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your estatematters

How to Spot and Report Elder Financial Abuse

Protecting a Loved One's Future

In 2009, Anthony D. Marshall was convicted of defrauding and stealing from his elderly mother, philanthropist Brooke Astor. He had conspired to revise her Will in his favor, took millions of dollars without her permission, and even took paintings from her walls while she lay bedridden in her home.

While financial abuse of the elderly may sound unusual, it's not: in a 2001 survey, seniors cited financial exploitation as the most common form of abuse. The study also estimated that only 1 in 44 incidents of financial elder abuse is reported.

How can you protect yourself or your loved ones from financial abuse? Start by choosing people you trust to serve as a trustee or agent. Keep in mind the "sentimental" choice might not be the best choice: a best friend or eldest child may not be the most qualified person to handle your legal and financial affairs. Consider building in additional transparency by assigning another trusted person to periodically review transactions made.

Then, be aware of the warning signs of elder abuse: unpaid bills, missing property, large withdrawals or account transfers, changes in banks or attorneys, and changes in spending patterns, are all examples of red flags. If you suspect financial abuse, ask questions about how bills are paid, how money is managed, and the reasons for unusual expenses. After a few questions, the potential for financial vulnerability is often easy to detect.

If you suspect abuse is taking place, seek help immediately. The National Center on Elder Abuse **(www.ncea.aoa.gov)** provides resources, hotlines, and general information on elder abuse. The Consumer Financial Protection Bureau **(www.consumerfinance.gov/older-americans)** investigates consumer financial fraud complaints. For local help, call the Eldercare Locator at 800-677-1116 for contact information in your area.

Most importantly, don't wait. Your loved one may need all the help you can give.

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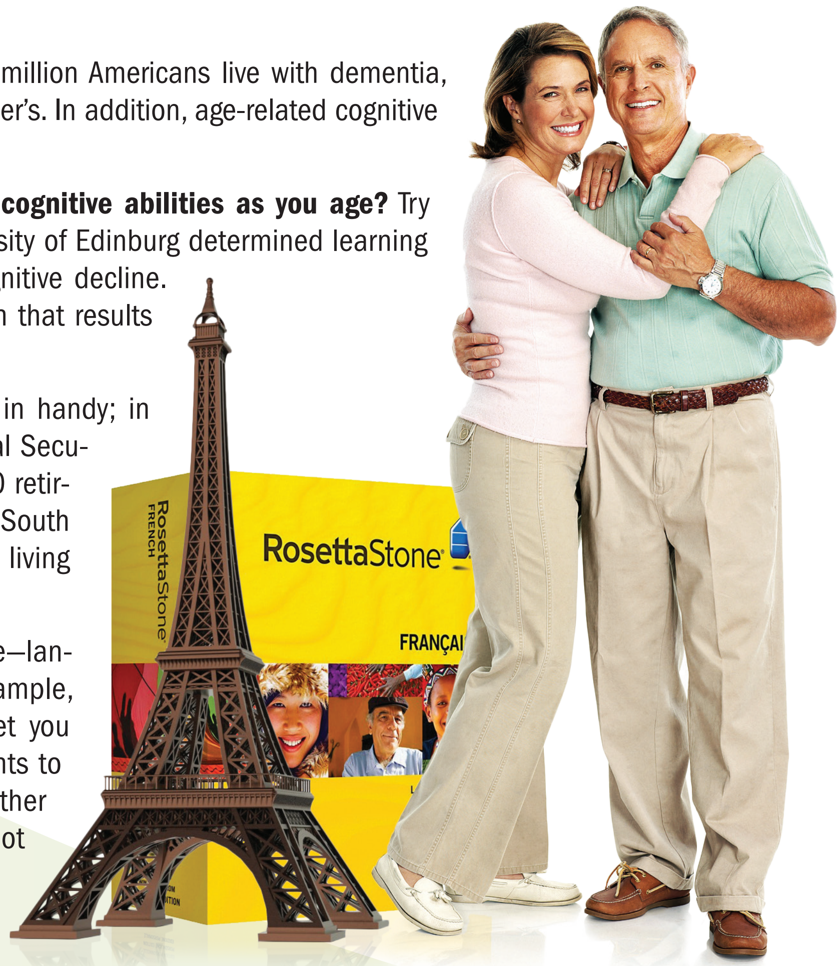
Want a Healthier Brain?

Try Learning Another Language

According to the Alzheimer's Association more than 5 million Americans live with dementia, and every 67 seconds another person develops Alzheimer's. In addition, age-related cognitive impairment impacts millions of other people.

