

Making a Plan for Continued Care

Cynthia (61) and Sebastian (66) are facing dual diagnoses. He has been diagnosed with early to mid-stage Alzheimer's disease, while Cynthia suffers from the debilitating effects of chronic autoimmune disease. She was referred to Team West by her attorney.

What if Something Happens to Me?

Cynthia's biggest fear was around what would happen to Sebastian, who would take care of him, and where he would live, if her health declined. They lived in the suburbs, and have children in their early 20's. Their most hopeful outcome for a Lifecare Affordability Plan™ (LCAP) would be to stay together in their family home and not have to put Sebastian in a care facility.

Cynthia was a financially savvy investor who had accrued a large investment portfolio account with a bank, her former employer. When we first met, we learned that she had smartly taken advantage of medical deductions and pulled money from Sebastian's IRA to cover money spent on care. She also had worked with her attorney early on to establish an irrevocable trust, to prevent those funds from being jeopardized if the couple eventually needed Medicaid. Cynthia arrived at Team West ready to talk about Medicaid planning, but the conversation expanded to LCAP.

Cynthia really wanted to buy another house closer to where her extended family lived. Then, when Sebastian declined to a point where he needed more advanced help, her plan was for them to move into the second home, which was located in a part of the country where the cost of care is less expensive, so they could be surrounded by family. Cynthia planned to keep the second home unoccupied and stay there during their regular visits to see family several times a year.

Where Do You Want to Live?

Ultimately, we needed to determine whether Cynthia really wanted to live out of state near family, or if she was making that decision out of a fear of not being able to support herself and Sebastian in their current home. Team West facilitated two meetings. The first meeting was Cynthia and Sebastian talking with a care professional who helped outline living local versus moving out of state, and documenting the support system available in either case.

The second meeting took place in Team West's office, with the children present and the family's trustee on the phone. Cynthia talked about her understanding of the health realities she and Sebastian are facing now and will be in the future. They reviewed details of the LCAP that showed how long the money available to pay for care would last, and what the parents' options were. The couple's children were immediately relieved that there was a plan in place that plotted out how their parents could afford to live with these illnesses.

CLIENT PROFILE

Cynthia (61) and Sebastian (66) are facing dual diagnoses: he has Alzheimer's, and she has an autoimmune disease.

MOST HOPEFUL FOR

Living together and receiving care in the home, supporting young adult daughters as they might be forced to become the primary decision makers.

MOST FEARFUL OF

Cynthia was most afraid of something happening to her, leaving Sebastian without a caregiver.

LCAP IMPACT

LCAP allowed Cynthia the security of providing care for her husband, even in the midst of her own health uncertainties, and took the burden of paying for care off of the couple's children.

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.

A Different Approach

An eye-opening result of engaging with Team West on LCAP was that Cynthia realized that the approach her previous financial advisor had recommended would not serve her well as she tried to navigate money management in these circumstances, or as their illnesses progressed with age. When she first talked to her advisor about her illness and her husband's diagnosis, his recommendation was to quickly adjust the allocations in their portfolios to a conservative model in an effort to conserve money. Unfortunately, due to that approach, the couple missed out on the upside in market growth over the past two years.

Based on the LCAP analysis, Team West recommended Cynthia rent out the second property until she decided to move in permanently. However, more importantly, we confirmed with her estate planning attorney that buying an additional property would close some doors in terms of Medicaid.

Over the past 20 years, Team West has worked with numerous families facing similar complex financial circumstances. The trust established with the team during the LCAP process gave Cynthia the confidence to continue working with Team West to manage her portfolio, both now and in the future.

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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