

00:00:00:05 - 00:00:27:09

Ralph

Well, thank you for joining us today. It's our pleasure. And with help from from BlackRock, we have a special program today. I also want to mention that we have Amy Oakden from Oakden Law, who's co-hosting this this event with us. I'm Ralph Bender with Enduring Wealth Advisors®. I do want to mention Michael Graci. He's a director of Advisor Insights over at BlackRock.

00:00:27:23 - 00:00:53:19

Ralph

He's got 30 years experience in financial planning and retirement benefits. He comes from Hershey, Pennsylvania. So those of you who know me, know how I feel about people from Pennsylvania. It's a good thing. He also graduated from Penn State and holds the area accredited investment fiduciary designation. So, I'm going to let you take over, Rose, if you want to start and start us up.

00:00:54:19 - 00:00:57:00

Ralph

Okay. I think I think we're ready to go.

00:00:57:04 - 00:01:35:01

Michael

Michael.

Ralph, thank you very much and good evening. Good afternoon, everyone. On the call today is, as Ralph said, my name is Mike Graci. I am. I work with the investment management firm of BlackRock. Ralph said, you know, I've been with I've been with our firm for a little over 28 years growing up central Pennsylvania. You know, I told Ralph in our our prep prep call here that my my parents, you know, were part of that, you know, part of the greatest generation.

00:01:35:01 - 00:02:04:17

Michael

You know, my dad was, you know, a Pennsylvania State policeman. He and my mom had seven children, and I was number six of the seven born in 1961. So I'm at the tail end of the baby boom generation. So a lot of what we're going to talk about tonight is actually, you know, things that I and my family think about literally, you know, on a daily basis.

00:02:05:24 - 00:02:27:15

Michael

You know, as a side note, you know, my dad decided to retire from the state police when I was 14. And, you know, he thought it'd be a good idea if he became the the truant officer at my high school. So, yes. So that that's probably all the professional bio that you need to know about, about me.

00:02:27:23 - 00:02:56:05

Michael

But, you know, our our discussion tonight is something that I'm really kind of passionate about. He's thinking about. It's titled When Your Health and Your Wealth Intersect and it's about a discussion around those two kind of critical components,

right? Our health and our wealth. And if you're like most people, you know, you're generally right. You talk to your doctor about your health and you talk to your financial professional.

00:02:56:05 - 00:03:22:11

Michael

You talk to Ralph about your about your wealth. And when you're younger and as long as you're in good health and you have good health insurance, there is usually less of a need to kind of bridge the gap between the two. But as we approach and enter retirement, that profession potential right ramifications of keeping these is two topics apart actually grows right.

00:03:23:01 - 00:03:52:04

Michael

So I would go okay thank thank you for for switching the slides. The role of doctors and advisors. Right. Are really quite similar, perhaps even parallel. Right. That they both diagnose things that are wrong illnesses or conditions for the doctor and financial pain points like maybe too much debt or not enough savings for the financial advisor. And they both create and adapt plans to help keep us on track.

00:03:52:12 - 00:04:18:23

Michael

Right now. At the end of the day, both doctors and financial professionals are there to help us manage and protect something that's important. Right. Your health. In the case of the doctor and your money in the case of the advisor and the two don't often intersect until your health starts impacting your money and potentially the legacy that ultimately you want to leave behind.

00:04:19:17 - 00:05:00:08

Michael

Now, the global pandemic has shown us just how big of an impact health issues can have on markets, economies and our global wealth and on our personal scale. There's now there's more key ways that these parallel pass ultimately seem to intersect, like burst up top and paint theirs to medical expenses. Statistically, roughly 80% of Americans today over 55 suffer from at least one chronic illness, and around half of them consider a costly health issue as their top financial retirement worry.

00:05:01:06 - 00:05:30:09

Michael

Second is indirectly through cognitive decline. The ability to make sound financial decisions is one of the first skills to decline with aging, and the probability of cognitive impairment actually increases dramatically as we get older. One study found that people in their seventies had a 16% probability of cognitive impairment, which may interfere with our ability to make financial decisions.

00:05:30:23 - 00:06:06:22

Michael

This figure increase is to almost 30% of people in their eighties and almost 40% of people in their nineties. The first step right to preparing for the intersection between your health and your money is to make sure that you have three key documents

in order. The first is a power of attorney document. Ideally, a general durable power of attorney, which allows a trusted family member or friend to act on your behalf, including in the event of capacity.

00:06:07:12 - 00:06:34:01

Michael

And the second is an advance directive which indicates medical preferences to doctors. In the case you can't speak for yourself. Sometimes an advance directive is often combined with a medical power of attorney, which might allow a trusted family member or friend to make medical decisions on your behalf. Now, often times advance directives in medical power of attorneys could be can be wrapped in a in a single document.

00:06:34:17 - 00:06:59:14

Michael

And the third is a will, right, which we all know articulate your wishes for your heirs. So if we don't if you don't have all three of these documents, that would be a good time to talk to whoever, actually, talk to Amy, right? As well about their their creation. Amy, good evening and thank you for joining us.

00:07:00:05 - 00:07:07:21

Michael

Hopefully you can kind of share with us some of your thoughts about some of these key critical elements that that every one of us should consider having.

00:07:08:05 - 00:07:34:08

Amy

Yeah, absolutely. I mean, you did a great job of covering the overview of what those are. So the power of attorney, like you said, is you have a trusted person, usually a family member, sometimes a friend, neighbor, somebody that you trust to be able to make those financial decisions for you on your behalf. If you become incapacitated and can no longer do those, there's also ways that you can grant those powers to people immediately, if that's a need for you right now as you're aging.

