

PURDUE UNIVERSITY RETIREES ASSOCIATION

PRESENTS

PLANNING FOR YOUR FUTURE

A photograph of a family of four walking through a field of tall grass at sunset. The sun is low on the horizon, creating a warm, golden glow. A woman with long blonde hair is carrying a young child with red hair. A man is walking next to her, holding her hand and carrying another young child. They are all smiling and looking towards the right.

ESTATE PLANNING FOR YOUR FUTURE: WILLS, TRUSTS, AND ADVANCE DIRECTIVES

Presented by Rick Spykman, Stuart & Branigin LLP
November 26, 2018

In collaboration with



MAJOR TOPICS

- + Wills and Trusts
- + Advance Directives

PLANNING IS ESSENTIAL, BUT NOT VERY POPULAR

DESCRIPTION	SURVEYED %
Probability of Death	100%
Will	35%
Trust	18%
Durable Power of Attorney	29%
Appointment of Health Care Rep.	29%
Living Will Declaration	32%

2009 survey by Harris Interactive, 2013 survey by Findlaw.com

THE RIGHT DOCUMENTS

- + Will or Revocable Trust
- + Durable Power of Attorney
- + Appointment of Health Care Representative
- + Living Will Declaration
- + HIPAA Medical Records Authorization
- + And Possibly
 - ▶ Out-of-Hospital DNR
 - ▶ Physician Order on Scope of Treatment (POST)
 - ▶ Funeral Planning Declaration

THE RIGHT PEOPLE

"Get the right people on the bus, the wrong people off the bus, and the right people in the right seats."

Jim Collins, Good to Great

Who to Choose?

- ▶ Trustworthy, reliable, respectable persons
- ▶ With financial and/or practical knowledge
- ▶ Who understand your desires
- ▶ And who are not hired caregivers
- ▶ ...Don't forget to name their successors

WILLS

- ▶ Advantages:
 - ▶ Avoid statutory inheritance laws (intestate)
 - ▶ Simplicity in documents
 - ▶ Simplicity in administration
 - ▶ Put someone in charge (executor, guardian)
 - ▶ Cut off creditor claims, dispute resolution through court

REVOCABLE TRUSTS

- ▶ Advantages:

- ▶ Privacy
- ▶ Avoid statutory inheritance laws (intestate)
- ▶ Manage assets if disabled, continuity
- ▶ Out of state real estate (avoid ancillary admin.)
- ▶ Minimize probate process if correctly funded
- ▶ Still need “pour over” Will for individual assets

NON-PROBATE ASSETS

Remember - These assets transfer outside of your Will or Trust:

- ▶ Jointly owned real estate (incl. Husb/Wife)
- ▶ Jointly owned accounts and assets
- ▶ Pay-on-death accounts
- ▶ Life insurance proceeds
- ▶ IRA, 401(k) and other Retirement Accounts

DURABLE POWER OF ATTORNEY

- ▶ “Durable” = not terminated by incapacity
- ▶ Can be effective immediately or at incapacity
- ▶ Must be signed and notarized
- ▶ Typically very broad powers (“alter ego”)
- ▶ POA is a fiduciary, accountable for actions

APPOINTMENT OF HEALTH CARE REPRESENTATIVE

- ▶ Medical consent document
- ▶ Signer and witness must sign
- ▶ Representative has power only when the signer is incapable of consenting.
- ▶ Terms of HCR and POA documents must dovetail regarding health care matters

LIVING WILL DECLARATION

- ▶ Authorizes withdrawal of life support in no-recovery terminal condition and if death will occur within a short time
- ▶ Signer and two witnesses must sign
- ▶ Document must include required terms
- ▶ Only effective after physician's written certification (discuss with your doctor!)
- ▶ Protects health care providers

HIPAA MEDICAL RECORDS AUTHORIZATION

- ▶ HIPAA requires privacy of protected health information (PHI)
- ▶ Signer authorizes named family and/or friends to have access to signer's PHI
- ▶ Overcomes concerns of health care providers re liability for disclosure of PHI

OUT OF HOSPITAL DNR ORDER

- ▶ DNR = Do Not Resuscitate
- ▶ Allows refusal of CPR or other artificial resuscitation
- ▶ Effective only outside a licensed hospital
- ▶ Signer and two witnesses must sign DNR Declaration with required terms, and physician must sign DNR Order
- ▶ Filed in signer's medical records

PHYSICIAN ORDER ON SCOPE OF TREATMENT (“POST”)

- ▶ Designed for patients with serious illness
- ▶ Signer (or HCR) and attending physician must sign POST Order with required terms
- ▶ Directs scope of treatment, such as:
 - ▶ CPR
 - ▶ Level of medical intervention
 - ▶ Antibiotics
 - ▶ Artificial nutrition and hydration

FUNERAL PLANNING DECLARATION

- + Signer and two witnesses must sign, must include required terms
- ▶ Allows decisions re:
 - ▶ Cremation, burial, entombment
 - ▶ Who may direct disposition of remains
 - ▶ Funeral home
 - ▶ Funeral or memorial ceremonies
 - ▶ Merchandise
 - ▶ Grave memorial

REVIEW: MAJOR TOPICS

- + Estate Planning for All Ages
 - ▶ Wills and Trusts
 - ▶ Advance Directives

THANK YOU!



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In collaboration with:



2018 Tax Reform

What It Means To You And Your Retirement

Roger Seiler, CPA/PFS, Cox & Company

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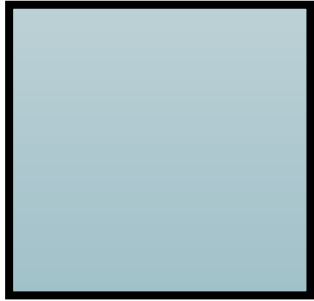
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- Cox & Company makes every attempt to provide accurate and concise information in this presentation
- Some information may change over time, depending on each client's situation
- Cox & Company does not provide any legal services or legal advice to clients

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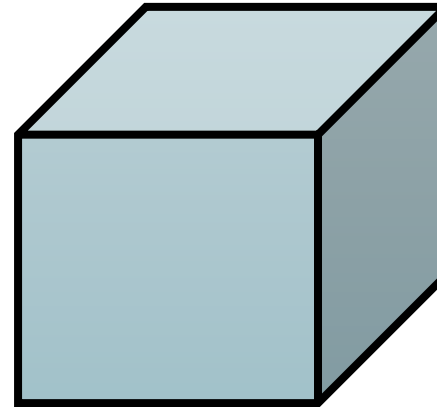
Tax Cuts & Jobs Act

Tax law changes – the new dimension!



One Dimensional

2017 & Earlier



Multi-Dimensional

2018 – 2025

Tax Cuts & Jobs Act passed in Dec 2017

- ***Most dramatic change to tax laws in more than 30 years***

Tax Cuts & Jobs Act

Learning a new language

- New terms to use
- A different understanding

Examples:

- Taxable income (2017 vs 2018)
- Deduction stacking
- Value of deductions



How Is Your Tax Calculated?

2017

- (+) Income
- (-) Personal Exemptions
- (-) Itemized Deductions
- (=) Taxable Income**

*Taxable Income * Federal Tax Rate*
*Taxable Income * State Tax Rate*

2018

- (+) Income
- (-) Itemized Deductions
- (=) Taxable Income
- (-) QBID (Qualified Business Income Deduction)
- (=) Adjusted Taxable Income**

*Adjusted Taxable Income * Federal Tax Rate*
*Taxable Income * State Tax Rate*

MARRIED FILING JOINTLY/SURVIVING SPOUSE

FROM	TO	Old - 2017	New - 2018	MAX TAX
\$0	\$19,050	10.00%	10.00%	\$1,905
\$19,051	\$77,400	15.00%	12.00%	\$10,657
\$77,401	\$165,000	25.00%	22.00%	\$32,557
\$165,001	\$315,000	28.00%	24.00%	\$74,557
\$315,001	\$400,000	33.00%	32.00%	\$102,606
\$400,001	\$600,000	35.00%	35.00%	\$172,606
\$600,001	\$\$\$	39.60%	37.00%	

SINGLE

FROM	TO	Old - 2017	New - 2018	MAX TAX
\$0	\$9,525	10.00%	10.00%	\$953
\$9,526	\$38,700	15.00%	12.00%	\$5,329
\$38,701	\$82,500	25.00%	22.00%	\$16,278
\$82,501	\$157,500	28.00%	24.00%	\$37,278
\$157,501	\$200,000	33.00%	32.00%	\$51,303
\$200,001	\$500,000	35.00%	35.00%	\$156,302
\$500,001	\$\$\$	39.60%	37.00%	

Tax Cuts & Jobs Act

Personal deductions - 2018

Standard Deductions

- Single - \$12,000
- Married - \$24,000

Itemized Deductions

- State taxes – capped at \$10,000
- Mortgage interest - limit on loans >\$750k
- Charitable contributions
- No 2% miscellaneous deductions
 - Eg. Investment Fees; Tax Prep Fees



Tax Cuts & Jobs Act

Personal exemptions

2017 Personal Exemption

- \$4,050 per person
- \$1,000 Child credit – maybe?

