

Getting your affairs in order

Ben has been married for 47 years. He always managed the family's money. But since his stroke, Ben can't walk or talk. His wife, Shirley, feels overwhelmed. Of course, she's worried about Ben's health. But on top of that, she has no idea what bills should be paid or when they are due.

Across town, 80-year-old Louise lives alone. One night, she fell in the kitchen and broke her hip. She spent a week in the hospital and 2 months in a rehabilitation nursing home. Even though her son lives across the country, he was able to pay her bills and handle her Medicare questions right away. That's because, several years ago, Louise and her son made a plan about what he should do in case Louise had a medical emergency.

Plan for the future

No one ever plans to be sick or disabled. Yet, it's just this kind of planning that can make all the difference in an emergency. Long before she fell, Louise had put all her important papers in one place and told her son where to find them. She gave him the name of her lawyer as well as a list of people he could contact at her bank, doctor's office, insurance company, and investment firm. She made sure he had copies of her Medicare and other health insurance cards. She added her son's name to her checking account, allowing him to write checks from that account. His name is on her safe deposit box at the bank as well. Louise made sure Medicare and her doctor had written permission to talk with her son about her health and insurance claims.

On the other hand, Ben always took care of family money matters, and he never talked about the details with Shirley. No one but Ben knew that his life insurance policy was in a box in the closet or that the car title and deed to the house were filed in his desk drawer. Ben never expected that his wife would have to take over. His lack of planning has made a tough job even tougher for Shirley.

Steps for getting your affairs in order

- **Put your important papers and copies of legal documents in one place.** You could set up a file, put everything in a desk or dresser drawer, or just list the information and location of papers in a notebook. If your papers are in a bank safe deposit box, keep copies in a file at home. Check each year to see if there's anything new to add.
- **Tell a trusted family member or friend where you put all your important papers.** You don't need to tell this friend or family member about your personal affairs, but someone should know where you keep your papers in case of an emergency. If you don't have a relative or friend you trust, ask a lawyer to help.
- **Give consent in advance for your doctor or lawyer to talk with your caregiver as needed.** There may be questions about your care, a bill, or a health insurance claim. Without your consent, your caregiver may not be able to get needed information. You can give your okay in advance to Medicare, a credit card company, your bank, or your doctor. You may need to sign and return a form.

Legal documents

There are many different types of legal documents that can help you plan how your affairs will be handled in the future. Many of these documents have names that sound alike, so make sure you are getting the documents you want. Also, State laws do vary, so find out about the rules, requirements, and forms used in your State.

Wills and trusts let you name the person you want your money and property to go to after you die.

Advance directives let you make arrangements for your care if you become sick. There are two ways to do this:

- A **living will** gives you a say in your health care if you are too sick to make your wishes known. In a living will, you can state what kind of care you do or don't want. This can make it easier for family members to make tough healthcare decisions for you.
- A **durable power of attorney for health care** lets you name the person you want to make medical decisions for you if you can't make them yourself. Make sure the person you name is willing to make those decisions for you.

For legal matters, there are two ways to give someone you trust the power to act in your place:

- A **general power of attorney** lets you give someone else the authority to act on your behalf, but this power will end if you are unable to make your own decisions.
- A **"durable" power of attorney** allows you to name someone to act on your behalf for any legal task, but it stays in place if you become unable to make your own decisions.

What exactly is an "important paper"?

The answer to this question may be different for every family. The following lists can help you decide what is important for you. Remember, this is a starting place. You may have other information to add. For example, if you have a pet, you will want to include the name and address of your vet.

Please remember to include complete information about the following:

Personal records

- Full legal name
- Social Security number
- Legal residence
- Date and place of birth
- Names and addresses of spouse and children
- Location of birth and death certificates and certificates of marriage, divorce, citizenship, and adoption
- Employers and dates of employment
- Education and military records
- Names and phone numbers of religious contacts
- Memberships in groups and awards received
- Names and phone numbers of close friends, relatives, and lawyer or financial advisor
- Names and phone numbers of doctors
- Medications taken regularly
- Location of living will and other legal documents

Financial records

- Sources of income and assets (pension from your employer, IRAs, 401(k)s, interest, etc.)
- Social Security and Medicare information
- Insurance information (life, health, long-term care, home, car) with policy numbers and agents' names and phone numbers
- Names of your banks and account numbers (checking, savings, credit union)
- Investment income (stocks, bonds, property) and stockbrokers' names and phone numbers
- Copy of most recent income tax return
- Location of most up-to-date will with an original signature
- Liabilities, including property tax--what is owed, to whom, when payments are due
- Mortgages and debts--how and when paid
- Location of original deed of trust for home and car title and registration
- Credit and debit card names and numbers
- Location of safe deposit box and key

Resources

You may want to talk with a lawyer about setting up a general power of attorney, durable power of attorney, joint account, trust, or advance directive. Be sure to ask about the fees before you make an appointment.

You should be able to find a directory of local lawyers at your library, or you can contact your local bar association for lawyers in your area. An informed family member may be able to help you manage some of these issues.