Interested in maintaining and even improving your cognitive abilities as you age? Try learning a second language. Researchers at the University of Edinburg determined learning another language may actively delay the onset of cognitive decline. Expanding language skills creates cognitive stimulation that results in a positive affect on brain aging.



In some cases a second language might even come in handy; in 2011 (the latest year statistics are available) the Social Security Administration sent benefit checks to over 346,000 retirees living abroad. Many retirees move to Central and South American countries due to their relatively low cost of living and proximity to the U.S.

Get started by any number of free and low cost online—language learning schools or training options. For example, to practice your skills live, sites like **Verbling.com** let you schedule a language exchange with a person who wants to learn your language. (That way you get to help each other and make a new friend.) Learn a second language: not only will you expand your horizons but your brain will thank you, too.

Planning for Persons with Mental Health Issues

Special Provisions for Special Needs

Imagine your son is in a skiing accident and as a result needs help taking care of himself for a few months. You won't mind talking to doctors, lawyers, and other professionals; after all, his challenges are physical. But, what if your son is dealing with mental health issues?

In that case, you may be less likely to want to talk about it—and to take the steps to find any legal and financial help he may need.

Depending on the diagnosis and resulting issues, different planning strategies can be employed. For example, a Special Needs Trust can provide for a child without jeopardizing needs based government benefits; or a Sentry Trust can provide a child with asset protection from creditors. If the child is capable of handling their own affairs, you may decide to create a Trust with that person serving as their own trustee.

If a spouse suffers from, or is being treated for mental health issues, a Power of Attorney can be used to help ensure smart financial and legal decisions are made. Placing assets in an Irrevocable Trust can also help protect and take care of their needs.

In short, every individual has unique issues, so his or her plan should reflect their specific needs.

Of course planning requires communication. Many people hesitate to talk about mental health issues; our office is a completely safe and confidential setting to have these critical conversations. Your loved one's issues and challenges will stay private—and you can ensure your best intentions are realized by helping a child or spouse with mental health issues receive the care and protection he or she truly needs.

The Pros and Cons of a Major Inheritance

How You Leave Your Assets Can be as Important as What You Leave

Warren Buffett is eighty-four years old and is currently worth over $40 billion. Clearly his children will receive a huge inheritance.

Not so fast. Warren's view on inherited wealth has always been that he will give his children "enough money so they would feel they can do *anything* but not so much that they could do *nothing.*" For example, he gave his son Peter enough money to pay off some equipment loans for his music business as well as the mortgage on his $194,000 home. At the same time, though, he heavily endowed his children's independent charitable foundations in 2006, giving each $1 billion to pursue their own philanthropic goals.

Like Buffett, the amount of money you leave your children can have a major impact on their lives, both positively and negatively, and so can the manner in which you leave it. Buffett's goal is to ensure his children live engaged and productive lives. Your goals may be different, and a variety of estate planning tools can help you achieve those goals.

Money Doesn't Buy Happiness Until You Give It Away

One option is to create an Incentive Trust. If you want an heir to work in a certain profession or participate in charitable or other worthwhile endeavors, an Incentive Trust can provide supporting funds. You could, for example, add a provision in your Trust stipulating that you will subsidize the income of a child who chooses to be a teacher or work for a local charity. Or you could decide to incentivize and reward children who earn significant sums by matching every dollar they generate on their own.

Another option is to provide asset protection for children who enter professions, like medicine, where the possibility of lawsuits is greater. A Sentry Trust offers divorce protection as well as a level of protection from credit problems, bankruptcy, and lawsuits. Sentry Trusts can also allow you to stipulate under what conditions assets can be accessed.

And you too, could take a page from the Buffett playbook and create a Charitable Trust. To promote giving and philanthropy, leave a portion of your assets in a foundation your heirs control and they can decide how to distribute those funds for charitable purposes.

What's in a Legacy?

With over 100 acting credits and years of seeing him perform onstage, millions of Americans felt they knew him... yet most only knew one side of him. He was a spokesman for St. Jude Children's Research Hospital, and he served on the board of the Christopher and Dana Reeve Foundation, raising money for spinal cord injury research. He was a major supporter of the United Service Organizations (USO), and made appearances in thirteen different countries.

He was also open and honest about his struggles with alcohol and substance abuse, speaking publicly about his addictions and the treatments he sought.

You may never become widely famous as an Oscar-winning actor. You may never star in films like *Good Morning Vietnam, Good Will Hunting,* and *Mrs. Doubtfire.* Yet you, like **Robin Williams,** can make a difference by helping others in need and by donating time and money to support causes you believe in. That is a choice we can all make.

What will your legacy be?