00:07:35:07 - 00:07:53:19

Amy

But really what that is, is if you go to a bank or you say you want to send one of your kids to the bank for you because you're not able to leave the home because you're physically incapacitated. While the bankers aren't going to deal with your kids without that document, they need something to show that they have the legal ability to deal with that person on your behalf.

00:07:54:13 - 00:08:19:07

Amy

The Advanced Directive Medical Power of attorney also sometimes called the Living will. That is who's going to make health care decisions for you if you become incapacitated and can no longer make those decisions on your on your own. And there is no in California anyway, there's no default as to who would do that for you. So if you are married, it's not necessarily going to be your spouse if there is some sort of conflict there.

00:08:19:08 - 00:08:47:15

Amy

The medical professionals aren't just going to be able to say like, oh, the spouse overrides the kids. So that's the importance of that document to first name who has the last say, and then also to set forth your what your wishes are, what you would want to happen if you were there to make those decisions. And that's really important to let the medical professionals know that and also your family, so that you're not leaving that decision ultimately on their shoulders to make them make those difficult decisions.

00:08:47:15 - 00:08:56:21

Amy

At least they have something to point to, to say, okay, mom would never want to live in this condition. It says so right here. Let's pull the plug or do whatever the document says and then the will.

00:08:56:24 - 00:09:27:06

Ralph

Amy, can I jump in on that one just a little bit? I think it's I think it's important to understand for people understand that there doesn't have to just be one person. There can be multiple people in our situation. I know that my wife would be emotionally driven. So we have a mutual friend who has a medical background, a nurse, retired nurse, who if you know, if I'm incapacitated, she would be the first person and then it would drop down to my wife.

00:09:27:12 - 00:09:28:20

Amy

So yeah, now.

00:09:28:20 - 00:09:32:15

Ralph

That's on that power of attorney or the medical power of attorney. Yeah.

00:09:33:03 - 00:09:51:12

Amy

Yeah. And even on the, the, the power of attorney, the financial durable power of attorney, you can have more than one person acting. You can require that two people have to sign off. So, yeah, that is a good point. And then with the the will, that's what you use a will to say. What's going to happen to all of my things?

00:09:51:12 - 00:10:09:11

Amy

How are they going to be distributed upon my death? And then another thing I would add in here, too, is in California, well, does not avoid probate. So if you do have any significant assets or I mean, at the very least, if you own a home in California and you do want to avoid probate, you'd also want to be looking at a revocable living trust.

00:10:09:19 - 00:10:25:12

Amy

And that's kind of like a will substitute. Use the trust to say what you want to happen to your assets upon your death. But a will all of that, those assets would have to go through probate with the assets that are in a revocable living. Trust those avoid probate upon your death.

00:10:25:12 - 00:11:01:05

Michael

Ralph and Amy, either you when you when you think about these conversations with clients, right. I mean, they're really fluid over time. I mean, what is kind of your best practice, Ralph, about? You know, we talk talking to clients about making sure, you know, these documents are updated, that they're current to what your wishes are. I mean, I can think of situations in in my own life where I might have named, you know, a sibling to be a power of attorney for me.

00:11:01:05 - 00:11:23:11

Michael

But as they've gotten older, maybe I'm looking at transitioning to someone else. Right. At certain points. Right. Isn't isn't that something that that people need to think about? I recently talked to someone who said that they looked at a will and it was drafted 45 years ago. I know there was anything I drafted 45 years ago. It's not going to be good today.

00:11:24:00 - 00:11:25:15

Michael

Any thoughts about that kind of stuff?

00:11:26:22 - 00:11:50:22

Ralph

But generally speaking, we review beneficiaries and we try to review other documents on an annual at least on an annual basis with our clients. Obviously, whenever there's a change that we're aware of in a situation such as if someone passes or there's a divorce or there's a marriage, we reach out to the clients and discuss what needs to be updated.

00:11:52:01 - 00:12:31:14

Ralph

You know, if it's a situation where where we know that they don't have any documents in place, we send them naming. I know. But in fact, I've got one right now that we're, we've got, we've got to get her in and get hers. It's a second marriage and the adult grown kids. And so we know that there's a situation there where where if it isn't written out today and something happens, there's going to be hurt feelings because they're step kids involved for each of the for each of the new couple, you know, and then they're seniors the recently retired, you know, our age bracket.

00:12:31:14 - 00:12:58:11

Ralph

So so we know that we know when there's those situations they come about, we review them on a regular basis. And we we don't take copies of the trust. Typically. It's not something that we need. We take this or trust certification documents. But from

time to time, we will want to see what's going on, just to make sure that it doesn't interfere with things like an IRA rollover or something like that, which can happen at times.

00:12:58:11 - 00:13:12:08

Ralph

But, but yeah. So to your point, it's an ongoing thing and we review it all the time and we actually included in there in the review is what, what we show as the beneficiaries and on each of their accounts.

00:13:12:08 - 00:13:42:20

Michael

Yeah. I think that that that's an incredibly important and valuable component of, of a, of a service relationship between any, any advisor ultimately and their clients. The documents that we've been discussing here and the key discussions and components that underlie them will actually kind of help us help you and guide your family through some of the important life transitions that we're going to kind of talk about here as we kind of move forward here.

00:13:42:20 - 00:14:10:23

Michael

The first and on our next slide right is transitioning financial decision making right to a trusted family member and friend. And then we're going to we're going to talk about deciding where to live and potentially transitioning ultimately to a new place as we as we get older. And then thirdly, we're going to talk a little bit about transitioning health care decision making and the important components that underlie that.

