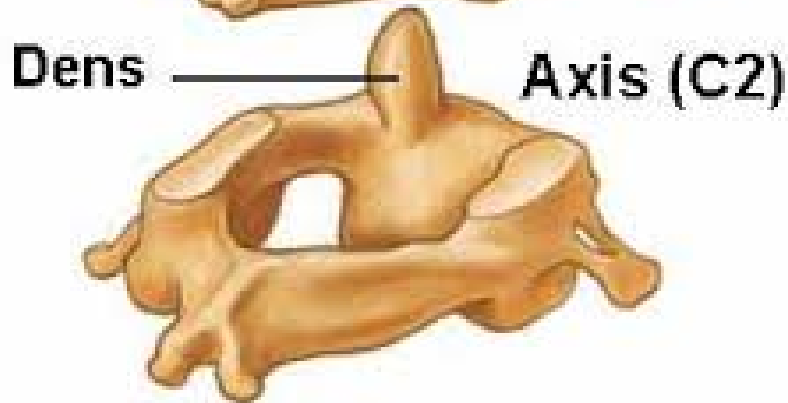


# PLANNING FOR THE TERMINALLY ILL CLIENT

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# OVERVIEW

- ▶ Communication
- ▶ Checklist
  - Cash Flow
  - Insurance
  - Tax Planning
  - Estate Planning

Communication



# COMMUNICATION

- ▶ Tell me more
- ▶ Listen
- ▶ Questions to ask
  - How are you doing?
  - What do you understand about prognosis? Verify later.

# COMMUNICATION

What are your treatment plans?

Put in a plug for early palliative care

- Multidisciplinary care (physical, emotional, spiritual, social) focused on symptom/suffering relief and improving quality of life.
- Used in various chronic diseases, cancer at all stages, curable or not.
- Hospice--< 6-12 months prognosis

# COMMUNICATION

What concerns do you have that I can assist you with?

- Validate the concerns the client has already shared
- Plant seeds about your concerns



# Financial Concerns



# FINANCIAL CONCERNS - TRIAGE

- ▶ Client concerns
  - Finances to pay for care
  - Decimating family finances
  - Managing affairs as illness progresses

# FINANCIAL CONCERNS - TRIAGE

- ▶ Planner concerns
  - Meeting cash flow needs
  - Tax planning
  - Estate clean up

# FINANCIAL CONCERNS - TRIAGE

- ▶ Other items
  - Advance directive issues
  - Ethical wills
  - Funeral preparations

# HOW TO START

- ▶ Start as soon as possible
- ▶ Start with important things first
- ▶ The sick brain works differently

# HOW DOES A SICK BRAIN WORK?

- ▶ Fixation and rumination
- ▶ Personality magnification
- ▶ Depression
- ▶ Chemo brain
- ▶ Illness spreading to the brain

# SYMPTOMS OF A SICK BRAIN

- ▶ Short attention span, trouble focusing, concentrating, disorganized
- ▶ Can't remember details of conversations, what's read (verbal and visual memory)
- ▶ Word finding difficulties
- ▶ Can't multi-task

# SYMPTOMS OF A SICK BRAIN

- ▶ Mental fuzziness
- ▶ Mental fatigue
- ▶ Emotionally labile, often distanced
- ▶ Depression, anxiety, frustration, fixation, anger—may lash out at you



## WORKING WITH A CLIENT WHO HAS A SICK BRAIN

- ▶ Meet earlier in the day
- ▶ Have client bring someone with them—another brain
- ▶ Keep meeting simple, focused, short
- ▶ Repeat details
- ▶ Provide written materials—keep simple

## WORKING WITH A CLIENT WHO HAS A SICK BRAIN

- ▶ Frequent comfort breaks
- ▶ Project calm, quiet, soft voice
- ▶ Limit interruptions, distractions
- ▶ Be aware of your client, if fading physically or mentally---time to end the meeting

# THE SPEECH

- ▶ Illness affects people in many ways
- ▶ Come up with a plan that addresses
  - The cured patient
  - The patient that is not cured
- ▶ Preparation for any outcome does not reduce risk of cure

# CONVEY PLAN CHECKLIST

- ▶ Client concerns
- ▶ Planner concerns
- ▶ Other items

# STEP 1: CASH FLOW

- ▶ Create net worth statement
  - Assets and titling
  - Liabilities and titling
  - Beneficiaries

## STEP 1: CASH FLOW

- ▶ Determine cash flow needs
  - Regular life plus medical life
    - Understand required medical expenses
    - Help client understand their medical mindset
      - Your Medical Mind – Groopman and Hartzband
      - Minimizer versus maximizer
    - Keep future cash flow needs in mind as treatment progresses

## STEP 1: CASH FLOW

- ▶ Who is paying the bills now?
- ▶ Who will pay bills in the future?
  - Are they capable? If not, educate
- ▶ Start with sharing duties
- ▶ Have someone looking in early
- ▶ Authorizations in place for transfer of responsibility

## STEP 1: CASH FLOW

- ▶ Automatic payments
- ▶ Online banking
- ▶ Use of a client portal
- ▶ Cancel services no longer used



# STEP 1: CASH FLOW

- ▶ Determine cash flow resources
  - Income – work brings a sense of control
  - Continued benefits
  - Social support

## STEP 1: CASH FLOW

- ▶ Determine cash flow resources
  - Retirement plans
    - IRA accounts
      - Total and permanent disability - Cannot work for at least a year or illness results in death
      - Unreimbursed expenses above 10% AGI
      - Unemployed and drawing benefits
        - Can use for insurance premiums