2018 – 2025 Personal Exemption

- **ZERO** per person
- \$2,000 Child credit – 17 and under
- \$500 Dependent credit
- Income phase out
 - Single - \$200,000 or Married - \$400,000



Tax Cuts & Jobs Act

Adjusted Gross Income Deductions

▶ **Alimony**

- ▶ **Deductible by payor, Income to payee (Old Law 2017-2018)**
- ▶ **No longer deductible or taxable (New Law Effective Jan 2019)**

▶ **Qualified Moving Expenses**

- ▶ **Repealed - except for members of the Armed Forces**

Tax Cuts & Jobs Act

Education Savings



▶ **529 College Savings Plans**

- ▶ Expanded to Pay for up to \$10,000 Annually for K-12 tuition

▶ **Indiana Taxes**

- ▶ 20% tax credit on up to \$5,000 contributions– Max \$1,000 tax credit
- ▶ Effective Jan 2019 – Contributions have to be designated as either for college or K-12 tuition

Tax Cuts & Jobs Act

Kiddie Tax

- ▶ **Unearned income > \$2,100 could subject child to Kiddie Tax**
 - ▶ **Old Law - Effectively taxed income at Parent's marginal rate**
 - ▶ **New Law - Tax on child's income based on trust/estate tax brackets**
 - ▶ **Hits highest tax rate of 37% at \$12,500 income**

Tax Cuts & Jobs Act

Estate/Gift Tax

- ▶ **Lifetime Exemption**
 - ▶ **Old Law \$5.60M for 2018 per person**
 - ▶ **New Law now approximately \$11.18M per person**
- ▶ **Portability**
- ▶ **Annual Exclusion**
 - ▶ **\$15,000 per person per donee**
 - ▶ **Married couples can gift \$30,000 to each donee**
- ▶ **Gifting (now) vs Transfer at death**
 - ▶ **Estate Tax and Basis**
 - ▶ **Capital Gains Tax and Basis**

Planning Strategy – What's New?



Deduction Stacking – Planning to make 2 years of charitable donations in the same year, every other tax year.

Use Itemized deductions by stacking in one year...then use the Standard deduction the following year.

Planning Strategy – What's New?

Required Minimum Distribution (RMD) Tax Planning

- Start taking RMD's earlier to utilize lower tax rates?
- Consider a Traditional to Roth Conversion?

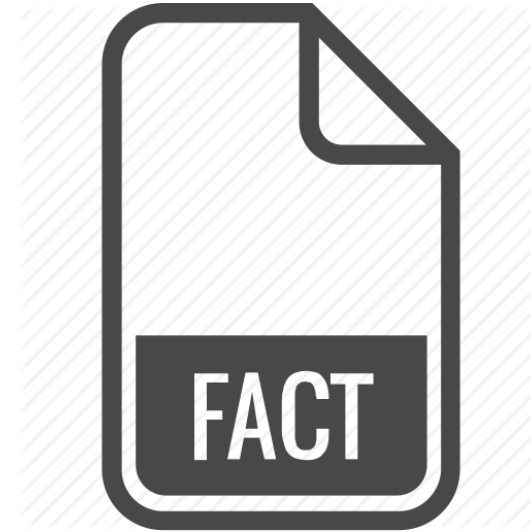
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Planning Strategy – What's New?



What we don't know...

- IRS interpretation?
- How will taxpayers behave?
- Side effects of tax changes?



What we know

- Multi-year planning is a premium
- Set for 8 years
- Things will change



Best Practices...

Action Plan

Steps To Take In 2018

2018 Action Plan

Start now!

- Understand the components of your income/taxes
- Start looking at your 2018 income sources

Work with a Trusted Advisor!

- Tax preparation is devalued
- Planning is valued
- Look at a multi-year plan

Understand the **VALUE** of your decisions!

- What is the value of a tax deduction?
- What is the value of thinking differently?



2018 Action Plan

Know your Deductions

- Will you be using the Standard or Itemized Deductions?
- Consider stacking deductions

Understand retirement accounts

- What is the best for me?
- Consider planning for RMD's
- Understand what tax rates you're paying at now

Consider Estate & Gift Tax Planning

- You may be able to simplify with new higher limits



Thank you for viewing

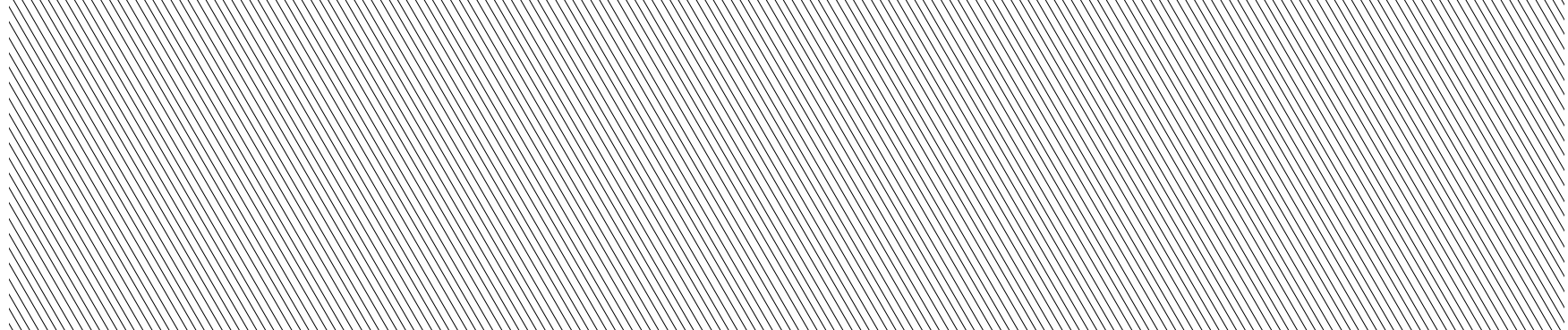
Roger Seiler, CPA/PFS, Cox & Company

2018 Tax Reform

What It Means To You And Your Retirement

A LOOK AT PLANNED GIVING

Jill Anderson
Senior Director of Development
Purdue Planned Giving Office



Planned GIVING 101



What is Planned Giving?

Integration of your:

- ❖ Personal Goals
- ❖ Financial Goals
- ❖ Estate Planning Goals
- ❖ Philanthropic Goals

Creates opportunity for giving when otherwise not possible.



Common Planned Gifts

- ❖ **Bequest/Named Beneficiary**
- ❖ **IRA Charitable Rollover**
- ❖ **Charitable Gift Annuity (CGA)**
- ❖ **Charitable Remainder Trust (CRT)**
- ❖ **Retained Life Estate**

Bequests

- ❖ Gift to Charity at Death
- ❖ Desire to Benefit Charity
- ❖ Provision in Will/Trust
- ❖ Beneficiary



Bequest **BENEFITS**



- **Estate Tax Deduction**
- **Preserve Lifetime Flexibility**
- **Easy and Simple**
- **Fulfill Charitable Intent**