00:14:11:07 - 00:14:41:19

Michael

The reality of all of these discussions. Right, is how each of us age is not linear and it's not predictable. Everyone ages differently at 60 or 70, 80, even 90 looks different for different people. Additionally, events like heart attacks, strokes or falls can force a change in plan for playing A, ultimately to plan B, but if we can identify a team of experts, right?

00:14:42:02 - 00:15:08:11

Michael

Ralph Amy Right. Your trusted financial professional, an attorney, accountants, maybe others, and walking through your plans and wishes ahead of time, as Amy mentioned. Right. Can help you stay as true to course as possible. So let's talk about our first. We're going to talk about transitioning financial decision making. And I want to do this with a little bit of a yeah, a couple a little like case studies.

00:15:09:01 - 00:15:38:16

Michael

I'm kind of big on case studies. So as I show you these, you might recognize the traits of the people that I'm discussing here, maybe in friends or loved ones, etc.. So my first a little case study to think about is Howard and Howard Joneses. 74 And

Howard is typically very diligent and a stickler for details associated with his investments and their prudent, protected income.

00:15:39:07 - 00:16:06:15

Michael

And his wife in financial professional noticed that Howard recently appeared confused during their most recent annual review meeting. And our second little case study to talk about is the Gordon Steve's adult sons are asking this financial professional about apparent losses in their father's account. The account. Now, you dropped over a half a million dollars in less than a year.

00:16:06:15 - 00:16:36:17

Michael

And the father, Steve, couldn't account for some of the trades and didn't remember several checks that were written to organizations, including some out of state religious organizations. Both this story's Howard and Steve are actual client cases that we heard from financial advisors, and they're not uncommon occurrences. And they both illustrate circumstances where it might make sense to have someone help with financial decision making.

00:16:36:17 - 00:17:06:08

Michael

So here are some of our thoughts, some questions that you may want to use to kind of get yourself started here. Right. First, who determines when help is needed? Right. Is it you, your family, maybe a financial professional? I want you to remember right? Help can mean anything from someone. Just double checking your finances to ensure that everything's in order to someone taking the burden off completely off of your shoulders.

00:17:06:08 - 00:17:31:17

Michael

Right. There is no one size fits all when it comes to help. Second, even before you need any help, start thinking about who you would tap for the job. You're going to want someone you trust with your money, but who's also going to keep your best interests at home. And then third is to prepare for someone to help before help is truly needed.

00:17:31:18 - 00:17:55:20

Michael

Right. And some of the ways you can do that is to start organize sizing your finances in such a way to make it easy for someone to help or step in if needed. Remember, like this transition may be gradual due to a natural aging process, right? Or it may be sudden due to an accident fall, a health issue or other event.

00:17:55:20 - 00:18:20:06

Michael

So how do we want to prepare and what can be done to empower your helper to help you? And here are a couple of kind of best practices, and I know I'm going to get Ralph to jump in and comment on a couple of these. Right. So the first is that, you know, start making a list of all your financial assets and create instructions for

how that access your different accounts.

00:18:20:06 - 00:18:54:00

Michael

Right. Remembering that instructions may be different for someone who's accessing accounts directly or through a power of attorney, and then ensure that that trusted family member or friend knows the location of your important documents. Right. And you might want to create instructions for how you want certain investments or accounts to be handled right. One example that kind of think about my father in law is 89 years old and his mental acuity is actually he's terrific.

00:18:54:08 - 00:19:23:05

Michael

He has no issues today. And he actually, from a technology standpoint, is probably one of the most advanced elderly gentleman you'll ever want to meet. He's got his iPad, he's got his computer. He's got everything set up. He manages all of his bills and accounts electronically. He does he does terrific. Well, one time asked him about his passwords and big little shared to me that well, he keeps all of his passwords in a little black book.

00:19:23:23 - 00:19:48:15

Michael

And I said to him, I said, Lou, I said, do any of your children, i.e. his trusted contacts, right? No. Where you keep your password block and he said, no, I haven't told anybody. But I said, well, that may be something we want to begin to think about, right? Something very simple like that. But again, these are the basic kind of conversations we want to start having.

00:19:48:22 - 00:19:53:13

Michael

Ralph, I know you have some thoughts around this particular topic. What do you want to share with us?

00:19:54:16 - 00:20:22:17

Ralph

So, yeah, it's it is important. And I wanted to bring Amy on as well to to address this, because I think it's crucial people understand that there are restrictions on how much access I can give somebody to account information without advanced authorization of it. And you know what, Amy, can you, want to, do you want to jump on that as well?

00:20:23:04 - 00:20:56:06

Amy

Yeah, we're typically a little bit careful about letting people know that not to just give their kids or whoever their trusted person is, just passwords because they're not technically supposed to, like, pretend to be that person by accessing it through those means. So that's where that power of attorney comes in handy. And the power of attorney should also include specific language about accessing digital accounts and on online accounts and sign in access and everything so that they're able to use those legal means to be able to access those accounts.



00:20:57:09 - 00:21:24:17

Amy

And then also the point about making sure that accounts are listed because on the administration, trust administration, estate administration, and just helping a family member who's taking over his power of attorney, that's huge. And when people are working with someone like Ralph, they're always very financially organized and that makes things a lot easier. But having that asset inventory is a huge a huge thing that a lot of people really overlook.

