

Tough Questions to Ask Your Elderly Parents

It may be one of the most difficult and awkward conversations you will ever have with your parents, but there are certain things you, as their child, need to know in your efforts to ensure that their affairs are in order. And why is it important to you that their affairs are in order? Quite simply, because if they are not, you will inevitably be left to clean them up someday. Problems left undetected can not only cause you unnecessary stress and time, but money as well.

Here are nine questions to consider asking your elderly parents.

1. Do you have up-to-date wills?
2. Do you have hidden assets or liabilities?
3. Will your estate owe taxes, and do you have the money to pay them? In 2002, the exclusion amount is \$1,000,000 per person. If your parents have assets totaling over this amount, they should seek the counsel of a professional to address the ways estate taxes may be minimized. The money spent to see an attorney is definitely worth it in these cases.
4. Where do you keep your important financial documents? You will want to avoid the nightmare of hunting for them at a stressful time.
5. Who will handle your affairs if you become mentally or physically incapacitated? Getting court-appointed authority after the fact can be a real hassle.
6. Do you have a living will and a medical power of attorney? These documents guide an authorized friend or relative to make medical decisions if your parent is unable.
7. Do you have sufficient life insurance?
8. Do you have long-term care insurance?
9. Have you made funeral arrangements?

These matters are obviously very sensitive and areas of estate planning can become very complicated. For help guiding you and your parents through these issues, contact a CERTIFIED FINANCIAL PLANNER™ professional.