IRA CHARITABLE ROLLOVER

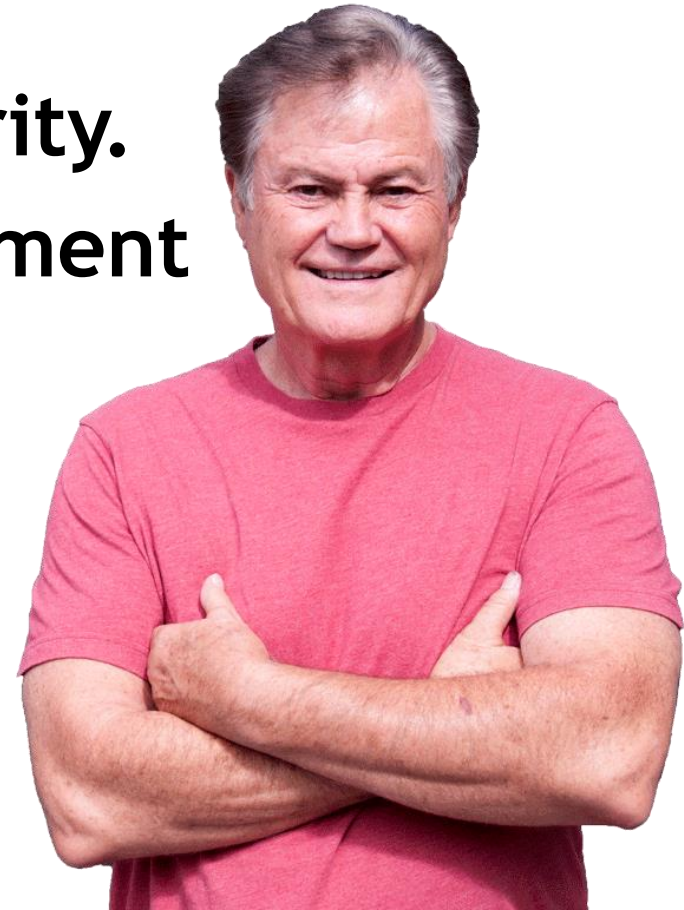
- ❖ Now permanent
- ❖ 70 ½ years or older
- ❖ Reduce taxable income
- ❖ Satisfy RMD



Charitable Gift Annuity (CGA)

Contract between a donor and charity.

- ✓ Donor makes gift to charity.
- ✓ Charity makes fixed payment for life to beneficiaries.



CGA Benefits



- Donor receives charitable tax deduction
- Fixed Payments for One or Two Lives
- Age determines rate
- Partly Tax-Free Payments

Charitable Remainder Trust (CRT)

- ❖ Donor makes gift to establish trust
- ❖ Trust makes payments to donor
 - ✓ For one or more lives
 - ✓ For term of years
- ❖ Remainder passes to c



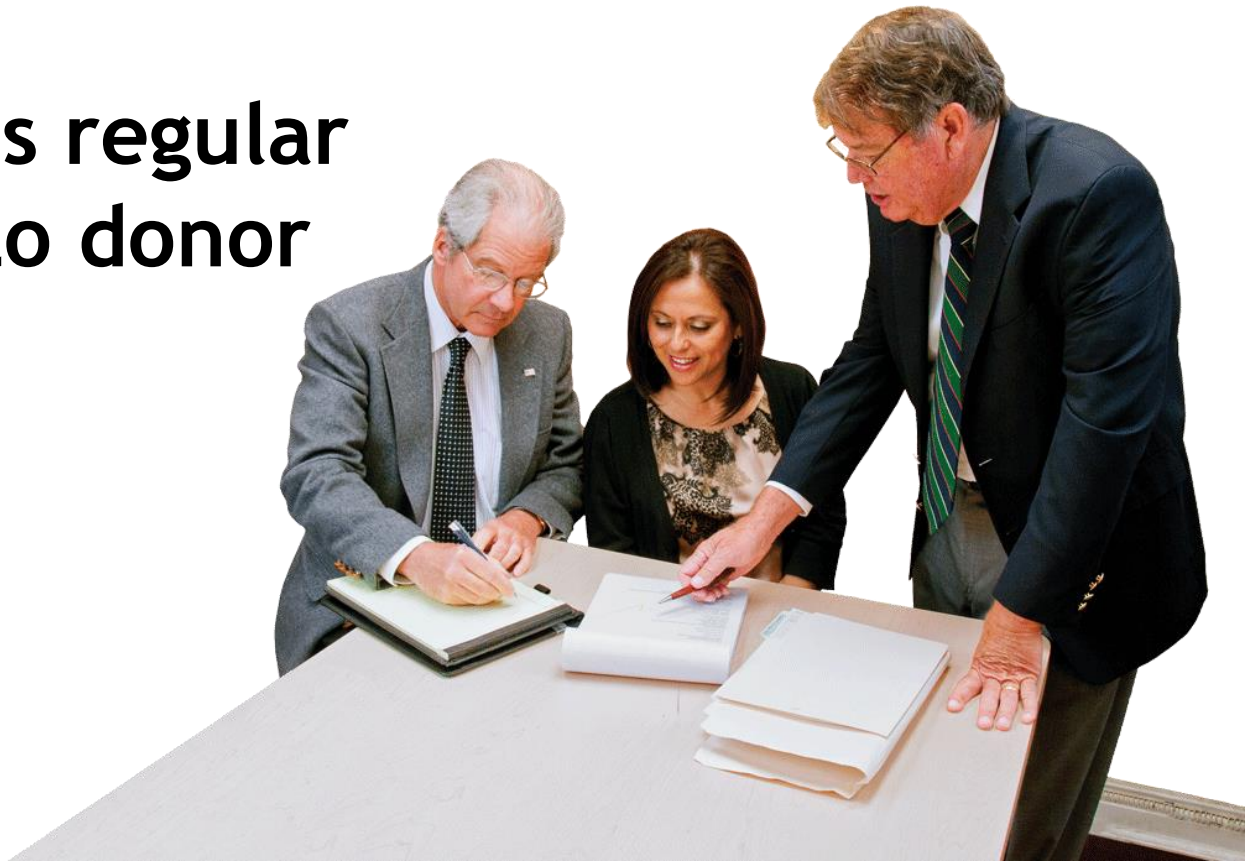
Benefits of CRT



- **Trust sells asset tax-free**
- **Charitable tax deduction**
- **Increased income**
- **Payments for life or term of years**
- **Gift to charity**

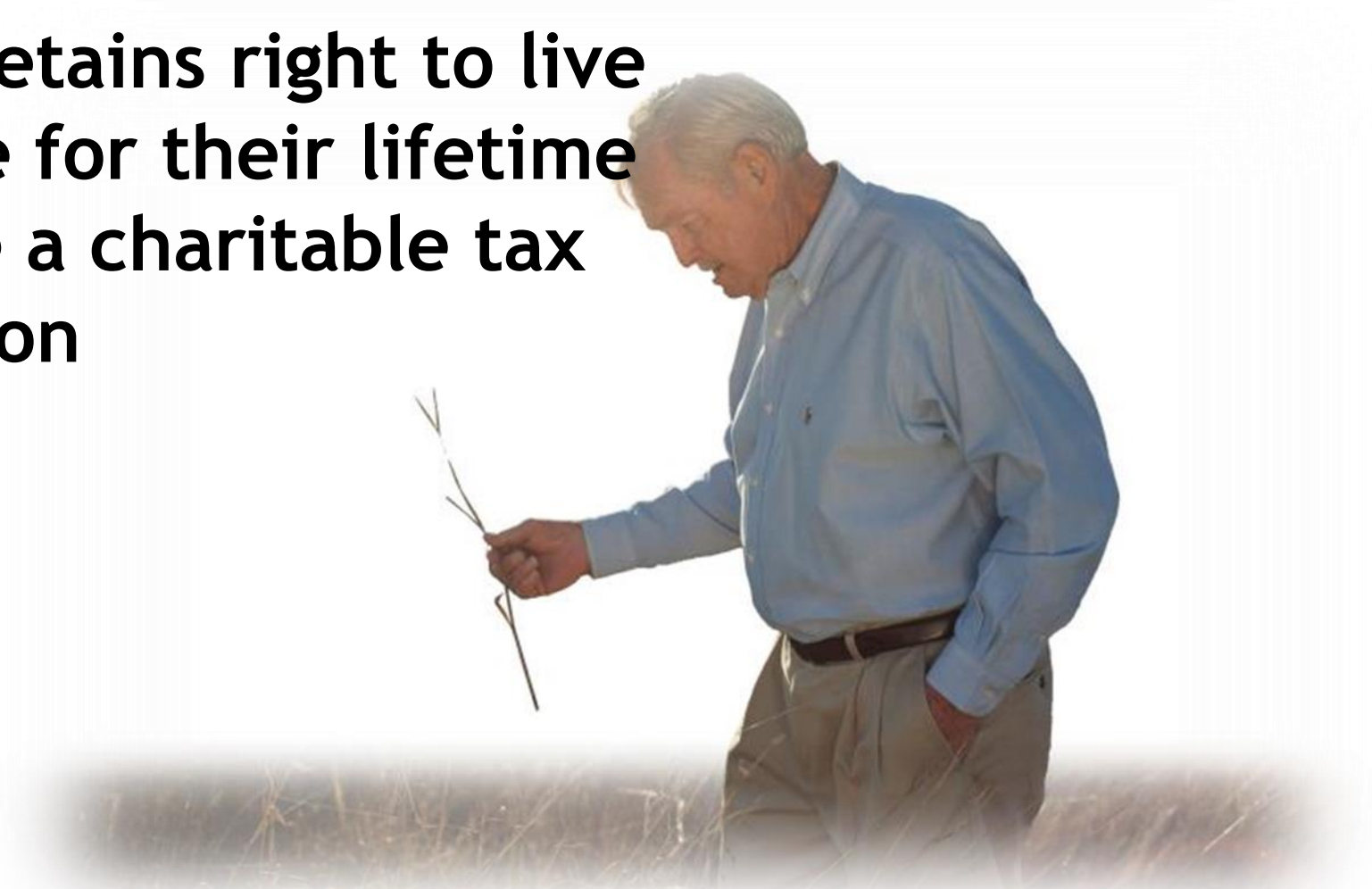
CRT: How to implement?