00:21:26:09 - 00:21:57:00

Ralph

And we make a point of trying to get to know it's part of our rules, the know your client rules. So we have an idea about where their other assets might be. However, we don't have any access to those assets. One of the things about working with independent advisors like us is that most of our clients don't actually have they have access to see their accounts online, but they don't have the ability to execute trades or trigger distributions directly except two accounts.

00:21:57:00 - 00:22:32:13

Ralph

Perhaps that they've set up, for example, a known bank account that's on file. And so we add an extra layer of security for the client, if you will, in the sense that you will recognize their voice, will be able to identify who they are, or maybe not, simply because we talk to these people on a regular basis. And I think that's important to understand when you're working with an online account, like some of these things where Amy brought up, you know, you can't impersonate somebody, it's just against the law to impersonate somebody and in effect, trades in their account.

00:22:33:04 - 00:22:52:03

Ralph

I think they call it hacking, but I did have a question in the Q&A and how much access do my kids get to my accounts? And I think we've addressed that. But is there it would anybody want to want to harp on that a little bit in addition to what I've already said?

00:22:52:17 - 00:23:12:02

Amy

Yeah, I can I can address that. So as much access as you want to give them really. But that's where I caution against maybe naming kids as a signer on your account or as a joint owner. I don't usually think that's a good idea. The power of attorney is the better way to go because that is legal access.

00:23:12:03 - 00:23:34:16

Amy

Giving them access as themselves to manage the account or do certain things on your behalf, not in their own self-interest. And at that point, they're serving in a fiduciary role. So their duty is to you. So they do have to follow the law and not use those funds for their own purposes or for anything other than intended for you.

00:23:34:16 - 00:23:46:22

Ralph

I think that's a really important, important point to mention to reemphasize, because so often I say, oh, I just put my daughter on my on my house. I don't need a will. Not so much.

00:23:48:06 - 00:24:11:03

Michael

Yeah, I think all of these are great points and a lot of misconceptions that people have around how to kind of do these things. And I think, Ralph, I think you could probably talk from experience that sometimes these are really difficult conversations to have, right, for people to have the openness to be able to share all of their assets where everything is capped.

00:24:11:03 - 00:24:46:15

Michael

Right. It's an engagement process. It's a degree of trust that one needs to develop with there with the financial professionals that they work with. Why it ultimately becomes critical to prevent, you know, some of these unforeseen risks that we've been kind of outlining here. Again, important. Absolutely right. Advocates in your corner. So let's jump let's jump quickly to to number two, we're going to talk about the importance of where to live than I have a couple of little case studies here as well.

00:24:47:07 - 00:25:17:13

Michael

My first one is Felicia, Tony and Felicia Weinstein here. We're enjoying a simplified retirement life. Recently retired. Felicia unfortunately suffered a debilitating stroke and she now requires full time care, which ultimately can be very expensive where they live. And they didn't have long term care insurance. And Felicia was just 62 years old. I had this is an interesting case in my own family.

00:25:17:16 - 00:25:45:10

Michael

My sister, Mary Jo, had a series of micro strokes that led to a dementia. And she, too, was only 62. Very similar to the case study that's here. And then we had the reads, maybe a little more of a common kind of story that we hear a lot as financial advisors. A couple in their late seventies enjoying an active retirement life of travel and recreation.

00:25:45:10 - 00:26:14:22

Michael

Right. Recognizing they spent more than they had originally planned. And their investment income is also a little less than they had hoped. They own their own home outright, but they're just not sure if they can afford the maintenance and the in-home assistance that they expect to need in the future. So like before, right? These are not uncommon occurrences and I'm sure you can all think of at least one couple that sounds a lot like the reads.

00:26:15:06 - 00:26:46:20

Michael

I know I do. And while you may not know someone like Felicia until ultimately it's too late. Right. Her case underscores the importance of planning. Right, for maybe a plan A, a plan B, ultimate eventualities that that can occur as we get older. So just like before, you know, questions for us to thinking about planning where to live and a lot of what ifs and when's right.

00:26:46:20 - 00:27:17:22

Michael

But but the more we can kind of think about this upfront, the smoother these transitions will be when the time comes. So couple of questions to think about. Will maybe spawn the answers or maybe spawn additional questions. Right. So we got where do you prefer to live and what would make that that situation ideal for you? What is your family's response to that, Ben, and what conversations ultimately need to happen in order to make your wishes happen?

00:27:17:22 - 00:27:48:09

Michael

Right. So my examples of where these questions lead to additional questions, let's say the answer to where you prefer to live is at home, right? Well, then you're going to need to consider a couple other questions. Right? Like how far is your house from shopping doctor's offices and family, right? Is there public transportation available at a point in time when you are no longer comfortable or able to drive?

00:27:48:09 - 00:28:12:24

Michael

Right. Would you need to make any physical modifications to your home in the future and the costs associated with that? And who is going to help take care of the house maintenance? Right. As we get older, cutting the grass, removing the snow. Right. Depending upon where you are. Are there caregivers in the area ultimately that you feel comfortable with?

00:28:13:19 - 00:28:45:05

Michael

And then next and the answer to that first question is maybe in an assisted living facility. Then there's other things to consider. Do I want to choose a facility that is near me currently, or maybe one that is closer to my family and friends? What services do they provide? What do I need? Do I know anyone else who's actually lived at the facility I'm considering I'm looking at ultimately how I pay for it now with long term care insurance help cover all or part of the costs.

00:28:45:23 - 00:29:16:07

Michael

And if you already have or maybe considering long term care insurance, it's important to know exactly what services and types of facilities that your long term care policy actually covers, right? Personal care homes, for example, are often not covered. That's according to the National Association of Insurance Commissioners. So it's always important to talk to your providers of your insurance coverage to be sure you understand what those policies actually encounter.

