



CHECKLIST—PREPARING TO HELP AGING PARENTS

At some point in life, many of us will be confronted with the challenge and opportunity to take an increasingly central role in managing the financial and other affairs of our parents. It is an emotional experience. It can also be very frustrating unless one takes some simple steps to prepare. Below is a checklist that covers some of the essentials:

- The Team—Put together a list of your parents' key advisers, including their accountant, attorney and financial planner. Have your parents send each of them written authorization to speak with you. Generally, an email with a copy to you ought to do the trick. Better yet, have a meeting or a call with each of them BEFORE a crisis hits
- Documents—Inventory key documents such as:
 - Wills—If they don't have a will, get this done ASAP even if their estate is not large
 - Powers of Attorney (POA)—this should allow you to manage their financial affairs during a temporary or permanent disability. Without a POA in place, you'll have to go to court to get guardianship of your parents in order to access accounts on their behalf. You do not want to suddenly be confronted with shouldering substantial expenses such as a mortgage, insurance or medical costs because you cannot access your parents' funds
 - Health Care Proxies/Directives/HIPAA
 - Proxies allow you to make decisions
 - Directives document your parents' wishes in the event of extreme medical circumstances
 - HIPAA Waiver—this will allow doctors to speak with you about your parents' condition
 - Insurance policies
 - Copies of Social Security card, a recent tax return, birth certificate, driver's license, passport
- Accounts—make a complete list of bank, investment and credit card accounts.
 - Get added to their primary checking account so that you can write checks on their behalf EVEN IF you have a Power of Attorney in place. Unfortunately, most financial institutions do not recognize general Powers of Attorney and for legal reasons have their own approved forms. If you are not a signatory on the account, you may not be able to access your parents' funds to pay for things like hospital expenses, nursing care, etc., and you will end up paying for things like that out of your own pocket. If that happens keep very clear records

- Review account statements periodically for unusual activity
- Review investments in key financial accounts. Older people should have a conservative “asset allocation” with a substantial portion of their assets in bonds rather than stocks. Get listed on the account as a Trusted Contact so the financial institution knows who to contact if they see suspicious activity
- Termination Notices--Make arrangements to get copies of late payment/termination notices for key service providers (utilities, insurance, etc.) so you can step in if your parents fall behind
- Safe Deposit Boxes—know where they are as well as the keys and codes
- SIMPLIFY, SIMPLIFY, SIMPLIFY—consolidate accounts. Set up online account access so you can step in, view activity and pay bills as and when needed. Set up automatic deductions from their checking account to help make sure key bills are paid in a timely fashion
- Sources of Income—know their sources of income (Social Security, Pension, Annuity, etc.)
- Insurance—know their insurance policies. Key categories include:
 - Health—Employer provided? Medicare? If Medicare, strongly consider a robust MediGap policy which will fill the coverage holes under a standard Medicare policy. Also, sign up for Medicare Prescription Drug coverage. Don’t wait
 - Long Term Care—this could cover expenses like home health aides, rehab, and nursing homes
 - Home/Auto
 - Umbrella—don’t overlook. One accident could threaten to wipe out a lifetime of savings. Umbrella policies are relatively cheap and provide coverage above and beyond coverage limits on home and auto policies
- Siblings—work out who will be doing what. Communicate with one another early and often
- Beneficiary Designations—make sure beneficiary designations on financial accounts (who gets the account when the account holder dies) are up to date. By having beneficiary designations on file, you may be able to avoid probate of those assets. This means those accounts can pass directly to the intended beneficiaries without having to wait for Probate Court rulings (and related expenses)
- Medical—know your parents’ doctors. Have a complete list of medications and allergies
- Credit—protect their credit. Put a credit freeze on their credit file. Share with them news of the latest scams so they remain on alert

The opportunity to help your parents as they age can be a very challenging time, as well as one that provides you with a tremendous sense of peace of mind and accomplishment. Hopefully the steps outlined above will help you focus on helping them rather than spending time spinning wheels and feeling frustrated.

If you have questions on this topic or would like more information, please do not hesitate to call us @ 973.294.2621, or send an email to david@LewinterWealth.com.