

Legal & Financial Planning When You're the Caregiver
by Suzann Ogland-Hand, PhD

"I'm in my 50's, and just went through a very complicated settlement of my father's estate. What should I do to make things simpler for my mom and myself? What do I need to do to plan ahead?"

Raise the issue

Understanding the critical role of legal and financial planning is a key issue as a caregiver. The first step is to raise the issue with your parent(s). These discussions are important. Think about your task as having multiple discussions over time. This will not be an issue you only have to raise once and then it's over. It's important to recognize that, if your family is like most families, these discussions will include some emotional encounters, so don't give up just because talking about finances and legal issues can be difficult. In your particular situation, the difficulty you've experienced with your father's estate can provide an opening for such a discussion. If issues aren't discussed and addressed, problems can occur – like in your situation with your father's estate. That's hard on everyone.

The time to start these discussions is now. Don't wait until a crisis happens, because then you have less time to make informed, thoughtful decisions. This typically causes more stress for everyone.

The Consumer's Tool Kit for Health Care Advance Planning is a great resource. It's available online at www.abanet.org/aging/toolkit/home.html. As they say on their website, "Good advance planning for health care decisions is, in reality, a continuing conversation - about values, priorities, the meaning of one's life, and quality of life." Their Tool Kit, available free-of-charge on the web, contains self-help worksheets, suggestions, and resources. It even includes conversations scripts (scenario's of how to raise these issues). It's a great resource.

Be educated

If a parent or spouse suffers from a particular disease – heart disease, arthritis, diabetes, dementia – learn all you can now about the disease, and learn what a caregiver can expect as the disease progresses. Good online resources are readily available, including fact sheets from the Family Caregiver Alliance (see www.caregiver.org/factsheet.html) or detailed information from Web MD (www.my.webmd.com).

Persons with certain diagnoses, along with their families, may be facing increased likelihood of years of managing chronic illness and the long-term care issues. Being informed about the chronic illness and what to expect may help give you a sense of how you need to plan. For example, long-term care can cost over \$65,000 a year, and planning is needed in order to finance this. Additionally, knowing the progressive nature of some diseases (e.g., Alzheimer's dementia) increases the importance of attending to legal issues as early as possible (i.e., obtaining a durable power of attorney).

Gather information & learn the terms

Start gathering information about your parents' financial security. (See "Top Ten Health Care Advocate/Legal Issues" in this issue.) This includes learning where original documents are stored. Help ensure your parents have prepared necessary documents, such as wills, advance directives, and powers of attorney.

Advance Directive is a written document in which an individual states their desire to have life-sustaining procedures withheld or withdrawn under certain circumstances. This document must meet certain requirements under the law to be valid.

Conservatorship is a court proceeding, where the court supervises the management of an incapacitated person's affairs and/or personal care if they have not executed a durable power of attorney.

Durable Power of Attorney for Health Care is a document in which an individual nominates a person as their agent to make health care decisions for them if not able to give medical consent on their own. This document can give the agent the power to withdraw or continue life-sustaining procedures.

Durable Power of Attorney for Finances is a document in which an individual (the "principal") nominates a person as their agent (attorney-in-fact) to conduct financial transactions on their behalf.

Will is a document a person signs, which tells how they want their estate administered and distributed upon death. It must conform to certain legal requirements in order to be valid. The terms of a Will become operational only upon the testator's death.

Consult a lawyer

Seeking assistance from a lawyer who specializes in elder law is important. In Kent County, two attorneys with elder law specialties are Loretta Murphy, at Miller, Johnson, Snell, & Cummiskey, P.L.C. (phone 616.831.1700) and Dan Kozera, at Kozera and Associates (phone 616.459.7141).

More resources

If you want more information about resources here in Kent County, the Caregiver Resource Network is a great place to turn for help. Their web-page (www.caregiverresource.net) can provide you with information about local programs and services, fact sheets, and a questionnaire about caregiver strain. Or call Area Agency on Aging of Western Michigan (616.456.5664), HHS Health Options (616.285.2590), Senior Neighbors (616.459.6019), or Gerontology Network (616.771.9748) for more help.

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