye contact and body language will help to put everyone at ease. Create an atmosphere that's about comfort, not confrontation.

"Let them know all you want is to understand how you can honor their wishes," says Phyllis Kramer Hirschkop, a Washington, D.C., therapist and coach who specializes in helping adult children manage relationships with aged parents.

- Know your place. "This is not an exercise in role reversal. There is no need to parent your parents," says Joy Loverde, author of *The Complete Eldercare Planner* (\$20, www.amazon.com). "You want to become their partners in managing their later years."
- Make it a family affair. If possible, all siblings should be on board and present for these conversations. Given that some sibling relationships can be complicated, you might want to seek out a third-party facilitator, such as a therapist, a trusted family lawyer, or a financial planner who is already working with either the parents or the children.
- Be patient. Most issues aren't going to be resolved with one conversation. What you want to do is start an ongoing dialogue.

RESOURCES: BOOKS, WEBSITES AND ASSOCIATIONS

- *The Fearless Caregiver*, edited by Gary Barg (\$22, www.amazon.com).
- www.careguide.com. The provider directory offers a database (by ZIP code) of elder-care resources.
- AARP: 800-424-3410, www.aarp.org. A wealth of senior-related information.
- Eldercare Locator: 800-677-1116, www.eldercare.gov. A database of more than 4,800 elder-care providers, from the U.S. Administration on Aging.

Financial

- Financial Planning Association: 800-322-4237, www.fpanet.org. A nationwide organization of certified financial planners.

Health

- Healthfinder: www.healthfinder.gov. A wealth of elder-care information from the U.S. Department of Health and Human Services.
- Medicare: 800-633-4227, www.medicare.com. A resource for Medicare information. The Medigap Compare tool helps assess insurance policies.
- National Association of Professional Geriatric Care Managers: 520-881-8008, www.caremanager.org. Access to more than 1,500 geriatric-care managers nationwide.

Legal

- National Academy of Elder Law Attorneys: 520-881-4005, www.naela.com. A database of elder law attorneys.

ABOUT THIS HANDOUT

This guide is provided as a courtesy to help you recognize potential estate planning issues. It is not intended as a substitute for legal advice. It is distributed with the understanding that if you need legal advice, you will seek the services of a competent elder law attorney. While every precaution has been taken to make this explanation accurate, we assume no responsibility for errors or omissions, or for damages resulting from the use of the information in this explanation.

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