- ❖ Draft trust document
- ❖ Donor transfers cash or property to trust
- ❖ Trust sells property tax-free
- ❖ Trust makes regular payments to donor



Retained Life Estate

- ❖ Donor gifts home to charity
- ❖ Donor retains right to live in home for their lifetime
- ❖ Receive a charitable tax deduction



Benefits of Retained Life Estate



- Charitable Tax Deduction during lifetime
- Rights to property during lifetime
- Gift to charity

How to Implement?

- ❖ Deed is transferred
- ❖ Donor reserves life estate
- ❖ Maintenance, Insurance and Tax agreement executed
- ❖ Property passes to charity at death



HOME CARE AS A LIVING OPTION

Brandon Ezell

Director of Community Relations

Home Instead Senior Care

Home Care

You or your loved one wants to remain home.

What now?





First Steps.

- ◀ Determining Need
- ◀ Home Health Vs. Non-Medical Care
 - ◀ Average Cost
- ◀ Picking the right agency for you

Determining Need

Home Health: Care given by skilled caregivers (RNs, LPNs, CNAs); skilled nursing care, physical therapy, occupational therapy and speech therapy.

Non-Medical: Designed to help people with Activities of Daily Living (ADLs). Identified by the following terms: personal care, companion care, homemaker and attendant care.

***Note that there may be some overlap in the provision of services depending on the agency you choose**

Home Health



- ← Medication Administration (including IVs & Injections)
- ← Monitoring Vital Signs
- ← Wound Care
- ← Physical & Occupational Therapy
- ← Monitoring & Utilizing medical equipment (CPAP, G-tube, Etc)

Non-Medical Home Care



- ✦ Bathing & Toileting
- ✦ Meal Preparation & Eating
- ✦ Dressing & Mobility assistance
- ✦ Medication Reminders
- ✦ Laundry & Light Housework
- ✦ Transportation; errands, appointments, outings
- ✦ Companionship

Genworth Cost Calculator

Average Monthly Cost – Greater Lafayette 2018

Homemaker (non-medical) \$4,385

Home Health \$4,385

Assisted Living Facility \$5,205

Nursing Home (Semi-private Room) \$8,030

Nursing Home (Private Room) 9,733

Genworth Cost of Care Survey 2018, conducted by CareScout®, June 2018
Based on annual rate divided by 12 months (assumes 44 hours per week Home Care)
Based on annual rate divided by 12 months (Nursing Facilities)

Picking The Right Agency

- ▶ Check the company's reputation
- ▶ Request price information
- ▶ Inquire about time minimums
- ▶ Contract
- ▶ Licensing, Bonding, Insurance



Picking The Right Agency

- ▶ Caregiver Hiring Procedures
- ▶ Care Plans
- ▶ Communication-HIPAA
- ▶ After-Hours & Urgent Calls
- ▶ Policies & Procedures

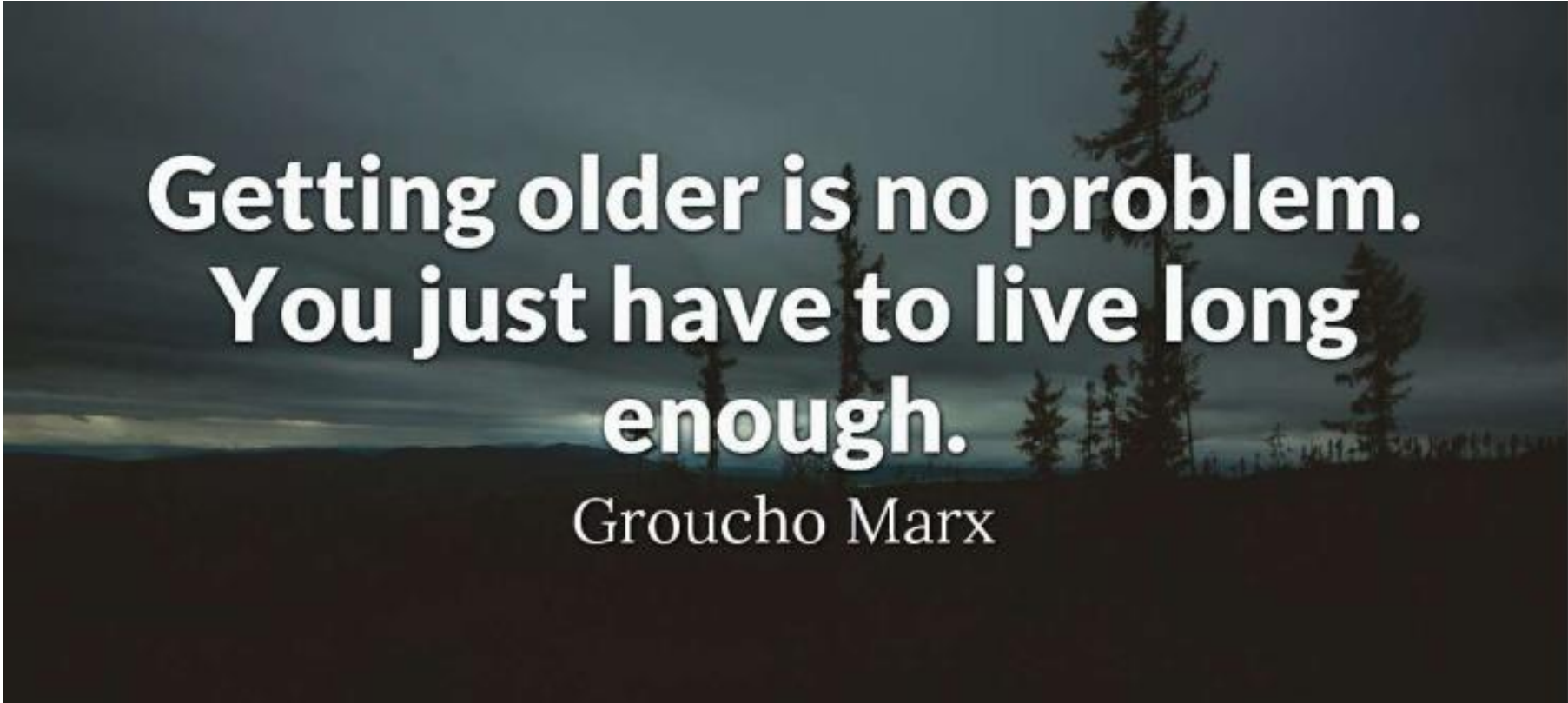


WHAT ABOUT RETIREMENT COMMUNITIES?

