

Caring for an Aging Relative?

A Guide for Medical and Financial Planning



Many people find themselves in the role of caring for aging relatives. Often, the responsibilities of caregiving go beyond providing emotional support and physical care but also include navigating legal matters to ensure the well-being and dignity of their aging loved ones. Talking about these plans may make you uncomfortable or seem irrelevant if you are young or healthy, but the earlier you start, the better off you and your loved ones will be.

Medical Planning

Talking about a loved one's impending death can be difficult, but life-planning decisions should be discussed as early as possible so your loved ones can thoughtfully consider options and voice their values.

Medical Directive or Advanced Directives: It outlines life-saving measures like CPR and artificial support for breathing and explains the level of care your loved one desires to receive should they become ill or incapacitated.

Medical Power of Attorney: This document designates a person, or multiple people, to make medical decisions in the event your loved one is unable to speak for themselves. By appointing someone in advance to make these decisions for your loved one, fast and effective decisions can be made in the event of illness or incapacity.

Financial Planning

Financial planning involves setting up a plan for how to cover your relative's financial needs while they are alive, managing their money when they are no longer able to do so, and dispersing their money after their death. Planning could include having joint signatures on all financial accounts; discussing future financial affairs with an adviser; and naming beneficiaries in all banking, investment, and retirement accounts.

Durable Financial Power of Attorney: This legal document designates a person, or persons, to handle your loved one's finances should they become temporarily or permanently incapacitated. It allows the financial power of attorney to manage your loved one's financial affairs, pay bills, sell property, contract for services, etc.

Living trust: a legal document that establishes a legal entity, called a "Trust," which holds title to your loved one's assets. The trust is managed by a "Trustee," which can either be your loved one or someone they appoint. The trust will include instructions on how to manage your loved one's assets during their lifetime and distribute their assets after death. A properly executed trust will enable the beneficiaries to avoid probate.

Will: a legal document that describes how your loved one's property will be transferred and who will care for any dependents (if applicable) after your loved one's death. Making a will requires your loved one to choose and name an executor (the person who will manage the estate) and the beneficiaries (the people who will receive the estate).