

LONG-TERM CARE: Sort it out Sooner Rather than Later PLANNING IS A FAMILY AFFAIR



For families with elderly relatives, the prospect of long-term care, and how to pay for it, can be intimidating. The average 65-year-old today has a 70 percent chance of needing long-term care, and those who need it will use it for an average of two years, although for 20 percent that number jumps to five years.

Many families fear the long-term care question for financial reasons – a room in an assisted living facility runs \$3,628 per month on average, and nursing homes can double that cost easily. Add in longer lifespans and increasing health care costs, and it becomes easy to see why many families are afraid to even touch the subject. But at some point, families

need to bring in a trusted advisor who can help them sort out their long-term care needs and develop a payment plan.

“We start with the kids in the middle, the 45-year-olds to 55-year-olds, and say ‘How are we going to take care of your parents? Who is responsible?’ and you find that, being a planner, you deal with the brother or sister who is going to be doing the most,” said Andrew G. Palomo, CFP®, AIF, managing member and founder of Pillar Financial Advisors, LLC. “Once you start thinking about it, the fear goes away.”

Pillar Financial Advisors, based in Oak Park, Ill., provides comprehensive, tailored wealth management services to clients large and small. The firm does



not maintain a minimum asset level to invest but rather seeks relationships with prospective clients who have clear goals and want to take charge of their financial futures. The firm provides retirement, estate planning, investment management, and insurance services, to name a few, and uses a holistic approach to client wealth, Palomo said.

Many prospective investors delay dealing with their finances. Even educated professionals can feel intimidated when working with complex financial concepts and industry jargon. For Palomo and the team at Pillar Financial Advisors demystifying finance makes up a large part of the client education process.

“The initial part of our consultation is that we put it out there that the financial services industry spends a lot of money every year using big words and making things seem more complicated than what they are,” Palomo told

Advisors Magazine during a recent interview. “And what we’re known for is plain talk and simple answers. We try to break a financial product down to what it is and how it would work for you, and against you, and what particular goals this tool would help with. We really let our clients off the hook initially by telling them that it is completely understandable to have seemingly dumb questions, because there’s billions of dollars spent every year to make you feel that way. We’ll help you sort through it.”

Sorting through financial problems, especially long-term care, needs to be a family affair, Palomo said. If a family works together to plan their financial future, then achieving their goals becomes that much simpler.

“It’s really fun and easy when you have everybody in the family on the same page and thinking about what to do,” he said.

For more information see pillarfp.com