00:29:17:12 - 00:29:45:11

Michael

I do a lot of seminars, conversations around Social Security and Medicare, and oftentimes advisors will hear comments from clients and say, well, I discontinued my long term care insurance because I'm eligible for Medicare. And Medicare covers those things. And the truth is, is that it doesn't to a certain to a large degree. So again, these are important conversations to kind of think about in a planning process.

00:29:46:01 - 00:30:15:14

Michael

You should also understand that where to live is a decision. It might have several steps over the course of your lifetime. Right. Maybe your plan is to modify your house, to suit your changing needs. And sometimes people bring in caregivers as needed. Right. Maybe the plan is to stay into the house until you can no longer drive and then move to an assisted living facility which balances help with independence.

00:30:15:20 - 00:30:38:19

Michael

Right. And then recognize right that these decisions might have to change based on any events that might occur to your health situation in my own situation, my wife and I, we have three children. We have two of our children are out of the house today. We do have a son, a 30 year old who lives with us who has autism.

00:30:39:10 - 00:31:01:24

Michael

So he's living with us. But about a year ago, we moved from a much bigger home to a much smaller home in a community where we can walk to church and we can walk to restaurants and doctor's offices. Again, we're making those transitions is ultimately we get older. I like to joke with my wife, we've made this stage and that's one step to assist.

00:31:02:04 - 00:31:28:11

Michael

The next step is do assisted living, right? So again, single floor, you don't have to worry about steps, right? And oftentimes these are the types of considerations that we want to have. They can also be difficult conversations to have is as Ralph will join me and attest to that my in-laws again are living in their upper eighties.

00:31:29:02 - 00:31:58:00

Michael

My mother in law had Alzheimer's and we were trying to get them to move to be closer to their to their some of their other children. And those conversations took us several years before we were ultimately able to get my father in law to, as a widow, widower, moved from upstate New York to be closer to the rest of is his children after he made that decision he said, gosh, we should have moved ten years before.

00:31:58:06 - 00:32:24:18

Michael

So again, sometimes some of these discussions, especially if you're in that sandwich generation with older parents and younger children, you know, can be a little bit of a challenge. Right. And it's important to engage, make sure everybody understands where everyone sits. So ultimately, you know, some agreements and a plan could be put together. Ralph, have you had conversations about living arrangements with clients over the years?

00:32:24:18 - 00:32:25:06

Michael

Oh, yeah.

00:32:25:23 - 00:32:49:19

Ralph

Oftentimes it's unfortunately, it's after the after a decision has been made. For example, someone retires and decides to move to the other coast where they have no family or friends, but they've always wanted to live in Myrtle Beach or someplace like that. And ultimately, that I've never seen that work out real well just because they're out of out of pocket.

00:32:50:04 - 00:33:26:19

Ralph

I have a lot of clients who have gone to full RV mode and become full time RV ers. That's not uncommon and that works out well for a few years. But ultimately, even in those in those situations, there's a there's a base the base camp that they live in. And at some point, they'll settle down to sell the big, big class-A diesel, push motor home and settle in that they'll find themselves a small home close to where they have some family support and that sort of thing.

00:33:26:19 - 00:33:51:15

Ralph

So those things are pretty common and those kinds of decisions are pretty common to for people who are retired. And then we have the other extreme. The other extreme where people have lived in the same house. They've got it paid off. They're never going to move from it because that's where their whole life is and they are going to take them out of that home in a box and more power to him.

00:33:51:18 - 00:33:52:12

Ralph

That's my father.

00:33:52:24 - 00:34:19:24

Michael

Yeah. So yeah, I think what's great about both of those illustrations is those are perfectly viable plans. Right. But it's a matter of thinking about how can we make these transitions work, right? What plans need to be put into place? You know, oftentimes they we talk about retirement is the early years being the go-go years of retirement. And then as we get older, it's the slow go and then as we get older yet maybe the no-go, right?

00:34:19:24 - 00:34:41:02

Michael

So think about, okay, yep. In this transition, how do we get ourselves there? So in the first it's recognizing, hey, we want to be in the RV, we want to travel around, we want to see the country. But making sure that somewhere in that process you're thinking, okay, what, what potentially becomes that next step and adding and engaging in those conversations.

00:34:41:10 - 00:35:06:09

Michael

And to the last point, that, too, was my father in law. All right, Ralph, which is okay, if that's what we want to do, if we want to live in this house until we're no longer here, how do we make it say, how do we make it work? What are the steps we need to take again? Thinking about these discussions proactively and putting a plan into place as opposed to reactively.

00:35:06:14 - 00:35:12:04

Michael

Ralph, as you talked about, when something bad happens. So, yeah, incredibly important.

00:35:12:04 - 00:35:30:15

Ralph

Hey, Amy, I wanted to I wanted to ask Amy for those people who become full time travelers, assuming they have their normal documentation. What... is there anything special that they need to or that they should be aware of when they're traveling across the country? As far as their legal documents go?

00:35:31:04 - 00:35:48:20

Amy

Yeah. So a lot of people will ask, well, what if I move out of state? If you move out of state, you definitely want to have an attorney review your documents in your new state. But when you're a full time avia, it's going to be based on whatever you consider your domicile state to be. And then you just want to make sure you have those documents with you in case of an emergency.

00:35:48:20 - 00:36:06:16

Amy

So power of attorney in your health care directive, we also do HIPA authorizations to allow certain people access to your medical records and other states are supposed to do honor, you know, the documents that are created in California or any other state. So they're fine. They just need to have it with them and in a safe place in case they need it.