Dawn Walker, Administrator
Glasswater Creek of Lafayette

The Landscape of Retirement

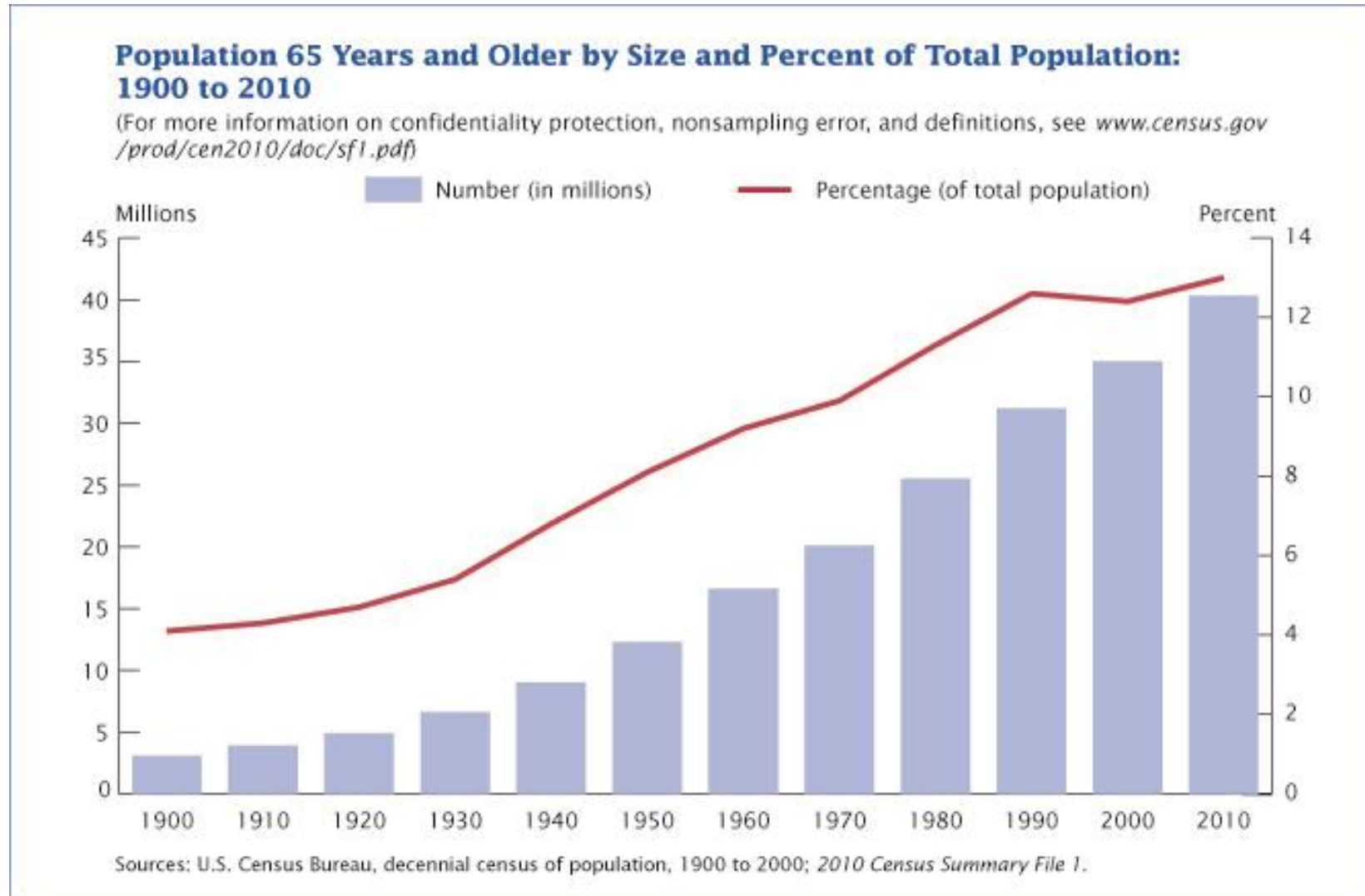
Dawn Walker, B.A, M.H.A.,HFA



**Getting older is no problem.
You just have to live long
enough.**

Groucho Marx

The Numbers Don't Lie!



Demographic Shifts

- ▶ The number of Americans ages 65 and older is **projected to more than double** from 46 million today to over 98 million by 2060, and the 65-and-older age group's share of the total population will rise to nearly 24 percent from 15 percent.

Demographic Shifts

- ▶ The older population is becoming more **racially and ethnically diverse**. Between 2014 and 2060 the share of the older population that is non-Hispanic white is projected to drop by 24 percentage points, from 78.3 percent to 54.6 percent.

Demographic Shifts

- ▶ **Older adults are working longer.** By 2014, 23 percent of men and about 15 percent of women ages 65 and older were in the labor force, and these levels are projected to rise further by 2022, to 27 percent for men and 20 percent for women.

Demographic Shifts

- ▶ Many parts of the country—especially counties in the rural Midwest—are “**aging in place**” because disproportionate shares of young people have moved elsewhere.

Positive Developments

- ▶ **Education levels are increasing.** Among people ages 65 and older in 1965, only 5 percent had completed a bachelor's degree or more. By 2014, this share had risen to 25 percent.
- ▶ **Average U.S. life expectancy increased** from 68 years in 1950 to 79 years in 2013, in large part due to the reduction in mortality at older ages.
- ▶ **The gender gap in life expectancy is narrowing.** In 1990, there was a seven-year gap in life expectancy between men and women. By 2013, this gap had narrowed to less than five years (76.4 years versus 81.2 years).

Positive Developments

- ▶ The **poverty rate** for Americans ages 65 and older has dropped sharply during the past 50 years, from nearly 30 percent in 1966 to 10 percent today.
- ▶ More than one-fourth (27 percent) of women ages 65 to 74 **lived alone** in 2014, and this share jumps to 42 percent among women ages 75 to 84, and to 56 percent among women ages 85 and older.
- ▶ The aging of the baby boom generation could fuel a 75 percent increase in the number of Americans ages 65 and older requiring **nursing home care**, to about 2.3 million in 2030 from 1.3 million in 2010.

Positive Developments

- ▶ Demand for elder care will also be fueled by a steep rise in the number of Americans living with **Alzheimer's disease**, which could nearly triple by 2050 to 14 million, from 5 million in 2013.
- ▶ The large share of elderly also means that **Social Security** and **Medicare** expenditures will increase from a combined 8 percent of gross domestic product today to 12 percent by 2050.
- ▶ Policymakers can also improve the outlook for the future by **reducing current gaps** in education, employment, and earnings among younger workers.

Ladies, the men are gaining on us!

- ▶ **Population of Older Men Increased at a More Rapid Rate than Older Women**
- ▶ While women continue to outnumber men in the older ages, men have continued to close the gap over the decade by increasing at a faster rate than women.

Demographics...

- ▶ The largest growth rate for a 10-year age group within the older population was for men 85 to 94 years old (46.5 percent).
- ▶ Women in this age group also increased but to a smaller degree (22.9 percent). When five-year age groups are compared,

Demographics...

- ▶ Men 90 to 94 years old had the fastest growth rate (50.3 percent) while women increased the fastest in the 65- to 69-year-old age group (28.2 percent).
- ▶ The number of men per 100 women in the older ages has increased over time

The Growing Costs...



\$\$\$\$ Show Me The Money \$\$\$\$

- ▶ Independent Living
 - ▶ Continuing Care Retirement Communities
 - ▶ Life Care Communities
 - ▶ Rental Villas/Patio Homes
 - ▶ Ownership of Villas/Patio Homes

Show me the \$

- ▶ Fee for Service Retirement Communities
 - ▶ 90% Return of Capital
 - ▶ \$100,000-\$425,000 in Entry Fee
 - ▶ 50% Return of Capital
 - ▶ \$80,000-\$325,000 in Entry Fee
- ▶ Traditional Amortizing Plans
 - ▶ \$65,000 - \$290,000 in Entry Fee

Show me the \$

- ▶ Fee for Service Retirement Communities
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Assisted Living

- ▶ Although assisted living facilities differ by state, services offered can include:
- ▶ Assistance with daily living activities (bathing, dressing, eating, toileting, etc.)
- ▶ Central dining programs that include three meals a day.
- ▶ Educational activities.
- ▶ Emergency call systems in private and common areas.
- ▶ Exercise activities.

Assisted Living \$\$\$\$

Licensed Assisted Living/Memory Care Assisted Living

Private Pay Base Rates + Levels of Care (1-6)
\$3500-\$7500 Per Month

Assisted Living

Affordable Assisted Living (Licensed)
Glasswater Creek of Lafayette

Private Pay Rate Includes All Levels of Care
\$3400-\$4000 Per Month

Medicaid Waiver
\$750-\$1033 Per Month

Health Center/Nursing Home

- ▶ Skilled Nursing Care
 - ▶ Up to 100 days covered by Medicare/Co-pay following a qualifying hospital stay
 - \$350-\$500 per day

Health Center/Nursing Home

- ▶ Comprehensive Care
 - ▶ Private Room
 - ▶ \$350-\$400 Per Day
 - ▶ Semi Private Room
 - ▶ \$180-\$300 Per Day

Health Center/Nursing Home

▶ Medicaid

- ▶ Cost based on what the resident can afford to pay - dictated by Medicaid
- ▶ Patient Liability - Cost based on what the resident can afford to pay - Calculate by Medicaid

Home Health Care

- ▶ Medicare

- ▶ Most of the cost is covered by Medicare following a qualifying event

- ▶ Private Pay/Long-Term Care Insurance

- ▶ 24 In Home(unlicensed) runs \$10,000-\$15,000 a month

- ▶ Medicaid Waiver/Medicaid

- ▶ Area IV Agency on Aging

Puzzling?



