

# Planning for finances, choices and care in the future

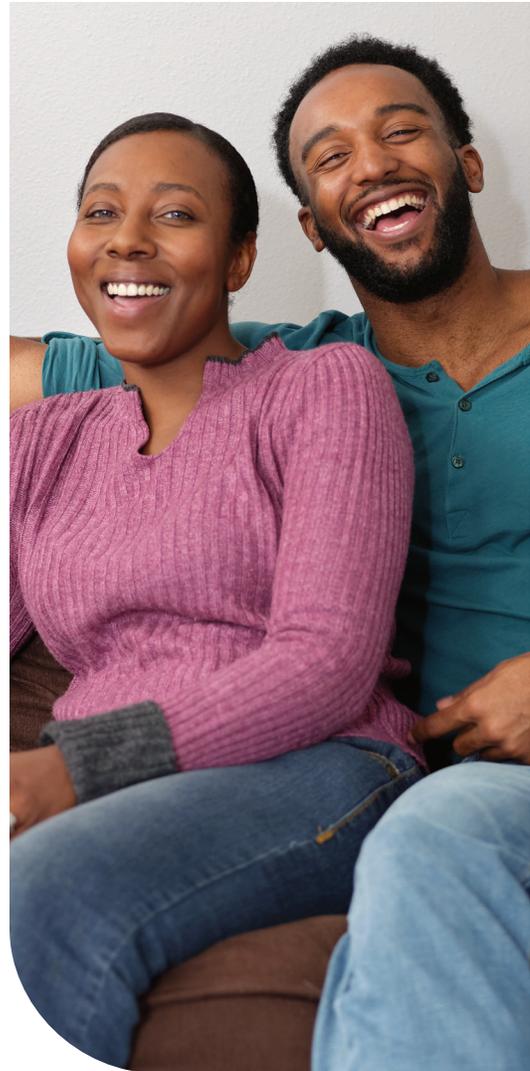
A few legal tools can make a big difference in your future. They can give you peace of mind knowing you've created a plan based on your values, beliefs and needs. Planning ahead can also make things easier on your loved ones and help protect against legal issues.



## Legal tools

These tools could help you and your loved ones now, after your death and in case you are unable to make choices for yourself.

- **Will:** a legal document that directs how your money and assets (your house, items you own, etc.) will be given out after your death
- **Power of attorney:** a document that lets you choose someone (called an “agent”) to make choices and act on your behalf; ends if you are “incapacitated,” which means you are not able to care for yourself and are unfit to make choices
- **Durable power of attorney:** a document that allows an agent to act on your behalf if you become incapacitated
- **Trust:** a legal relationship created by one person (the “grantor”) to allow someone (the “trustee”) to hold money, assets and/or goods for another (the “beneficiary”); two types of trusts are:
  - **Living trust:** is made and updated during your lifetime; can end or continue after death
  - **Testamentary trust:** can provide for care of your loved ones like spouses, kids and grandkids after death



- **Advance directive:** a set of verbal and written instructions about healthcare in case you're unable to make choices or share what you want; has two parts:
  - **Living will:** outlines the types of treatment you want at the end of life if you're not able to share what you want
  - **Healthcare power of attorney:** a person chosen to make healthcare choices on your behalf; sometimes called a "healthcare proxy"



### Why do you need a will?

A will helps make sure your wishes are followed after you die. It lets you state how you want your affairs handled after your death. It helps make sure your money and property are given out the way you want. It may also let you share your wishes for paying off debts or funeral costs.

If you die without a will or estate plan, it's called "intestacy." Someone will be appointed by the court to supervise your affairs. Your money or property may not be given out the way you want.



### Is a will enough, or is there more you can do?

A will starts working after your death. But if you're still alive and can't manage your affairs, a court could choose someone to make choices for you. This could be costly and difficult for family members. Plus, if you are having health problems, your loved ones may have a hard time making choices for you.

That's why other tools can help. You can choose the care options that work for you—long before you face any health problems. And you can choose people you trust to make choices. This could offer you and your loved ones peace of mind.



## What should you think about when making advance directives?

As you think about the kind of healthcare you want, talk to people you trust. That could include your family, clergy, lawyer, doctor and other healthcare providers. With their advice, you can:

- Name a person to make decisions on your behalf.
- Decide which treatment options you might want.
- Share what results you want—or want to avoid.
- Discuss what to do in an emergency.
- Talk to your doctor and your decision-maker. And put your wishes in writing.



### Legal tools checklist

- Do you have a will?
- Do you have a power of attorney and/or durable power of attorney?
- Do you have a trust?
- Do you have a living will?
- Do you have a healthcare proxy?
- Do you have all your important papers in one place?
- Do your next of kin and/or lawyer know where your papers are?
- Have you talked to your doctor and shared a copy of your advance directive(s) to add to your medical records?



### For more information

Please speak with a licensed lawyer. You can also learn more with these resources.

#### **American Bar Association**

[www.AmericanBar.org](http://www.AmericanBar.org)

[www.AmericanBar.org/groups/real\\_property\\_trust\\_estate/resources/estate\\_planning/estate\\_planning\\_faq.html](http://www.AmericanBar.org/groups/real_property_trust_estate/resources/estate_planning/estate_planning_faq.html)

#### **National Institute on Aging**

[www.NIA.NIH.gov/health/publication/advance-care-planning](http://www.NIA.NIH.gov/health/publication/advance-care-planning)

[www.NIA.NIH.gov/health/getting-your-affairs-order](http://www.NIA.NIH.gov/health/getting-your-affairs-order)

