

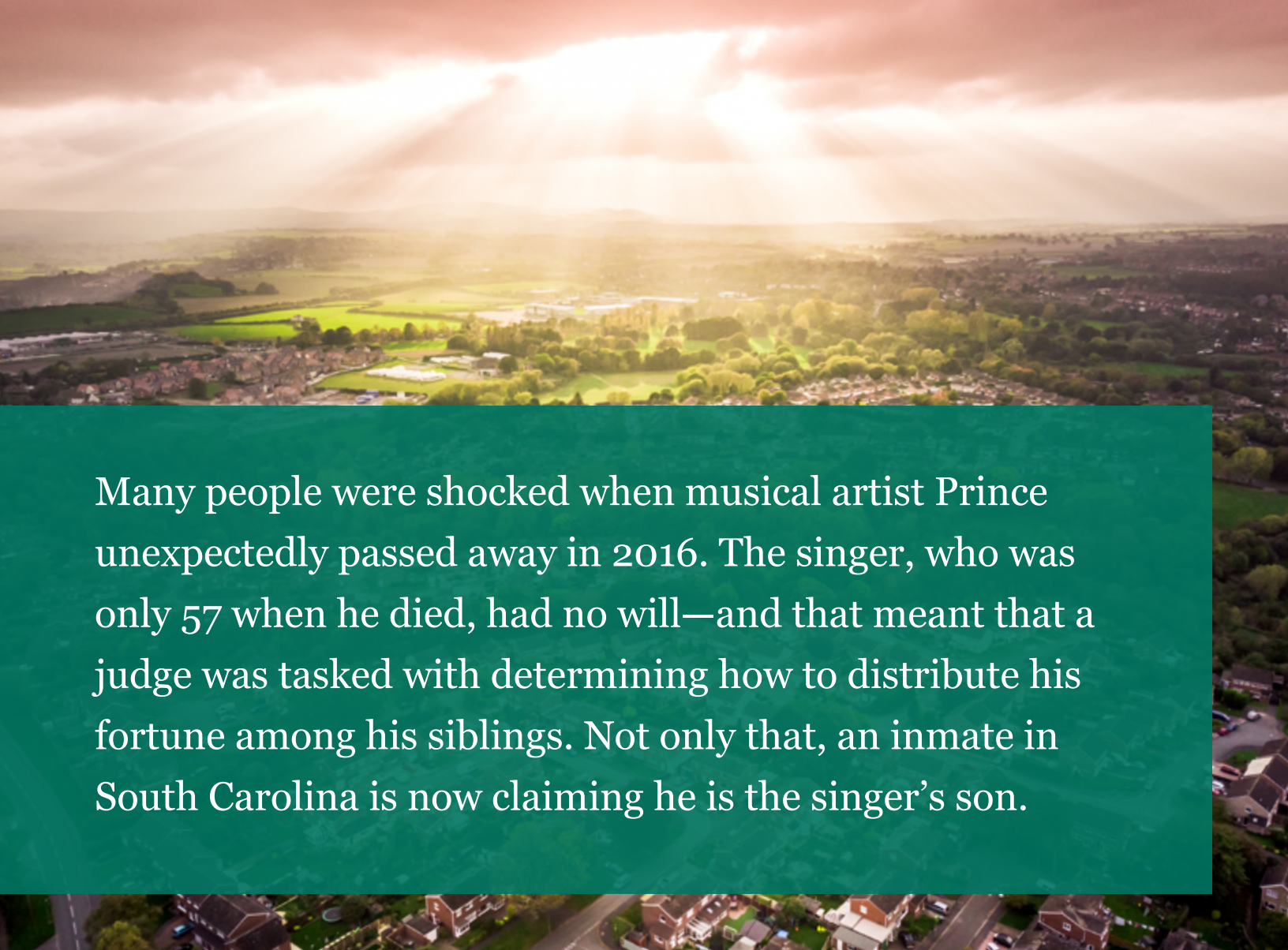


Estate Planning

What to Know for Your Peace of Mind

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An aerial photograph of a town at sunset. The sun is low on the horizon, casting a warm, golden glow over the landscape. The town is nestled in a valley, with rolling hills in the background. The foreground shows a mix of residential and commercial buildings, surrounded by greenery. The sky is filled with soft, orange and pink clouds.