Your To Do List:



Save As Much as You Can, While You Can!



Talk with those you love...



Now is the Time to Build Your Plan!



Facilities for Alzheimer's and/or Parkinson's Diseases

Jessica Wiles
Trilogy Health Services

Dementia and Parkinson's: Long Term Care

1. Long Term Care Vocabulary
2. True or False?
3. Start your search!

Vocabulary:

Assisted Living: provides nursing care, Housekeeping, and prepared meals as needed.

Memory Care: a form of long term care that specifically caters to patients with Alzheimer's Disease, dementia, or other forms of memory problems.

Vocabulary:

Skilled Nursing Care: a unit of a CAMPUS that is able to provide increased nursing measures to individuals as they decline physically.

Campus: formerly known as “nursing home”.

Adult Day Services: a service offered that allows for nursing care and services to be provided for small increments of time

True or False?

A memory care facility is typically a secured unit or building?

True

If someone has a memory related diagnosis they have to reside in a memory care unit?

False

True or False?

One in ten seniors over the age of 65 is diagnosed with dementia.

True

It is not important for an assisted living facility to have state licensure.

False. It is required by Long-Term Care insurance.

START YOUR SEARCH TODAY BEFORE IT IS TOO LATE!

Visit a potential facility on a
Saturday, unannounced to see how it
really functions.

What happens if a patient becomes
ill?

FUNERAL AND CEMETERY OPTIONS

Steve Riggs
Director of Public Communications
Tippecanoe Memory Gardens

is your



House
in order?

Welcome

is your

House



in order?

Who are we and why are we doing this?

Shared passion & commitment to serve

“There *must* be a better way...”

It is **easier** for US to discuss ahead of time

It is **better** for YOU to discuss ahead of time

If we help YOU discuss it today, perhaps you will think of US someday when you are ready to take action

It is our way of reaching out to the public....“*Advertise*”

is your

House



in order?

What *Does* Getting Your House In Order Mean?

- Actually carrying out your good intentions (*no more procrastinating!*)
- Allowing a smooth transition from independent living to whatever lies “beyond”
- Sparing family from unnecessary stress and financial worries at the worst time
- It is the **CHOICE** between leaving problems or leaving solutions.....or better known as
- **Peace of Mind**

is your
House



in order?

Why Get My House In Order?

("What -- Me Worry?")

- Some of us will outlive our physical or mental health and lose our ability to remain independent & make decisions **(Alzheimer's at 50??)**
- Many of us will outlive our assets **(85+)**
- All will die. It's not a matter of *if*, but rather *when*.
- The odds are not in our favor!

is your

House



in order?

What is your insurance plan?

We buy:

Life Insurance to give our family the chance to make it through a transition period without undue financial stress

Home Owner's Insurance to protect us from a catastrophic loss due to fire or theft

Auto Liability Insurance to protect us from a total loss or severe injury

Major Medical to protect ourselves from devastating health expenses

is your

House



in order?

Isn't it Odd?

A young adult will spend an estimated \$420,000 in today's dollars during his or her lifetime to protect against things that will likely NEVER happenand yet we fail to plan for the one thing we KNOW will happen.

How many will lose their home in a fire? 2500:1?

How many will experience an accident where they will cause a fatality or just demolish their car? 2000:1?

How many of us will suffer a financially devastating disease? 500:1?

How many of us will experience a death in our family?

1:1

is your

House



in order?

Isn't it even Odder?

We PLAN for all of life's little moments that we expect to remember.

- Birth of a Child
- Education
- Weddings
- Birthdays Parties
- Vacations
- Retirement

And yet we fail to plan for the most important event of all.....the loss of a loved one.

is your

House



in order?

So OK...What Do I Need to Get My House In Order?

- **Will and or Trust** You need a legal document that expresses who you want to leave your assets to.
- **Financial Power of Attorney** to allow someone to handle your money if you cannot
- **Health Care Power of Attorney** to allow someone to make health decisions for you if you cannot
- **Health Care Directive or Living Will** to allow someone to make life support decisions if you cannot
- **Family Record Guide** to organize all of the items above as well as explain all of your final wishes.

is your

House



in order?

Will or Living Trust

- Document that transfers your property to your named beneficiaries at death
 - Appoint an Executor / Executrix
 - Name a Guardian for minor children
 - Address Estate Tax

MYTH: We live in a community property state; my spouse will get everything

MYTH: Probate is as evil as the bubonic plague

is your

House



in order?

Financial Power of Attorney

- Document that appoints an Agent to act on your behalf in the event of incapacity

MYTH: Without a document, my spouse automatically steps in to make these decisions

MYTH: My mom doesn't have a will, but I have her Power of Attorney, so we're OK

is your

House



in order?

Health Care Power of Attorney

- Document that appoints an Agent to make health care decisions on your behalf in the event of incapacity
- Avoids a Guardianship proceeding

MYTH: If I am in the hospital, my spouse and children will have access to information about my condition

is your

House



in order?

Health Care Directive

- A Health Care Directive or a Living Will allows you to set forth your wishes regarding the termination of life support
- Most states do not permit “mercy killing” or “assisted suicide”

is your

House



in order?

The Family Record Guide

The **Loss of a Loved One** is **THE** most difficult life experience and it happens to **EVERYONE**.

When the people you love the most are hurting and are least capable of thinking straight, **they will be forced to make many difficult emotional and expensive financial decisions.**

The **Family Record Guide** will “guide” them through this difficult time and give them the **Peace of Mind** that they did the right thing.

is your

House



in order?

How Do I Get Started?

- Accept that it is YOUR problem, no one else's & take responsibility
- Have a meaningful conversation with spouse, if married
- Ask for your Complimentary

Family Record Guide

- Organizes all of the vital information needed
- You will find this to be your most valuable document that you have

is your

House



in order?

Questions to Ask...

What if my spouse or partner doesn't want to talk about it? *("just do it")*

Do it together, now and make calm & rational choices; **OR** do nothing now, leaving it for one of you to do alone, later, at the most emotional time.

When is the best time to discuss my wishes or plans with my children?

AFTER you have made your decisions and executed your plans, inform them of what you have done.

OVERVIEW: Why Is This Important?

- * Life Expectancy: 1) Americans live longer than ever before
 2) Americans live far longer after retirement

- * Health Care: 1) U.S. medical expenses have risen dramatically
 2) End-of-life health care costs are astronomical

- * Result: More than 40% of Americans outlive their financial resources,
 and it is projected to be more than 50% of Americans by 2025.

- ▶ Result: If a family doesn't plan in advance, it becomes more and more likely
 a loved one will not experience the end result that is most desired.

1900-2000: Changes In Life Expectancy In The United States

Year	White Men		
	At Birth	At Age 65	At Age 85
Additional Years	28	4	2
Percentage Change	60%	33%	50%
1900	47	12	4
1910	49	-	4
1920	54	-	4
1930	60	-	4
1940	62	-	4
1950	67	13	4
1960	67	13	4
1970	68	13	5
1980	71	14	5
1990	73	15	5
2000	75	16	6

Year	White Women		
	At Birth	At Age 65	At Age 85
Additional Years	31	7	3
Percentage Change	63%	58%	75%
1900	49	12	4
1910	52	-	4
1920	66	-	4
1930	64	-	4
1940	67	-	4
1950	72	15	5
1960	74	16	5
1970	76	17	6
1980	78	18	6
1990	80	19	7
2000	80	19	7



Benefits Planner | Life Expectancy

When you decide when to start receiving retirement benefits, one important factor is how long you might live.

According to data we compiled:

- A man reaching age 65 today can expect to live, on average, until age 84.3.
- A woman turning age 65 today can expect to live, on average, until age 86.7.

And those are just averages. About one out of every four 65-year-olds today will live past age 90, and one out of 10 will live past age 95.



KAISER-PETERSON HEALTH CARE FOUNDATION
- research based on National Health Expenditure
data from the U.S. Centers for Medicare and
Medicaid Services.

HEALTH CARE COSTS HAVE INCREASED EXPONENTIALLY OVER TIME

Total health expenditures have increased substantially over the past several decades

Health spending totaled \$74.6 billion in 1970. By 2000, health expenditures had reached about \$1.4 trillion, and in 2016 the amount spent on health had more than doubled to \$3.3 trillion. Total health expenditures represent the amount spent on healthcare and health-related activities, including expenditures from both public and private funds.