00:36:08:07 - 00:36:09:17

Ralph

But I figured.

00:36:10:09 - 00:36:44:19

Michael

I think that's kind of a good lead in into our last transition around health care decision making. And then the important of that decision, those decisions as well. So our first little persona here is Stanley. And Stanley started experiencing chest pains. He was admitted to the hospital where doctors declared he needed emergency bypass surgery and a member of the hospital staff asked Stanley's wife about Harriet, about Stanley's medical directive.

00:36:45:08 - 00:37:14:01

Michael

And Harriet couldn't remember if they had directives and if they did where those documents were. Now, unfortunately, like, this story feels all too real, right? When we think about where we were during the pandemic. And it underscores the importance of two things. One, having an advance directive and a medical power of attorney, and two, the importance of both spouses knowing where those documents are kept.

00:37:15:00 - 00:37:54:18

Michael

So, again, medical and this stress that often accompanies them. Right. Can make even simple decisions hard to make. And the best way you can ensure the right level of treatment is to ahead of time. And Amy talked about this, right? Share your wishes with your family and doctors, make an advance directive or medical play. And I'm going to have Amy expand upon this because I think she mentioned it early, but it's also my understanding that different hospitals have different protocols with who to go to around decisions.

00:37:54:18 - 00:38:05:03

Michael

Right. And thinking about that, the person they go to may not be the person I choose as my medical proxy. Amy, two thoughts about that.

00:38:05:15 - 00:38:30:06

Amy

Yeah. So that I like the point you bring up about discussing this with your family. I make that a point with all of my clients. And if they're naming adult family or adult children on their documents as their fiduciary, we also do a family meeting if that's something that they want. So we bring their kids in to the meeting and let them know what their role is in this plan and what they need to do to execute the plan when the time becomes necessary to do that.

00:38:31:02 - 00:38:50:19

Amy

Also very important when you have that directive, we always tell clients these documents are no good if nobody knows they exist. So give them to your primary care physician on your next visit. When you go in for surgery and you go for that pre-op meeting, make sure that that advanced directive is with you, with your documents that you hand to the intake people at that pre-op.

00:38:51:06 - 00:39:14:11

Amy

And then also just notifying family members is a big one. And we do that by sending

letters with the client's approval or either doing that family meeting. But at the very least, we do letters to anybody named in the plan, letting them know that they have created a plan with our office. If anything ever happens, like Stanley and his wife, not knowing where the plan was or where the directive was, at least they would know who to contact.

00:39:14:11 - 00:39:35:01

Amy

So they contact my office. My goal is to be my client lawyer for life so that their family members know about me and know they can reach out to me if any of those issues ever do arise. So it's important to have those lifelong relationships with your financial advisor, with your attorney, with anybody advising you on these matters so your family knows who to go to, when, when that's necessary.

00:39:36:08 - 00:39:58:23

Michael

Amy, can you address dress for me and our friends on the call tonight? I got DNR orders or advance directives for EMTs and some of the things how those are particular documents that also might be components that could be included or created as well.

00:39:59:05 - 00:40:23:02

Amy

Yeah, DNR is or something. It's a little bit different than your directive. That's something under my understanding. Something that you would do with your doctor if maybe you have a terminal illness or something where you are letting you and your doctor or working together to say under what circumstances would you not want to be resuscitated? There's also some kind of like DNR language that we can use in the health care directive.

00:40:23:02 - 00:40:43:18

Amy

For instance, you can state that if you're incapacitated and you are in a persistent vegetative state where you're not likely to recover, that you wouldn't want any CPR in that situation or a treatment for other illnesses that they might discover. So that's an example of that, where we would use something similar to a DNR and a health care directive.

00:40:43:18 - 00:40:58:23

Michael

Does California have an EMT friendly advance directive? I know some states do a form in those instances where you have someone with a chronic illness, a document that's available for emergency services.

00:41:00:03 - 00:41:01:05

Amy

I'm not sure what you mean.

00:41:02:02 - 00:41:18:02

Michael



It's called an EMT friendly advanced directive. It's a form in certain states that are required to have on hand for emergency response services to indicate your wishes there.

00:41:18:06 - 00:41:23:07

Amy

I have never seen that. The only thing I've seen is that just general advanced directive. But I will look into that.

00:41:23:16 - 00:41:51:20

Michael

Great. Okay. Thank you. It might it might be something in different states have different protocols and it might be something that California might not need or require. You know, I want to kind of share, Ralph, with you, with Amy. You know, talking about our health and talking about these plans that are really kind of difficult conversations to have.

00:41:51:20 - 00:42:21:23

Michael

And you heard me mention early on that my wife and I have a son with autism. And when I was 14, 49 years old, so about 11, 12 years ago, I was I was diagnosed with non-Hodgkin's lymphoma. I had mantle cell lymphoma. And interestingly enough, never sick a day in my life, never spent a single day in the hospital.

00:42:21:23 - 00:42:46:09

Michael

Worst thing ever happened to me. Broke it break. Breaking a couple of fingers. You know that that was it. And all of a sudden I had a stage four lymphoma. I'm in this business and quite frankly, I had none of these documents. I had a will, but I didn't have a medical play. I didn't have an advanced directive.

00:42:46:09 - 00:43:10:11

Michael

I didn't have any of that stuff. And I was in a situation where between my wife and I, we had to scramble to try to put this stuff together at a time where maybe we were not in the best mindset to be able to do that. I'm going to be safe to say that I am not an uncommon occurrence.