Many people were shocked when musical artist Prince unexpectedly passed away in 2016. The singer, who was only 57 when he died, had no will—and that meant that a judge was tasked with determining how to distribute his fortune among his siblings. Not only that, an inmate in South Carolina is now claiming he is the singer's son.

Then there's the story of the man who draws up his estate planning documents in midlife, but gets divorced. When he remarries, he doesn't update his plans and, upon his death, everything goes to his previous spouse, leaving his current spouse unprotected.

Or there's the story of the man who collected World War II guns. Both of his sons thought they were entitled to his collection after his death, but the man neglected to specify what should happen to his collection, leaving his sons to argue over who got what.

While these stories might seem rare—especially if you have taken the time to plan ahead—they are increasingly common. And little things, like forgetting to update important documents, can have a serious impact on your loved ones after you pass away. Or maybe estate planning has always been something on your to-do list, but in this guide we'll look at the basics of estate planning, common estate planning mistakes and how to avoid them and ensure your wishes are honored.



ESTATE PLANNING

A Two-Part Process

Ben manages his family's finances, but since having a stroke, he can't walk or talk. Now, his wife Sue has to handle the finances. Sue is overwhelmed not only about her husband's health but because she has no idea where he keeps the bills, when they are due or even where his life insurance policy is.



Had Ben planned ahead and communicated with Sue, some of her burden could have been eased.

Estate planning is more than specifying how you want your estate divided after you die. It is also your advance directive for handling your medical care and finances if you become unable to make your own decisions. In short, it is your peace of mind when planning for a time when you may be less capable of making sound decisions.

ESTATE PLANNING

Living Will & Medical Power of Attorney

A living will and medical power of attorney serve as your advance directives for medical treatment. A living will specifies what kind of treatment you want at the end of your life if you cannot speak for yourself. You can also choose a financial power of attorney, which allows someone to manage your finances in the event you become incapacitated.



A medical power of attorney, or health care proxy, however, is a person appointed by you to make your health care decisions if you are unable to do so.

A living will cannot anticipate and address all of the potential medical scenarios that could happen to you, but a medical power of attorney who knows your values and preferences can apply that knowledge to any decision-making about your care. But there is a lot more to choosing a health care proxy than simply selecting your oldest child. Failing to choose the right person can result in not only your wishes being dismissed, but can also create additional strain for your family.

Choosing or Updating

YOUR MEDICAL POWER OF ATTORNEY






Ninety percent of people say [talking with their families or friends about their wishes is important](#), but only 27 percent have done so. If you haven't had a conversation with your family or friends about your health care wishes, start now. Dr. Jessica Zitter notes that families who are unaware of what their loved one wants are often put in difficult situations when they're gathered at the bedside of their ill family member.

Remember, you do not give up your right to self-determination upon signing power of attorney or living will documents. Power of attorney authority does not go into effect until your physician determines you have lost the capacity to make medical decisions for yourself.

Questions to Consider for

YOUR MEDICAL POWER OF ATTORNEY

Your medical power of attorney does not have to be a family member. It can be a friend or someone else you trust. When evaluating your options, ask these questions:

-  Will he or she make decisions that are in line with my wishes?
-  Will he or she be okay making decisions for me even if his or her wishes differ from mine?
-  Will this person's emotional connection to me hinder their ability to make decisions on my behalf?
-  Will this person advocate for me?
-  Will he or she be comfortable asking questions of doctors, nurses and other providers?

NOT SURE HOW TO Start the Conversation?

Once you have selected your health care proxy, inform your family and your health care team. Next, put your wishes, and your health care proxy, on paper. While there are forms you can download to create a living will and health care proxy, it's advisable to go through this process with an estate planning attorney.



The Conversation Project helps you talk about your wishes for end-of-life care. [Read its conversation starter kit](#) or visit their website for more information on having tough conversations as well as other starter kits.

TheConversationProject.org

What if I Want to Change MY HEALTH CARE PROXY?

If you decide to change your health care proxy, you will need to update your documents as well as inform your family and health care team.

What if I Don't Have or Want Family to be MY HEALTH CARE PROXY?

You don't have to designate a family member to be your health care proxy. You can choose a close friend, a distant relative or someone at your place of worship, for example. Even if you don't have anyone in mind for the role, it is still important to fill out the paperwork stating your wishes regarding your medical treatment.



