

Identifying Financial Security Goals for Later Life: Critical Conversations

Directions

Read the background information. Complete the worksheet. Examine your results and then discuss the results with others who need to know this information.

Important Background

Why sort out goals? “Just tell me what the best alternative is for financing long term care.” That’s what many people say, but what’s “best” depends on what is most important to accomplish for the family members involved. Sorting out what is most important means thinking and talking about very personal attitudes and beliefs. For most family members, deciding what is important is goes beyond a dollar and cents calculation and knowing what is legally allowable. Regretfully, many people fail to sort out what is most important to them when making decisions about the use of finances in later life. As a result, misunderstandings, wrong assumptions, and conflicts among family members can result.

Not everyone will have the same goals. First, take time to identify what is important to you. Then compare your answers and priorities with your spouse or other involved family members. It is very common for parents to think quite differently about what is most important than their adult children. Finding out where you agree or disagree can help guide future decisions.

Knowing what is and isn’t important can help guide decisions about which alternatives for financing long term care should be considered. The following goals are often identified as important when making decisions about financing long term care:

- Remaining financially independent
- Maintaining control
- Maintaining privacy
- Involving family members
- Using government resources
- Leaving an inheritance

Later Life Financial Security Goals Worksheet

For Individuals Facing the Risk of Financing Long Term Care

Directions: The following questions will help you identify which goals, if any, are important to you. Read each statement and identify how strongly you agree or disagree. If the question does not apply to you or your situation, simply leave it blank. It is best if you answer the questions on your own before discussing them with others in your family.

Place the appropriate score in the blank preceding each question. Then follow the directions at the end of the section to find your average score for each part of the worksheet. Use the following values:

- 1 = "Not Important"
- 3 = "Somewhat Important"
- 5 = "Important"
- 7 = "Very Important"

Potential Financial Security Goals

Remain Financially Independent

- ___ 1. Accumulate enough assets to pay for my care until I die
- ___ 2. Pay my own way for as long as I have the money
- ___ 3. Stretch my money to last until I die
- ___ 4. Sell my home (if necessary) to pay for my care
- ___ 5. Rely on Medicaid or other government programs to pay for my care only as a last resort
- ___ 6. Protect my spouse from becoming financially dependent on others
- ___ 7. Provide financial security for my spouse even if I have to go on Medicaid
- ___ 8. Purchase long term care insurance to pay for my care
- ___ 9. Purchase long term care insurance to pay for the care of my spouse
- ___ 10. Avoid needing to have my children to pay for my care

___ **Total score** for this section. Divide this by the total number of questions you answered to find your average score. **Average score** for this section is ___.

Maintain Control

- ___ 1. Plan in advance on how to pay for long term care needs
- ___ 2. Have peace of mind by knowing I have planned for my financial needs
- ___ 3. Maintain control of my finances for as long as possible
- ___ 4. Talked to someone I can trust to make my financial decisions
- ___ 5. Designate a financial power of attorney to manage my finances
- ___ 6. Share my wishes verbally so my financial plans will be carried out
- ___ 7. Put my wishes in writing so my financial plans can be carried out
- ___ 8. Specify how financial gifts I have given to others should be spent
- ___ 9. Trust family members to carry out my wishes even if they don't agree with them
- ___ 10. Make my own decisions about how to spend my money
- ___ 11. Leave an inheritance only if I can still maintain control of my finances

___ **Total score** for this section. Divide this by the total number of questions you answered to find your average score. **Average score** for this section is ___.

Maintain Privacy

- 1. Keep decisions and information about my finances to myself
- 2. Avoid sharing information about my financial situation and plans with my spouse
- 3. Avoid sharing information about my financial situation and plans with my children
- 4. Avoid discussing my financial situation with professionals (attorney, financial planner)
- 5. Avoid involving others in decisions relating to my financial security
- 6. Avoid sharing information on my financial situation with social service representatives even when it means I will not qualify for government programs(e.g., Medicaid)

Total score for this section. Divide this by the total number of questions you answered to find your average score. **Average score** for this section is ____.

Involve Family Members

- 1. Discuss my goals and plans for financing long term care with my spouse
- 2. Discuss my goals and plans for financing long term care with my children
- 3. Ask my children to pay for my care if I'm not able to
- 4. Ask my family to provide care for me if they are able to and available
- 5. Ask family members to quit a job to provide care for me
- 6. Offer to pay family members for care they provide for me
- 7. Utilize the skills and abilities of my family as I make plans for financing my long term care

Total score for this section. Divide this by the total number of questions you answered to find your average score. **Average score** for this section is ____.

Use Government Resources

- 1. Whenever possible, use government resources to pay for financing my care needs
- 2. Talk to professionals who can tell me if I currently qualify for government programs
- 3. Talk to professionals who can tell me how to qualify for government programs
- 4. Transfer my assets (within allowable limits) to others so that I will qualify for government resources
- 5. Avoid worrying about what others think about my use of government resources

Total score for this section. Divide this by the total number of questions you answered to find your average score. **Average score** for this section is ____.

Leave an Inheritance

- 1. Protect my savings so my spouse will be financially secure
- 2. Protect my savings so my children will receive an inheritance
- 3. Protect my home and real estate so that I can give it to my family
- 4. Be able to reward family members who have provided care for me during my life
- 5. Gift property to family members while I am alive
- 6. Contribute to the education of my children or grandchildren
- 7. Avoid spending all of my money to pay for my care needs

Total score for this section. Divide this by the total number of questions you answered to find your average score. **Average score** for this section is ____.

Your Results

- ____ Average score for the section “Remain Financially Independent”
 ____ Average score for the section “Maintain Control”
 ____ Average score for the section “Maintain Privacy”
 ____ Average score for the section “Involve Family Members”
 ____ Average score for the section “Use Government Resources”
 ____ Average score for the section “Leave an Inheritance”

The average score for each section indicates its importance to you. The closer a score is to 7, the more important it is to you. The closer a score is to 1, the less important it is to you. List your scores from most to least important.

Most Important	Score
1. _____	
2. _____	
3. _____	
4. _____	
5. _____	
6. _____	
Least Important	

Example:

Financial Independence 6.5 (most important); Maintain privacy 1.4 (least important)

Are there financial security goals other than those mentioned on the worksheet that you would like to accomplish? If so, list them here.

Goals typically mean different things to different individuals. What do your responses suggest about your expectations and goals?

Now that you know what is important to you. . .discuss it with others.

- Consider who else needs to be involved in these critical conversations and begin to talk. Learn where you agree or disagree.
- Let your goals guide your decisions about which alternatives for financing long term care to consider
- Communicate what you hope to accomplish to individuals who may be responsible for carrying out your wishes. Doing so will help others understand your intentions and reduce misunderstandings.