On a per capita basis, health spending has grown astronomically

On a per capita basis, health spending has increased nearly 29-fold over the last four decades, from \$355 per person in 1970 to \$10,348 in 2016. In constant 2016 Dollars, the increase was almost 6-fold from \$1,762 in 1970 to \$10,348 in 2016.

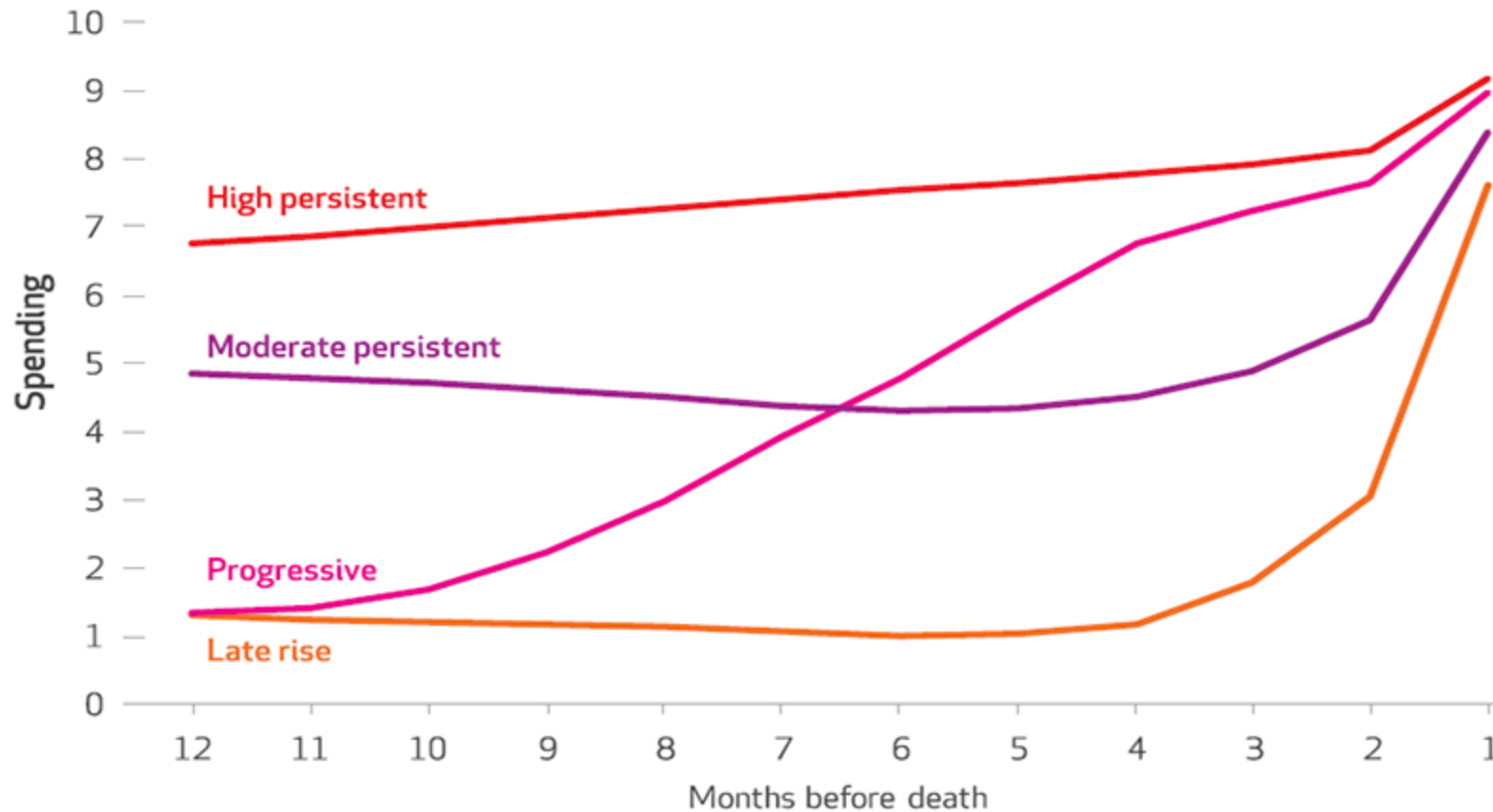


National Institutes of Health
Turning Discovery Into Health

The distribution of health care costs is strongly age dependent, a phenomenon that takes on increasing relevance as the baby boom generation ages. After the first year of life, health care costs are lowest for children, rise slowly throughout adult life, and increase exponentially after age 50. Researchers determined **annual costs for the elderly are approximately four to five times those of people in their early teens**. Personal health expenditure also rises sharply with age within the Medicare population. The oldest group (85+) consumes three times as much health care per person as those 65–74, and twice as much as those 75–84. Nursing home and short-stay hospital use also increases with age, especially for older adults.

The number of people 65 and older is projected to grow from 13 percent of the population today to 20 percent by the year 2030 ([U. S. Census Bureau 2000](#)). The population of the “old-old” (85+) will more than quadruple over the next few decades as the large baby boomer cohort reaches these advanced ages. Old-age health care costs thus will impose increasingly severe pressure both on private finances and government coffers. Indeed, per capita health care expenditures will rise by one-fifth due to population aging alone in the next 10 years. Elderly Americans will have less and less discretionary funds over time.

Health care spending trajectories of Medicare decedents in the last year of life



University of
Michigan

Davis and his colleagues used 2011–2012 data from the U.S. Center for Medicare and Medicaid Services, covering nearly 1.3 million Americans aged 66 to 99 who died during the study period.

** There were no clear differences in the health care spending patterns when the researchers compared people who had specific major diseases such as cancer, cardiovascular disease and organ failure. For those over 65 who died, health care costs rose 50% to 700% in the last year.

If you are grieving the death of a spouse or close family member, it isn't the time for major life decisions.



Harvard Medical School

- * Grief can cloud your thought processes. If you make abrupt decisions without proper reflection, you likely will regret them later.

- * **Have you done something you later wish you hadn't?**
- * **Have you not done something you later wish you had?**



Mental Health
America

- * The loss of a loved one is life's most stressful event and can cause a major emotional crisis. It is not the time for immediate, permanent decisions.



- * The onset of grief brought on by the death of a loved one, and the initial grief-related numbness or depression related to this life event, can be disabling. It can dramatically interfere with proper brain function, decision-making and quality of life.

The Holmes-Rahe Stress Inventory of Life Events

Life Event	Mean Value
1. Death of spouse	100
2. Divorce	73
3. Marital Separation from mate	65
4. Detention in jail or other institution	63
5. Death of a close family member	63
6. Major personal injury or illness	53
7. Marriage	50
8. Being fired at work	47
9. Marital reconciliation with mate	45
10. Retirement from work	45
11. Major change in the health or behavior of a family member	44
12. Pregnancy	40
13. Sexual Difficulties	39
14. Gaining a new family member (i.e., birth, adoption, older adult moving in, etc)	39
15. Major business readjustment	39
16. Major change in financial state (i.e., a lot worse or better off than usual)	38
17. Death of a close friend	37
18. Changing to a different line of work	36
19. Major change in the number of arguments w/spouse (i.e., either a lot more or a lot less than usual regarding child rearing, personal habits, etc.)	35
20. Taking on a mortgage (for home, business, etc..)	31
21. Foreclosure on a mortgage or loan	30
22. Major change in responsibilities at work (i.e. promotion, demotion, etc.)	29
23. Son or daughter leaving home (marriage, attending college, joined mil.)	29
24. In-law troubles	29

#1 - The death of a spouse

#5 - The death of a close family member

#14 - New family member

#17 - The death of a close friend

#24 - In-law troubles

OVERVIEW: What Should I Do?

