

# A STARTING PLACE:

## Planning for Dementia & Alzheimer's

It usually starts slowly — a family member can't find the car keys or reads an article about a significant news event and is unable to recall it by lunchtime. While forgetfulness is a normal human trait, a long-term pattern of forgetfulness can be a sign of a bigger issue.

Alzheimer's, the most common cause of dementia, is a progressive disease. Problems with "memory, thinking and behavior," develop over time and eventually worsen to the point where an individual can no longer perform daily tasks.<sup>1</sup> It has no cure and currently afflicts 5.8 million people in the United States.<sup>2</sup>

If a member of your family has Alzheimer's or dementia, then you may understand firsthand the struggles that arise from the disease and the physical and emotional toll it can take. This disease is difficult for caregivers on a personal level and usually means finding new ways to relate to a loved one. It can also be challenging when considering his or her financial future.

### The Personal Struggle

One of the hardest parts for family or caregivers working with people who have Alzheimer's or dementia is knowing how to interact with that individual. Their behavior may be very different than it was several years prior, and they may also have a hard time remembering things you have told them. While some family and caregivers have a tendency to initially get frustrated by those issues, it's important to remember that you're interacting with someone who has a disease. While they may appear perfectly fine from the outside, there are a lot of changes going on in their brain that physically prevents them from acting the way they once did.



When someone has the flu, you don't expect that person to get out of bed and run a marathon. In the same way, you may not want to treat a person with dementia like a child or become frustrated if they can't remember details. Instead, try to remain calm and simply live in their world. If your grandmother asks you three times in an hour how your father is doing, try to simply respond with the same answer you said before and then bring up a new subject. One of the interesting aspects of dementia is that while it tends to limit short-term memories, many times individuals with the disease can still recall long-term memories and details about their childhood or time in school. Asking them to recount some of those memories can be a good way to make them feel more comfortable.



## The Planning Challenge

Consider employing an experienced attorney to help identify and create the documents needed to help protect a family dealing with the disease over the long term. It's also recommended to have a wealth advisor the family is comfortable with coordinate the requirements needed for these documents. The advisor may put a financial plan in place to fund any changes in family income, caregiving needs and other expenses. If the individual diagnosed with the disease is the same person who has historically managed the family's finances, it can be a difficult transition to bring other family members up to speed and to ensure adequate steps are taken. A wealth advisor can help with that process by helping to ensure the family is adequately prepared, starting with putting the following documents in place.

### I. Health Care

- A **Living Will** provides a set of instructions for a family and physician to follow should an individual become incapable of making decisions. The living will specifies whether or not someone wishes to receive life-sustaining treatment in the event the individual is not in a condition to make that determination.
- The **Durable Power of Attorney for Health Care** allows an individual to name a health care agent to make medical decisions on his or her behalf in the event an individual becomes incapacitated or is otherwise unable to make those decisions. This document may also name a conservator or guardian to manage an individual's affairs should a court determine that he or she is mentally

incapacitated. This can be especially important once the individual's dementia has progressed to the point that he or she can no longer manage his or her personal affairs.

- A **Do Not Resuscitate Order** is a relatively simple document that will inform healthcare providers that, in the event an individual's heart stops or they stop breathing, the provider will not take steps to resuscitate the individual. While this document is a personal choice, those who opt to create one do so to avoid leaving family to decide whether to implement life-support that may prolong an individual's life, even if he or she will not regain consciousness.

### II. Finances

- A **Financial Power of Attorney** allows a person to name an agent to manage his or her financial affairs in the event that individual becomes incapacitated or is otherwise unable to manage his or her finances. Managing finances may include handling any assets titled in the individual's name, including bank accounts, brokerage accounts or retirement accounts, or simply paying bills. If the individual has a revocable trust, the financial power of attorney may allow assets to be transferred into the trust should it remain unfunded while the individual is incapacitated. In the case of someone with dementia, this is a critical document as it allows a trusted individual to act as an agent in managing finances to ensure the individual with dementia can pay for treatment.

- A **Pour Over Will** instructs where one's assets go after he or she passes away but requires authentication by a probate judge, and, depending on where the individual lives, this process could take time. A **Revocable Trust** may be used in place of, or in conjunction with, a will to streamline the distribution of assets and avoid probate court completely. A revocable trust, or living trust, is designed to hold and own the trust-maker's assets, while also providing instructions for how the estate is to be managed should the individual become incapacitated or die. The trust-maker appoints a trustee, which can be a person or institution, to manage the trust's property.
- In the event an individual's dementia or Alzheimer's has progressed to the point where he or she can no longer legally sign financial and healthcare documents due to incapacity,

families still have options they can pursue. A **conservatorship** is a court appointed role that enables a conservator to act in much the same way a power of attorney would in making financial and healthcare decisions.<sup>3</sup> While the process can be somewhat costly and time consuming, it may ultimately be the best option for some families, but will require substantial assistance from a knowledgeable attorney.

Regardless of the timing of the diagnosis, dealing with Alzheimer's and dementia can be challenging for those who have the disease and for those who care for them. If you or someone you know is dealing with some of these challenges, know that help is available. The resources listed below are a good place to start but also consider reaching out to Mariner Wealth Advisors to see if one of our Senior Wealth Advisors could help you and your family.

<sup>1</sup> <https://www.alz.org/alzheimers-dementia/what-is-alzheimers>

<sup>2</sup> <https://www.alz.org/media/Documents/alzheimers-facts-and-figures-2019-r.pdf>

<sup>3</sup> <https://www.rocketlawyer.com/article/obtaining-a-durable-power-of-attorney-for-a-parent-with-dementia-or-alzheimers.rl>

Sources:

<https://www.nia.nih.gov/health/legal-and-financial-planning-people-alzheimers>

<https://www.alz.org/alzheimers-dementia/what-is-alzheimers>

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