

## Preparing for the Rest of Our Lives

By Bernard A Krooks | 05/01/07

If I asked you for a definition of estate planning, you might say that it means making sure that your loved ones receive what you have worked so hard for during your life when you pass away. Some of you might even say it means making sure that the government does not get any more than necessary in taxes from your estate when you die. Nevertheless, focusing on estate planning is about as desirable as going to the dentist for root canal work for many of us. Although it may weigh on our minds, there always seems to be something more important to do like buying a new car or planning a family vacation.

Surprisingly, there is something we like thinking about even less than estate planning and that is planning for the rest of our lives and, in particular, planning for the possibility that we may get sick and no longer be able to take care of ourselves. According to a recent survey by a major insurance company, more than half of all people would rather meet with an advisor to discuss their will and estate planning than discuss planning for long-term care needs. This is true despite the fact that approximately 50% of us over the age of 65 will spend some time in a nursing home before we die. Moreover, more than 50% of the people surveyed said that going to a nursing home is worse than becoming bankrupt and even worse than dying.

This is unfortunate since long-term care in our area can cost in excess of \$150,000 per year. Generally speaking, long-term care is the assistance needed by someone who can no longer independently perform daily activities such as eating, bathing, toileting, transferring or dressing. This care can be received at home or in an assisted living facility, adult day care center, or a nursing home.

If we haven't planned in advance, our life savings can be depleted since Medicare coverage of long-term care is extremely limited. In fact, even if you qualify Medicare pays for only a couple of months of care if you're lucky. Thus, we have to either plan in advance or be prepared to pay out of our own pockets if we get sick.

As part of the process of planning for long-term care, you should consider who you want to make decisions for you regarding health care and financial matters if you are no longer able to make these decisions yourself. If you do not take the time to make sure this is done properly, court involvement may be necessary at great expense and inconvenience to your family.

Many theories abound attempting to explain our apprehension about planning for long-term care and the rest of our lives. While most Americans recognize the importance of planning for their possible long-term care needs, the emotions that surround the thought of losing our independence, as well as the misconceptions we may have about care options, make it uncomfortable for us to confront these issues.

In our experience, we have found that once people understand the facts about long term care, planning for the possibility of needing it becomes much less daunting. For

example, long term care does not necessarily have to mean nursing home care. In fact, most care today is received at home. By planning in advance, you can keep more options available to you and make things easier for you and your family.

Do yourself a favor: take the time today to plan for the rest of your life. Although the process might involve a significant amount of time and effort, and force you to confront some difficult issues, you're worth it. You and your family will be glad you did.