ESTATE PLANNING

What Documents Do I Need & Where Should I Keep Them?

Keep all important documents in an easily accessible location for your family members or friends and, most importantly, communicate where these documents are located. In Ohio, you do not need an attorney to be present when you sign your advance directive forms. You simply need to sign them in the presence of a notary public or sign in the presence of two adult witnesses who are not: related to you, are your proxy or agent, your doctor or an administrator at a nursing home where you are receiving care.

What Exactly is an “Important Document”

PERSONAL RECORDS

Full legal name and legal residence

Social Security number

Place and date of birth

Names and phone numbers of doctors, close friends, relatives, financial advisors and lawyers

Medications

Locations of living will and other legal documents if not included with personal records

FINANCIAL RECORDS

A list of debts and how and when they are paid

Investment income and names and phone numbers of brokers or advisers

The location of the deed to your home and car title/registration

Insurance information

The location to a safe deposit box and key, if you have one

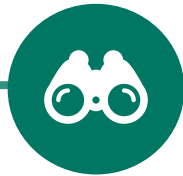
On a very basic level, you should include your wills, powers of attorney and copies of any life insurance policies in a central location. You can also include a checklist of the above items and where they are located.



ESTATE PLANNING

How to Select an Attorney

A simple internet search will reveal several templates that allow you to create your own legal documents, including wills, powers of attorney and more. While this might seem like a simple way to get everything you need quickly and easily, it's best to work with an attorney to draw up the documents.



Doing so can ensure your wishes are honored and reduce the strain on your family members, but how do you find a good estate planning attorney?



Ask Your Financial Advisor

Even though financial advisors don't draft the documents, they work with a lot of attorneys who do. Your financial advisor also has an idea of your net worth and can guide you to an attorney who has more specialized experience if you need it.



Contact Your Local Bar Association

Visit the Ohio Bar Association webpage to search for lawyers.

ohiobar.org/LegalHelp



Check Local Advertisements

Many estate planning attorneys will have advertisements on the radio, newspaper and online.



Ask for Referrals

Your friends may also have recommendations.

Once you have a list of attorneys, interview them. See who you feel most comfortable with and ask them what they charge and if they will be able to meet your needs.



COMMON ESTATE PLANNING

Mistakes & How to Avoid Them

Just like any process, estate planning comes with its share of mistakes. Here are some of the more common ones and what you can do to minimize any risks.



MISTAKE 1

Not Having a Plan

Whether you've been meaning to do it or you just don't think you need one right now, a common and significant mistake is not having any plan in place either in the form of wills or powers of attorney. If you die without an estate plan in place, state law will determine where and how your assets will be distributed. In addition, if you fail to have a plan for any medical care if you become incapacitated, your wishes for care may not be honored, and your family may experience significant stress trying to decide what you would have wanted.



MISTAKE 2

Not Understanding Your Plan

You've got the documents in place to ensure everything is covered if you die or become unable to make decisions, so everything is fine, right? Not necessarily. If you're working with an attorney and don't understand any of the documents you're signing, ask. If you don't fully understand the plan, you can't implement it. Ask your planner to walk you through what you don't understand and take notes at each stage of the planning process. The notes will help you understand parts of the plan long after it has been in place.



MISTAKE 3

Not Reviewing or Updating Documents

Do all your beneficiary arrangements still meet your needs? Have you remarried or divorced and need to update beneficiaries or a health care proxy?



MISTAKE 4

Adding Someone Else to Your Bank Accounts

When you add someone to your accounts, you subject those accounts to that person's creditors, which means creditors can use either account owner to satisfy debts. The money could also be involved in an adult child's divorce or could be a stake if the adult child faces legal action. If you need assistance managing your finances, you can appoint a durable power of attorney.



MISTAKE 4

Not Planning for the Unexpected

What happens if there is a change in your assets? Or if one of your children gets divorced? Or if the health of your spouse suddenly declines? Creating a trust can help resolve this issue. A trust lets you control how and to whom your assets will be distributed in the face of all kinds of eventualities.

Whether you've had a plan in place for years or establishing one has been on your to-do list, going over this information with an estate planning attorney now will give you peace of mind.

By making sure your estate plan is updated and articulates your wishes, you ensure your choices are honored and the strain on your family and friends is minimized.