

HOW TO CARE FOR Aging parents – Part two

END-OF-LIFE PREPARATIONS AND THE IMPORTANCE OF ESTATE PLANNING

Conversations with your parents about their end-of-life and post-mortem preferences can be difficult from both a logistics perspective and an emotional one. Losing a parent is something many of us avoid thinking about, and for the parent, it can be challenging to consider their mortality. Regardless of the discomfort, planning ahead is critical.

In part two of our series on caring for aging parents, we examine the topic of estate planning in greater depth. This article will include guidance for understanding your parent's final wishes, helping them complete the legal paperwork to ensure their legacy is maintained, and documenting their preferences.

UNDERSTANDING YOUR PARENT'S END-OF-LIFE WISHES

What do you want to happen with your physical body after you pass away? It is something that most of us have thought about at some point, especially if we have witnessed the death of a close friend or family member. With the issue eliciting strong opinions from many, our aging parents are likely to have their preferences as well. Unfortunately, the awkwardness of the conversation can prevent us from learning the choices that our loved ones would make.

As one of the first steps to estate planning with your parents, discuss the topic with them. Start by reviewing whether they would like a celebration of life, a small memorial, or no funeral at all. It is also helpful to determine if they would like to be buried or prefer their body to be cremated. From there, find out where their body or ashes should rest. Is there a family cemetery they want to be taken to? Or would they prefer you to spread their ashes from the top of a mountain or along the ocean somewhere? With endless considerations, the more questions you can ask, the better.

Even if they are undecided on these topics, it is wise to start the conversation early, allowing them time to weigh the options and determine what might be best. Either way, having these tough conversations can show your parents that you are looking out for them and will carry out their wishes once they are gone.

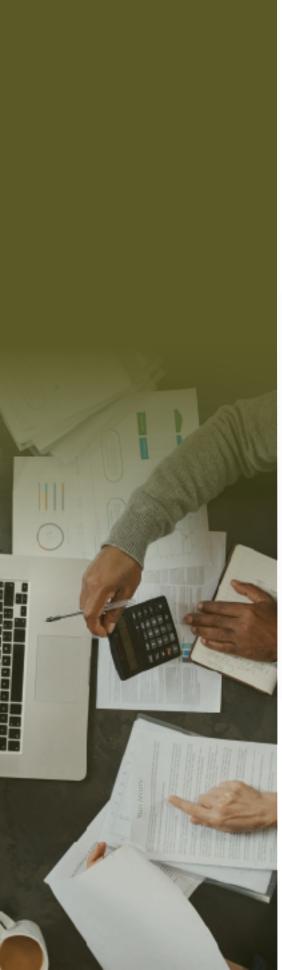
END-OF-LIFE CARE AND THE IMPORTANCE OF A LIVING WILL

As part of any estate planning conversation, it is also wise to learn about their end-of-life care preferences. For example, find out if they would like to be an organ donor if possible at the time they pass. And perhaps even more critical is their feeling about being kept physically alive through medical interventions. Often these desires are outlined in a legal document called a Living Will.

If you discuss these topics with your parent and understand their final wishes, they can also consider making you their Power of Attorney (PoA) for health care. A medical PoA document appoints another individual to make health care decisions on behalf of the appointee. Because of the intense nature of being a PoA, be sure that both you and your parents know the responsibility involved. With endless considerations, the more questions you can ask, the better.







ESTATE PLANNING DOCUMENTATION

Going beyond the considerations for one's end-of-life care, a celebration of life and final resting place is the legal aspect of passing away. It involves making legal plans for what will happen to their personal and financial legacy. This process includes creating or updating their will, signing trust agreements, and appointing a power of attorney.

Last Will and Testament

To ensure that your parents can allocate their estate according to their wishes, it is essential they have a will in place. A will is a legal document that outlines how their personal and financial possessions should be allocated after they pass.

To avoid any legal challenges to the document and outside claims to assets, be sure that your parents create their will well ahead of their passing and while they are of "sound mind." This means they can understand their actions and the ramifications because they have adequate mental capabilities. If they are not of sound mind when creating the document, the will can be challenged in court.

The document also appoints an executor who is responsible for administering the estate. This person has a significant responsibility, and the position can sometimes be seen as a burden. As their child, your parents may want you to be the executor of their estate. If this is the case, it is worth evaluating the task now and, if needed, helping them select another person or corporate executor instead.

Trust documents

One option for your parents to distribute their wealth, either while they are alive or through their will, is by creating a trust. A trust is set up through legal documentation and is a vehicle to hold and distribute wealth to the intended beneficiaries only. Once the entity has been funded, holdings can only be accessed by the trustee for use by the beneficiary. This means your parents would give up any legal claim to the assets.

Whether your parents intend to gift funds to charity or to prevent the money from being accessed by anyone other than their children, a trust can be a valuable estate planning tool. As all their legal documentation is being completed, have your parents discuss this with their financial advisor to see if creating a trust might make sense.

Power of Attorney (PoA)

Consider suggesting that your parents name a power of attorney for health care, as outlined earlier, and for their finances. Typically, the legal document is signed simultaneously with the creation of a will, though it can be completed independently.

The attorney can use a PoA document to make medical and financial decisions on behalf of the grantor while they are still alive. As your parents grow older, you may find they need help to make and execute important decisions and deal with their finances. Having them appoint you, or another trusted individual, as attorney while they are of sound mind can make it much easier to step in and help down the line.

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DOCUMENTING YOUR PARENT'S WISHES

Helping your parents to make an estate planning appointment with a lawyer is a significant first step, but you should also discuss the details with them. Knowing what they want and where to find their legal documents can be helpful if they pass away unexpectedly or have trouble communicating in their final days. Note their wishes so you can refer back to them when needed. The grief of losing a parent can be overwhelming, so having their wishes documented will ensure that you can fulfill them.

As an additional step, you can also have them gather all documents you may need in one place. This includes having a copy of their will, power of attorney documents, and any policy information for their insurance coverage. In your notes, record where the original documents are stored. Often, the original copy is required for someone to act as a power of attorney or to settle an estate.

TAKEAWAY

While estate planning might not be anyone's idea of a good time, it is critical to ensuring that your aging parents have their end-of-life and post-mortem preferences met. They risk losing control over their legacy when it is avoided or postponed for too long. Without proper estate planning, you could also be left in charge of deciding what your parents would have wanted while grieving their loss. Instead, having these discussions as soon as possible is better to give them peace of mind that you can fulfill their final wishes.

In part three of our series, we will discuss several issues surrounding the quality of life for your aging parents, covering everything from housing and transportation to staying engaged in the community.



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