

Finding an Advocate

The longer I am in the business, the stronger I feel the need for every person to have an 'Advocate', especially as they age. An Advocate is one who acts on the behalf of another who cannot act on their own or may need a helping hand. An Advocate can be a family member or someone who is trusted. As you get older, life's challenges can increase and having someone dependable can help. Regardless if you have children or grandchildren, it is critical to find that family member or trusted friend to be your advocate.

It is important to bring the advocate on board as far as how your bills get paid (monthly vs. annually), where your investments are located, if funds are withdrawn from certain accounts or reinvested. If certain investment accounts are not withdrawn from in a timely manner, there can be a 50% excise tax. There can also be critical medical decisions that may need to be made. Most attorneys do not hesitate to create a Living Will or Advance Medical Directive. These documents often end up in a drawer and sometimes not utilized. Unfortunately, most people think of these documents as simply stating a person's wishes or assigning a family member to make end of life decisions. The reality is; there are many decisions and logistics that need to be figured out, long before life's final stages.

You could have 'done everything right', and end up residing in a state of the art long term care facility, but it is still necessary to have someone that has a pulse on what is being paid for or not being paid for regarding your care. The same goes for settling a person's estate. I have seen enough times where an attorney is left 100% in charge and things do not go as the person had intended. There can be high fees and unnecessary logistics when something could have been so simple. It could be as easy as registering a non-retirement account from an Individual Account to a Transfer on Death (TOD) account, updating a Will with a current Executor/Executrix, or updating a beneficiary on a retirement account. It can be beneficial and quicker to avoid probate with proper titling of assets. The person's Accountant, Attorney, and Financial Advisor should be consulted by the Advocate during the process. It can save considerable time and energy to communicate during what can already be a difficult time. Again, having appropriate documents is essential, but just as important is having an Advocate working on behalf of you and your family.

Sincerely,

Andrew D. Wade, CFP®
President