



CREATING AND PRESERVING FAMILY WEALTH

*A Practical Approach to Helping Aging
Relatives Prepare for the Future*

The best plans for managing the finances of an older relative are made when that individual is still healthy. Once stricken by illness, or frustrated by the loss of mobility and freedom, an older relative may not understand questions or be able to state details of their wishes. Fueled by the uncertainty of what the older relative really wants, the lack of a plan may ignite family arguments.

These talks should go beyond just discussing money to include subjects like the relatives' future independence, decision-making regarding finances, health care, and preferences for day-today living.

Prepare for the conversation.

While there are many areas of concern that will come to mind when you notice a loved one slowing down mentally or physically, you can't address them all at once. Jumping directly into bank accounts, wills and powers of attorney usually stops the conversation. Talk about health and lifestyle issues first and then, when everyone's comfortable, wade into finances.

Explain why you want to discuss finances.

In some families, a successful financial discussion takes several attempts. Don't get angry or discouraged: Many older relatives think this conversation threatens their way of life, and they fear judgment or losing control of their lives. Ask up front which topics are okay and which are off limits. Be willing to start the conversation at a later date so that you don't upset your relationship. After some reflection, your relative may be more receptive to having the conversation. Once they get comfortable, relatives might be more receptive to talking about the off-limits topics.

Send questions beforehand.

This gives relatives a chance to prepare and the opportunity to say if they are ready to address certain areas. Basic topics could include:

- Is there a power of attorney? Is it medical or financial? Who has it?
- Where important papers such as a will are kept
- How household expenses get paid;
- How to reach doctors;
- A list of medications;
- An advanced health care directive; and
- A funeral plan.
- None of these asks about dollars and cents but instead focuses on how the relatives live today and their plans for the future.

Offer to get professional advice.

Your relative's advisor—if they have one—is a great place to start, as that person is likely aware of their situation and any decisions they've already made. An advisor can also suggest legal documents to put in place and ways to make sure both parties can access accounts to pay medical and household bills.

Plan a caregiving strategy.

Discuss your relative's preferences and trigger points for various stages of health care. Nearly everyone wants to stay at home, but you must talk about how much you can do at home as a caregiver and when to start services such as home health aides, geriatric care managers or assisted living.

Discuss what will happen with their home.

The equity in your relative's home may become a way to pay bills. As homes are both major assets and emotional focal points, address what the relative wants to happen to property—and under what conditions.

Have a family meeting.

Once you've created a framework of a plan and identified roles and decision points, bring all the interested parties together. You and your relative can revisit the conversations and let everyone know the game plan. Family members may have questions or alternative ideas—or they may feel hurt if they were left out of the process.

The reality is that these conversations are rarely easy. But with a proper roadmap, the conversations will be a lot less difficult, and you can improve outcomes for the people who matter in your life. Legal, medical, and financial professionals are all great sources of support for navigating these circumstances and conversations.





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