

Staying Hopeful During a Long Decline

Michael (age 47) and April (age 46) were a young couple grappling with a devastating diagnosis. Michael, a computer science professional, had early stage dementia. Michael inherited money from his parents and was a sophisticated investor and active stock trader, effectively managing several million dollars in assets by the time of his diagnosis. April was a long-time stay at home mom, responsible for caring for their two children. The couple's financial advisor, feeling a sense of urgency as a result of Michael's diagnosis, referred them to Team West.

When we met Michael and April, it was clear that the couple wasn't yet ready to make any changes in their financial management, but they hired the team for a Lifecare Affordability Plan™ (LCAP) to make some projections and set the stage for future financial decisions. The LCAP process helped April accept the need to take a more active role in managing the couple's finances, and served as a catalyst for April to renew her teaching certification in preparation for going back to work.

For Michael, the transition from primary breadwinner and financial mastermind was more difficult. He needed to accept that his value as a father and spouse was not determined by his ability to manage the couple's portfolio. In our early meetings, Michael acknowledged that he felt he wasn't as mentally sharp as he used to be, but he still wasn't ready to accept turning over the financial management of the couple's assets to someone else.

To address April's concerns that Michael's illness was progressing, Michael participated in a cognitive test that affirmed his cognitive abilities were declining. Team West introduced the idea that once his cognition declined past a certain marker, there would be a general agreement that the team could engage in a shared responsibility with Michael to manage the couple's portfolio.

Turning Point

During the first meeting, Michael tried to assume control of the discussion by focusing on his portfolio. Our team reoriented the conversation by asking,

"Tell us what it's like around the dinner table."

That generated an entirely different discussion, as Michael shared his feelings of being isolated and invisible because he could no longer track his family's conversations. The discussion continued around the change in lifestyle and daily family routine since Michael's diagnosis. Understanding who they were as a family during this initial meeting served as a bridge to establishing a long-term, trusting relationship with the couple.

Within a year, Team West was no longer considered as a transactional, one-time planning engagement, but hired as a trusted, wealth management firm that understood how to adjust and advise as Michael's health declined. It was time for the couple to focus on their relationship, their family, and Michael's health needs.

CLIENT PROFILE

Michael, 47, has been diagnosed with early stage dementia, but is in denial that his diagnosis renders him incapable of managing his family's finances. He is married to April and have two children.

MOST HOPEFUL FOR

Michael: Holding on to his independence and identity as long as possible. **April:** Continuing to provide for their children while also taking care of Michael throughout his journey with dementia.

MOST FEARFUL OF

Michael: Losing his identity as the main breadwinner and provider for his family, becoming a burden on his family. **April:** Running out of money and losing her husband.

LCAP IMPACT

LCAP allowed the couple to redefine their roles within their marriage and family, and to plan for incremental transference of wealth management responsibilities to a professional team based on Michael's disease progression.

One in a series of case studies that outlines the Lifecare Affordability Plan™ process and demonstrates how referring your clients to us can preserve and enhance your client relationships while making a positive impact on the lives of your clients.

The material presented herein is a hypothetical example designed for illustrative purposes only and not intended as individual investment advice or endorsement of any particular investment strategy.

Reorientation of Responsibility

The LCAP process empowered and supported April as she increasingly took on a role that she had never planned to assume in her marriage. With Team West's support, April is now handling decisions regarding the couple's financial priorities, and is not fearful of their financial future.

More importantly, the LCAP process created a structure for the couple to accept the results of Michael's diagnosis, and the increased need for external support of their investments, so they could focus on the areas of their lives that are most important during this difficult time—namely spending time with each other, and caring for their family.

WHAT IS A LIFECARE AFFORDABILITY PLAN™?

A collaborative solution that provides families with a care need driven action plan supported by a comprehensive financial review.

AN OVERVIEW

Key Inputs

- What are you most hopeful for?
- What are you most fearful of?

SEIA Team West

- Senior Housing and Healthcare Professional
- Certified Financial Planner

Typically 3 meetings, with conversations between meetings

Meeting 1: Discovery

Meeting 2: Review of care scenarios and financial analysis

Meeting 3: Final recommendations

OUR PROCESS

Interview clients, key family members and relevant care professionals

Review the family's understanding of the current care needs along with the most hopeful outcomes and the most troubling risks

Develop potential care scenarios based on coordinating input from healthcare, legal, and financial stakeholders

THE PLAN

Provides a road map to assist families in making decisions about how to pay for the desired living situation and care support both now and in the future

Includes actionable strategies around cash flow, investment, legal, and estate planning

Outlines realistic clinical and therapeutic paths and their affordability

SEIA

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