00:43:10:24 - 00:43:14:15

Michael

I mean, any thoughts around that?

00:43:14:15 - 00:43:35:22

Ralph

Well, absolutely not an uncommon occurrence. It's so often the case. And while you were describing the situation, it brought a point to mind having to do not only with the documents we're talking about, but you were talking we've talked quite a bit about insurance, whether it be long term care in your case life insurance might have been an appropriate tool.

00:43:36:06 - 00:43:57:16

Ralph

And at this point, you're uninsurable for either of those things. At this point, from what I understand, long term care possibly because it's a different issue than mortality. But I guess after ten years, maybe I don't know what would this status is, but it's virtually impossible to get a low cost insurances once your body turns against you.

00:43:58:02 - 00:44:19:10

Ralph

And that's why it's so important for young people to still look at the long term and look out long term and say, okay, what are the you know, what are the things that I'm going to have that what are people depending upon me for that if something happens to me, I need to provide I need to have it in place so I can transfer that risk to the insurance company.

00:44:19:10 - 00:44:37:02

Ralph

And so it's long term care insurance. So the younger you are when you when you apply for it, the lower the expenses, the life insurance, once you get sick, it's really difficult and it doesn't have to be a major illness. So we just did a case, the term policy for a young couple. They've got kids. She's pregnant with number two.

00:44:37:17 - 00:45:13:09

Ralph

But there's been some anxiety and in her background and she can only, she couldn't get otherwise she's great health, but she gets a standard rate which is 40% more 30% more expensive than the preferred plus that her husband got. And they're the same age and usually the husband is more expensive. So on life insurance. So these are issues that, you know, you're your health dictates sometimes what you're able to do as it comes to managing the risk, which is part of what we deal with in, of course, in working with our financial planning clients.

00:45:13:21 - 00:45:54:00

Michael

Yeah, fortunately for me on the insurance side, I had all of that covered the important, the other things I didn't have covered or the were all of the these critical documents. But you make an incredibly valuable now valuable point here in what in what we were discussing. I think the other thing, too, that comes into play and we can acknowledge this to all of I was having a conversation, Amy, around this time and it was actually when I was undergoing, you know, some significant chemo therapy before my bone marrow transplant.

00:45:54:00 - 00:46:19:17

Michael

And I had a conversation with my wife and my wife. Jane's an accountant, so it's not like she's a novice to these types of things. But I had a conversation with her and I said, Hey, are you comfortable with the plan we've put together? And she looks straight back at me and she kind of said, Not really. And I was like, Wow, okay, there.

00:46:19:17 - 00:46:49:08

Michael

There's definitely a disconnect between myself and my life partner around what our financial plan ultimately looks like, especially around these critical component situations. So for both of you, how important, how critical is it for both spouses to be on the same page? And what do you guys do as professionals to try to bring that unit together?

00:46:49:08 - 00:47:19:12

Amy

Well, I've had one client, at least, who had to go to marriage counseling after her. So it can be difficult sometimes. But usually my clients are on the same page, and that's what these discussions are for. And we do, you know, as many meetings as it takes to get all those questions answered and to make sure that they're on the same page with each other's decisions around, especially the incapacity plans, because the health care really is some of the hardest decisions that they have to make.

00:47:20:07 - 00:47:52:07

Amy

And that's why you were saying, like, instead of waiting until the point where maybe you are diagnosed with something, doing it earlier so that you have that time instead of putting a plan together, just rushed because you want to get it done just in case something happens in treatment or in surgery or something like that. And then the other thing is there's been some clients that I have or prospective clients I've gone to see where unfortunately it is too late because it's a matter of at that point because there is maybe dementia or some other cognitive issue going on where at that point it is too late for them to sign documents and make those

00:47:52:07 - 00:47:54:06

Amy

decisions.

00:47:54:06 - 00:47:58:12

Ralph

And at that point, you have to get a guardianship through the courts, correct?

00:47:58:13 - 00:47:59:24

Amy

Yeah. Conservatorship. Yeah.

00:48:00:15 - 00:48:03:00

Ralph

Conservatorship. Yeah. Okay. You know.

00:48:03:09 - 00:48:03:18

Michael

Which I.

00:48:03:18 - 00:48:04:20

Ralph  
And to your.

00:48:06:05 - 00:48:06:15

Michael  
No, go ahead.

00:48:06:15 - 00:48:40:22

Ralph  
Your point, Michael. Yeah. To your point about couples, the truth is that that most in most couples situations one couple tends to one of the one of the couple tends to be more involved the financial decisions and more interested and just more engaged in that process. But we do insist softly, but insist that both couples appear at least at the outset of the relationship and from time to time during, you know, our annual checkups.

00:48:41:20 - 00:49:02:05

Ralph  
So that they get a they get a picture of what's going on. We can't force them, of course, but we do try to try diligently to make sure that both parties at least know what's going on. And one interesting note, when we do hear from the other couple, from the from the non engaged spouse, it's usually not good news.

00:49:03:07 - 00:49:30:11

Michael  
Oh yeah. Yeah. I think that I think that that's a critical component that even if, if you are the last engaged spouse to recognize that someone like yourself, you're, you're there to be their advocate as well. Right? You're there to be able to help that when ultimately when and if ultimately they need help along the way. So it's the willingness.

00:49:30:20 - 00:49:42:24

Michael  
The willingness to engage, but recognize when you need to. That's where you and your team at Enduring Wealth Advisors is there to that to pitch in and help.

