

## ELDERCARE

# SAFEGUARDING YOUR GOLDEN YEARS

More older Americans, longer life expectancies, increasing healthcare costs and mounting stress and worry for families all point to the growing need for eldercare planning and services.

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**H**AVE YOU THOUGHT about the cost of healthcare as you grow older? Have you considered the various types of living and long-term care arrangements that you — or your loved ones — might need? Do you have a plan to pay for them? Are the necessary financial, legal and medical documents in order and accessible to those who will need them? Is your estate plan up to date?

These are all important questions, but they take on a special resonance — and urgency — against the backdrop of rising healthcare costs and an aging population. While we already assist our clients in answering many of these and other questions related to their wealth management needs, we felt it was necessary to respond in a proactive way to America's changing demographics and our clients' evolving needs. So, we are bundling our capabilities and adding several new ones to create a comprehensive eldercare program for clients and their loved ones.

### THE AGING OF AMERICA

The percentage of people aged 65 and older is expected to increase from about 13% of the total U.S. population in 2010 to about 20% by the year 2030.<sup>1</sup> That's roughly 72 million people aged 65 or

older — more than double the number there were in 2000.<sup>2</sup> At the same time, Americans are living longer than ever before. Those reaching age 65 can now expect to live another 18.6 years, and the 85+ population is projected to increase from 5.7 million in 2000 to 12.9 million in 2020 (23.6% of the 65-and-older group).<sup>3</sup>

All of this means increasing demand for eldercare services and increasing pressure on families. Among those 70 years old or older who need some help with personal care or routine aspects of daily life, the vast majority receive help from family members. Complicating matters, many of these caregivers are also in the “sandwich generation” — that is, they have children under the age of 18 at home. Not surprisingly, in 2009, more than four out of five younger boomers reported moderate to high levels of stress as a result of responsibilities to provide care to an older family member.<sup>4</sup>

### A REAL AND GROWING NEED

For the past year or so, prompted by these powerful demographic trends — and more specifically our special focus on the eldercare concerns of high-net-worth individuals and their families — professionals from across

U.S. Trust have been developing a comprehensive program of eldercare services for our clients themselves, as well as for those clients who will need to provide care for aging loved ones. The program, which is scheduled to be available to clients early in 2012, focuses on four key areas:

### WE ARE BUNDLING OUR CAPABILITIES AND ADDING NEW ONES TO CREATE A COMPREHENSIVE ELDERCARE PROGRAM FOR CLIENTS.

**Organizational services:** We can help here by assisting clients in gathering, organizing and storing critical financial, legal and medical information — insurance policies, account ownership and trust documents, wills and healthcare proxies, among others. This can be an emotional process for families, but assembling documents and sharing them with appropriate family members as early as possible can reduce stress and facilitate their handling later.

**Care coordination services:** Planned services in this area center on coordinating and overseeing medical care — providing referrals for reliable geriatric assessments (a diagnostic tool designed to assess the medical, psychosocial and functional



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capabilities of elderly patients) and assistance creating a care plan; assessing long-term health facilities and their entry requirements; finding concierge healthcare services and eldercare specialists; and providing support for family caregivers, including training and recommendations regarding in-home monitoring technology. We don't have these professionals in-house, so our approach is to create strategic alliances with some of the best providers. Because of the power of our enterprise, we can generally enter these relationships on preferred terms.

**Financial planning, including long-term care planning:** Getting old is an expensive proposition, and the older one becomes, the more costly it is. With longer life expectancy come increased con-

cerns about health and mobility, retirement and overall financial well-being. Whether we're talking about nursing homes, assisted living or home care, living and mobility arrangements are among the key expenditures people over the age of 65 will likely need at some point in their lives. In addition to providing important educational resources about the financial issues related to aging, our eldercare program will help clients (and often their parents and other loved ones) with important financial planning for longevity — including budgeting assistance, retirement asset planning, the provision of longevity and long-term care insurance, and other ways of financing long-term care arrangements. Again, in areas where we don't provide on-the-ground resources — such as long-term care and life insurance

## THE PROGRAM IS A NATURAL EXTENSION OF OUR COMMITMENT TO ADDRESS THE WEALTH MANAGEMENT NEEDS OF OUR CLIENTS.

agreements — we are exploring and establishing partnerships with premier providers.

**Estate planning services:** The estate planning part of the elder program is already in place. It's part of our corporate DNA, and our capabilities are truly comprehensive, ranging from multigenerational planning to agent for trustee, revocable and other trusts, gifting and philanthropy, coordination of beneficiary designations across generations, wills, durable powers of attorney, healthcare proxies and estate settlement services. We do all of these things for our clients every day, but we've also made them part of the eldercare program for anyone who needs assistance.

## ADDRESSING NEEDS ACROSS GENERATIONS

A few years ago, we launched our Financial Empowerment program, a powerful tool to educate our clients' children (adults in their 20s and 30s) in the responsible handling of wealth. Our eldercare program is a companion to that program in many ways. Both are natural extensions of our commitment to provide solutions that address the wealth management needs of our clients and their families. [CA](#)

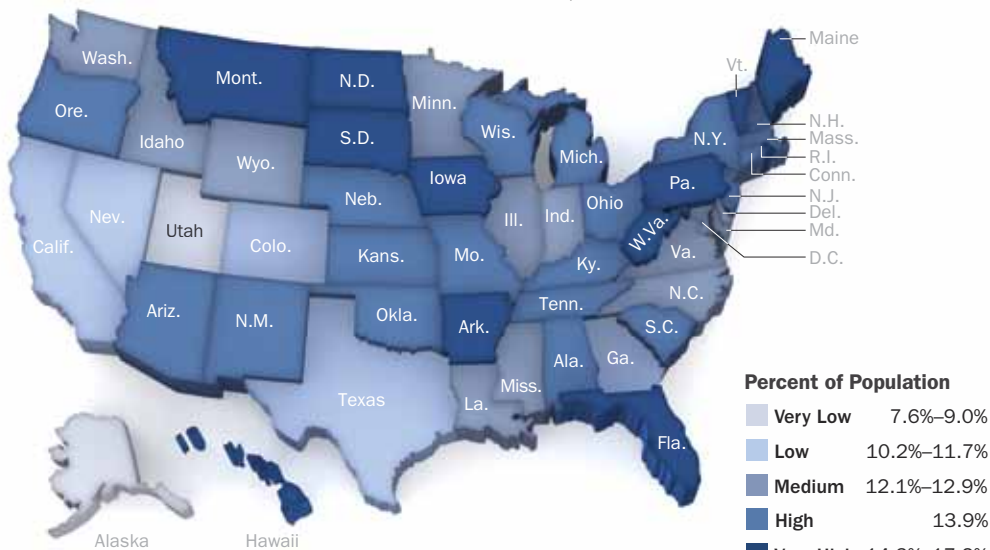
<sup>1</sup>"Providing for Older Parents: Is It a Family Affair?" p. 3, California Center for Population Research, E. Friedman and J. Seltzer (August 2010).

<sup>2</sup> *A Profile of Older Americans: 2009*, published by the Administration on Aging, U.S. Dept. of Health and Human Services.

<sup>3</sup> Administration on Aging, U.S. Health & Human Services Dept. (2010).

<sup>4</sup> "Nobody Told Me There Would Be Days Like These," The Hartford, April 2010.

PERCENT OF INDIVIDUALS AGE 65 AND OLDER BY STATE, 2009



Source: The Federal Interagency Forum on Aging-Related Statistics, "Older Americans 2010" 2010.

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