Benefits to Advance Cemetery & Funeral
Planning

PROVIDE YOUR FAMILY PEACE OF MIND

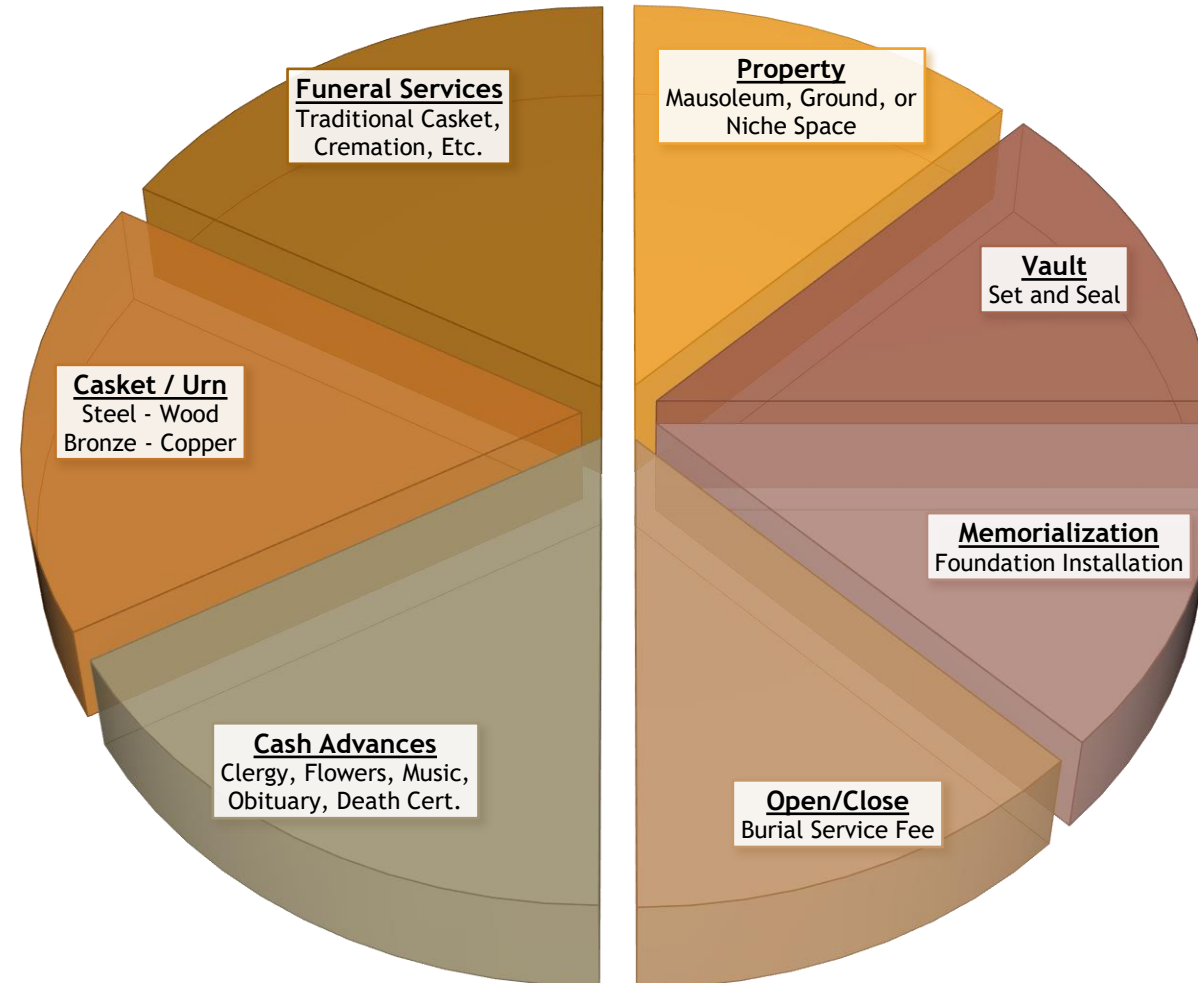
1. The Deceased's wishes are known and finalized in a written record.
2. The necessary decisions are made by a family together, not alone.
3. The arrangements eliminate future financial and emotional burdens.
4. The arrangements have frozen the price forever - guaranteed by law.
5. The best selections have been made at the most favorable terms.

Your Piece of the Pie

How much have you completed?

Mortuary

Cemetery



CERTAINTY & SECURITY DESPITE AN UNCERTAIN FUTURE



International Cemetery, Cremation & Funeral
Association

*** If you relocate more than 75 miles away from your current home, it is possible to transfer 100% of the value of your prepaid cemetery arrangements.

The Federal Trade Commission adopted a law governing the funeral industry, which became effective April 30, 1984, and which was amended as of July 15, 1994. This law is commonly known as the FTC Funeral Rule. It affects YOU, the consumer, and all funeral providers. The law recognizes we are a geographically mobile society today. A prepaid funeral trust may be transferred nationwide with full protection of the value of the arrangements.

Medicaid - Health Care at the End of Life

Medicaid is a state and federally funded health insurance program serving low income families and individuals and those in critical need for medical care. Medicaid covers over 72.5 million Americans including seniors, disabled individuals, children, parents, and pregnant women. **Medicare** is a federal program that provides health coverage if you are 65 and older or have a severe disability, no matter your income. **Medicaid** is a state and federal program that provides health coverage if you have a very low income.

The Medicaid spend-down program (also called excess or surplus income) is a way for certain categories of applicants to get Medicaid even though their income or assets are over the limit, by offsetting the financial excess with medical expenses.

*** You can possess **\$2,000** cash that will not be counted as an asset in determining your Medicaid eligibility.

*** There is a \$500,000 exclusion for your home, meaning that if your home is valued at \$500,000 or less at the time of your application, your home is excluded as an asset.

Applying for Medicaid

When one is over the **Medicaid** asset limit, it becomes imperative to **spend down** excess assets.

*** Medicaid has qualifying rules which allow you to put aside your own money for funeral and burial expenses**

CEMETERY - An irrevocable contract for burial space items (with no limitation on the amount) for you and your immediate family members including your spouse, your children (including adoptive and stepchildren), their spouses, your siblings and their spouses, and your parents. Burial space items include caskets, urns, vaults, burial plots, cremation niches, headstones, opening and closing of the grave, and perpetual care. Burial space items are counted as separate from burial funds.

FUNERAL - A larger irrevocable contract for burial funds for you and your spouse only that includes funeral service costs such as transportation of the body, embalming, cremation, flowers, clothing, legally required services of the funeral director and staff, musicians, clergy, etc.

ORGAN DONATION

<https://www.donatelifeindiana.org>

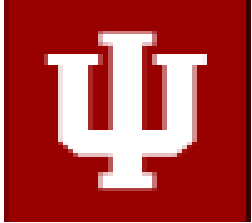
DONATE LIFE INDIANA

Since 1998, Donate Life Indiana is the state-authorized nonprofit organization responsible for managing Indiana's Donor Registry. Our mission is to save lives by creating opportunities for all Indiana citizens to sign up on the official state registry while striving to raise awareness for organ, eye and tissue donation and transplantation through public education.

*** It isn't enough to have an organ donor heart symbol on your driver's license. The heart symbol acts merely to inform medical practitioners, nurses or emergency responders to look further for organ donor authorizations on file with the Indiana Donor Registry.



Donate Body to Science



Indiana University School of Medicine

The Anatomical Education Program at IU School of Medicine, created in 1903, is charged by the State of Indiana to provide for the acquisition and distribution of human bodies for use in health science education programs in Indiana. Teaching programs at Indiana University School of Medicine and the School of Dentistry rely on body donations to train future physicians, dentists, physical therapists, nurses and other types of health professionals receiving training in Indiana.

Human bodies used for medical education are obtained entirely through donations

Families can call the Anatomical Education Program at 317-274-7450 for more information

INDIANA FUNERAL PLANNING DECLARATION

IC 29-2-19-9 Funeral planning declaration; declarant's preferences

Sec. 9. A declaration may specify the declarant's preferences concerning any of the following:

- (1) The disposition of the declarant's remains after the declarant's death.
- (2) Who may direct the disposition of the declarant's remains.
- (3) Who may provide funeral services after the declarant's death.
- (4) The ceremonial arrangements to be performed after the declarant's death.
- (5) The merchandise that the declarant prefers for the disposition of the declarant's remains and any ceremonial arrangements.
- (6) Who may direct the ceremonial arrangements to be performed after the declarant's death.
- (7) A grave memorial.

As added by P.L. 143-2009, SEC. 14.

TYPICAL ISSUES: 1) Object to Cremation - A family member wants to change Deceased's choice of Cremation to Traditional Casket Burial for Emotional or Spiritual Reasons

2) Object to Casket Burial - A family member wants to change Deceased's choice of Casket Burial to Cremation for a variety of Emotional or Financial Reasons

3) Family Dynamics - Patriarch/Matriarch or the "Glue of the Family" Now Absent

CONCLUSION

I offer guidance and counsel to the members of our community -- person by person, family by family - to provide comfort and assistance to them during the worst days of their lives.

COMPELLING REASONS TO PRE-PLAN



1. EMOTIONAL & MENTAL HEALTH ASSURANCES
2. FINANCIAL ADVANTAGES & COST GUARANTEE
3. PEACE OF MIND FOR YOU & FAMILY
4. IS YOUR HOUSE IN ORDER?