00:49:44:07 - 00:50:06:12

Ralph  
And you make a good point. We have a team and with varying ages. My son in law is part of the part of the team as well. And we set up all the accounts with joint reps so that so that if something were to happen to me or to him, there's still somebody available whose licensed and, and actively involved in the management of the assets and the financial plan.

00:50:06:13 - 00:50:10:11

Ralph  
So it's just something that I've felt strongly about for quite some time.

00:50:10:11 - 00:50:35:08

Michael

So good. So that I'm going to take us to our two hour wrap up here, which I think is something to do with our conversations with Amy and Ralph, which I really, really enjoyed this evening. But I, I think this kind of reinforces everything that we said, right? So action plans that we think are important is first right now review or create those legal documents.

00:50:35:08 - 00:51:08:09

Michael

Many of you probably already have them, but it's important to review them and make sure that they're current as a personal side. When I when I create it my medical power of attorney document when I was first diagnosed after my wife, my contingent person was my sister, who was a critical care nurse. And as I mentioned, you heard me say my sister had a stroke and unfortunately, she ultimately passed away.

00:51:08:19 - 00:51:34:07

Michael

And it turns out I waited almost a year before I recognized that she was there in those documents and I needed to revise them to make sure that they were current again, reinforcing the fluid nature of these important discussions and recognize that, you know, not all of our trusted contacts are equally as trusted. I have two brothers, my brother Jim, my brother Sam.

00:51:34:07 - 00:52:00:14

Michael

I would have neither of them as my medical proxy. One would keep me plugged in devices forever and one would pull the plug immediately. So I had to pick somebody else, right, who was going to honor what I want my violations to be. Same thing is true, right? When you're picking someone as your baby, as your power of attorney, to make sure that they are the right person to be able to do those and ensure right.

00:52:00:15 - 00:52:37:12

Michael

Number two, that these discussions aren't in alignment. Right, with the overall wellness plan that you put together with Ralph and his team. And. Right. Keep that communication with family members or trusted friends open. I'll make sure if you want to identify someone as a trusted contact that they are aware of that and they're willing to accept the responsibility should ultimately that time come and that known I'm kind of finished but I think we got a couple of minutes.

00:52:37:12 - 00:52:43:17

Michael

I don't know. Ralph, have you got any questions in the queue or how you want to handle us taking us out?

00:52:45:12 - 00:52:57:03

Ralph

I don't I don't have any additional questions in the queue. Thank you, Michael. Everything you've delivered here today. Thank you. Amy, did you have some final comments, Amy, that you wanted to mention?

00:52:58:09 - 00:53:22:23

Amy

Just one. When we were talking about the reviewing and reviewing legal documents. So I do also point out to my clients all the time when they come in or people coming in for reviewing something that maybe was created in 1985, that these documents are not a one and done transaction. They are fluid. They do need to keep up with changes in your family, changes in your assets and changes in the law.

00:53:22:24 - 00:53:49:15

Amy

So my recommendation is always getting them reviewed at least every three years, which I include as part of my process. So if you haven't had them reviewed in three years, you should make an appointment with your attorney to do that for sure. And then, of course, as Ralph was pointing out, any major life changes that happened, marriage, divorce, a new baby, anything like that new home, whatever is going on in your life that is major probably is going to necessitate a review of your legal documents as well.

00:53:49:15 - 00:53:54:00

Amy

So if that's happened before in that three year period, make an appointment and have it reviewed.

00:53:55:16 - 00:54:20:16

Ralph

Absolutely. Very important to stay on top of these things. Things life happens and it happens constantly. And you know, you're talking about the changes in the law. And, you know, not only this Congress or Sacramento, in our case here in California, not only do they update all kinds of stuff every year, now, you know, we look at stuff that Congress does in years, usually a sunset provision.

00:54:21:00 - 00:54:49:07

Ralph

And so sometimes those laws change just because they didn't do anything. So and it changes the estate planning issues and it changes, you know, the tax deductibility issues for IRAs and for all kinds of stuff. So it's an ongoing thing. One thing that, you know, I've passionate about being a lifetime learner and just staying current is almost enough to as far as as far as lifetime learning goes.

00:54:49:16 - 00:54:57:13

Ralph

Michael, we're going to let you wrap up. And then I've got a couple of closing comments for the... Rose we'll put up on the screen here for us... from upcoming events.

00:54:57:21 - 00:55:26:04

Michael

Thanks, Ralph and Amy, I am honored. This was this was really fun tonight. And I think my last thought was that Amy's point. I think that's why people will recognize Ralph. Here's why you're always asked, asking them, hey, has anything changed since

the last time we sat down together right. That's the impetus to that question, so that these types of things can percolate into conversations that that that that require some changes.

00:55:26:19 - 00:55:45:16

Ralph

We've recently added that to our email signatures. You know, please notify us if there's been any significant changes in your financials, in your personal situation or something like that. Based on our new chief compliance officer suggested that. And I just think it makes a lot of sense to, you know, to remind people.

00:55:45:21 - 00:56:10:19

Ralph

So I do want to thank you again, Michael! Rose would... Okay. There we go. You can follow us on Facebook and LinkedIn. We now have an Instagram account on the Enduring Wealth Advisors there. And we also on Twitter. So we are we're active on social media. And I know that Amy is also active on social media.

00:56:11:10 - 00:56:16:21

Ralph

Oakden Law. Amy, you want to tell us what your what your handles are? I don't think we a screen for a screenshot.

00:56:16:21 - 00:56:19:01

Amy

For I it's just at Oakden Law.

00:56:20:05 - 00:56:24:15

Ralph

At Oakden Law. Okay. There you go. So thank you so much.