

## Talking With Aging Parents About Their Finances

It's not uncommon for parents showing signs of mental or physical decline to need assistance from their children from time to time, and today that help primarily comes from their daughters. Daughters spend more than twice the amount of time caring for aging parents that sons do,<sup>1</sup> and women make up 60% of all caregivers in the United States.<sup>2</sup> Here is some guidance on how you can make conversations with your parents about their finances easier and more productive.

### **BREAK THE ICE SOONER THAN LATER**

The most important advice when talking with aging parents is to start the conversation early, before there is any mental decline or other late-in-life distractions. If you find your parents are reluctant to talk about their finances with you, try framing the conversation around your own financial planning decisions.

By asking for their input on your financial choices, you may get them to open up about their own planning.

### **ROUND UP THE PAPERWORK**

A five-minute conversation around the holidays won't be enough to establish a thorough plan with your parents. Set a time and place to discuss with them their lifestyle wishes, health concerns and finances. Your Baird Financial Advisor can provide you with a Personal Information Guide that can help you keep track of documentation and account information you need.

### **GET EVERYONE ON THE SAME PAGE**

Planning for your parents' twilight years may involve other family members and outside professionals. Make sure the whole family understands your parents' wishes – and how much things like medical expenses, housing and end-of-life care can cost. Be sure to introduce ►

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yourself to any professionals your parents rely on, such as financial advisors, community care advocates, accountants, attorneys, doctors – even veterinarians and anyone who helps maintain the property.

### MAKE REGULAR CHECK-UPS

The financial needs of people in their 60s are often far different from people in their 90s. Keep the lines of communication open, and be sure to revisit those plans if you find that their needs or wishes have changed. Stay especially alert for any memory or cognitive decline, as that can make your parents easy targets for scams or identity theft.

Parents don't stand to gain anything by keeping secrets from the kids, especially later in life. These conversations are critical to understanding and meeting your parents' wishes, and far preferable than leaving things to chance.

1 Grigoryeva, A. When Gender Trumps Everything: The Division of Parent Care Among Siblings. Working Paper No. 9. April 2014. Center for the Study of Social Organization.

2 National Alliance for Caregiving and the AARP Public Policy Institute. June 2015. 2015 Report: Caregiving in the U.S.

Please reach out if you or anyone you know would benefit from discussing this topic further.