



Estate Mistake #5: Disability Doesn't Discriminate

We've been talking about smart estate planning and retirement preparation throughout this series of tips to help you avoid making mistakes in your own estate plan. As most of us think about retirement and leaving assets to our heirs, we often consider only the upside: How will I spend my golden years? How much will my children or loved ones inherit? But this thought process doesn't account for a very real possibility of today's aging process, and it's a biggie. **Mistake #5: Ignoring the likelihood of disability.**

Many of us have life insurance to provide for our loved ones if something happens to us. But life insurance only pays a benefit when you're no longer alive. With advances in healthcare and technology, it's possible to become very ill or significantly injured and still survive. What happens then? Ideally, if you work for your income, you already have disability insurance to protect your paycheck if you're no longer able to earn. But if you're not working, odds are you no longer have health insurance either....which means that even one health crisis could wipe out all your savings. It happens in America more than you think. In fact, statistics show a full 25% of today's 25-year-olds will become disabled before they even make it to retirement*. That leaves many years still to manage with neither insurance nor income.

You may be thinking, "That's what Medicaid and Medicare are for!" But there are many aspects of care those government assistance programs don't cover, and they often require that ALL of your assets be wiped out before they'll step in to help. So not only will your income become severely limited, but you'll also have nothing left over to leave to your loved ones. That's a bleak picture, but it's also completely preventable. Long-term care insurance can cover the gap when you're disabled, paying for nursing home care, in-home care, rehabilitation, and many other essential health needs during a disability.

This ends our series on avoiding estate planning mistakes, and hopefully you've gotten some useful ideas to safeguard your own estate plan, protecting both your loved ones and all you've worked for.

Don't hesitate to reach out if you need help with any of your needs. Let's connect soon.

Want to hear more - check out our podcast on [The Family Love Letter](#)

*Council for Disability Awareness