## STEP 1: CASH FLOW

- ▶ Determine cash flow resources
- ▶ Retirement plans
  - 401k/403b plans
    - Employer decision
    - Must use loans first if available
  - 457 plans
    - Employer decision
    - Need must be for emergencies

## STEP 1: CASH FLOW

- ▶ Determine cash flow resources
  - Disability insurance – apply early
  - Life insurance policies
    - Accelerated death benefit rider
    - Withdrawals of cash value
    - Surrender paid up additions
    - Loans
    - Tap the beneficiary

## STEP 1: CASH FLOW

- ▶ Determine cash flow resources
  - Annuities
    - Look at beneficiary tax rate versus client tax rate
    - Pay attention to death benefit before cashing out
    - Surrender fees usually waived

# STEP 1: CASH FLOW

- ▶ Determine cash flow resources
  - Social security – compassionate allowances
    - <http://www.ssa.gov/compassionateallowances/conditions.htm>

## STEP 2: INSURANCE

### ▶ Health

- Copays, deductibles, max out of pocket
- Create spreadsheet to track expenses

### ▶ Revisit plan during open enrollment period

## STEP 2: INSURANCE

- ▶ Disability
- ▶ Social Security
- ▶ Long Term Care

MAKE CLAIMS EARLY



## STEP 3: TAX PLANNING

- ▶ Keep up with medical expenses
  - Mileage
  - Lodging - \$50 per person up to two people
  - Nursing care
  - Pharmacy records
  - Remember the rest of the family!!

## STEP 3: TAX PLANNING

- ▶ **Generate income to offset deductions**
  - Retirement plan distributions
  - Roth conversions

## SET 4: INVESTMENT PLANNING

- ▶ Revisit investment policy statement
  - Have cash flow needs changed?
  - Who are you investing for now?

## SET 4: INVESTMENT PLANNING

- ▶ Put low basis or unknown basis assets in individual name with TOD designation (common law states)
  - Gets step up at death if client lives a year
  - Create a trust if less than a year likely
- ▶ Deposit old stock certificates into brokerage account
- ▶ Remove clients from UTMA/UGMA/529

## SET 4: INVESTMENT PLANNING

- ▶ Consider cashing out savings bonds
  - Pain in the rear after death if no TOD
- ▶ Do any bond holdings have “Death Put”
  - If trading above par, consider selling
  - If trading below par, hold for the estate

## STEP 5: ESTATE PLANNING

### ▶ Review Documents

- Are wishes conveyed correctly?
  - Spell out exactly what beneficiaries will receive
- Are all interested parties alive and well?
- Verify beneficiary designations and titling of all assets

## STEP 5: ESTATE PLANNING

- ▶ Estate Clean Up
  - Understand state probate laws
  - Consolidate and simplify assets

# STEP 5: ESTATE PLANNING

## ▶ Advance Directives

- Focus on quality of life desired and not treatments



## STEP 5: ESTATE PLANNING

- ▶ Quality of life measures
  - Communication
    - Expressing
    - Understanding

## STEP 5: ESTATE PLANNING

### ► Quality of life measures

#### – Feeding

- Do I know I am hungry?
- Can I get my food to my mouth?
- Can I swallow my food?

## STEP 5: ESTATE PLANNING

- ▶ Quality of life measures
  - Grooming
    - Can I get to it?
    - Can I brush it?
    - Can I wipe it?
    - Can I wash it?

## STEP 5: ESTATE PLANNING

- ▶ Quality of life measures
  - Interaction
    - Don't park me in a corner

# Quality of Life Advance Directives

**Patient Name:** \_\_\_\_\_

## **For the Patient:**

At the point you become incapacitated and can no longer make your health care decisions, it is important for you to document the quality of life you wish to regain should someone else need to make those decisions for you. For example, if you have a stroke and permanently lose the ability to communicate or understand what is going on around you, would you want to continue living?

We all have different values, and communicating your values to your loved ones is a good step toward making certain your quality of life requirements are followed by your health care surrogate. This form helps you share your quality of life values clearly and without judgment.

Your health care surrogate will use this form in addition to your legal advance directives to make decisions on the care you receive. Remember, this is not a legal document – it is a guide for your loved ones. You can change this document at any time as long as you have the capacity to do so.

## **For the Health Care Surrogate:**

Use this form to ask the health care providers if your loved one will ever regain the functions listed in this document. Use this as a touchstone every time an intervention or treatment is considered.

Share this document with the health care team, and stress that quality of life in the future must be kept in mind when providing care. Anytime an intervention needs to be made, they are to refer to you and this document when making recommendations.

Not every situation is clear cut and providers may be uncertain of the outcome. This form will assist you when exercising your right to help providers formulate decisions in the best interest of the patient.

**Patient Name:** \_\_\_\_\_

**Quality of Life Requirements:**

Below, initial which functions are vital for you to continue to live the life you desire. If your health care providers state you will never regain these functions, you are to be provided care that will keep you comfortable and pain free until you die.

It is important for you to retain the ability to:

- Share your thoughts through words, gestures, or assistive devices.
- Understand what people are saying to you.
- Know that you are hungry. You are able to eat and swallow if someone feeds you.
- Chew and swallow food.
- Use the toilet.
- Take a bath or shower with or without assistance.
- Interact in social settings.

There may be other functions important to you. List these below.

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Patient Signature: \_\_\_\_\_

# STEP 5: ESTATE PLANNING

## ▶ Ethical Wills

- Barry Baines
- Susan Turnbull
- Eric Weiner

▶ [www.ethicalwill.com](http://www.ethicalwill.com)

## STEP 5: ESTATE PLANNING

- ▶ Personal items
  - Big fights
- ▶ Funeral arrangements
  - The other big fights



# QUESTIONS?

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