PLANNING FOR
An Uncertain Future
MICHIGAN STATE UNIVERSITY OFFICE OF GIFT PLANNING
Millions of Americans Are Impacted

Are You Prepared If Dementia Affects You?

According to the Alzheimer’s Association, the number of Americans with Alzheimer’s disease and other forms of dementia is expected to increase by more than 50 percent by 2030. Now is the time to ask yourself some critical questions: Will I need to move into a retirement community or nursing home? When do I hand over the car keys and sell the car? Who will pay my bills and watch over my money?

A diagnosis of Alzheimer’s disease or dementia results in a complexity of issues that can astound even the most prepared of families. Your future needs are not only medical, but likely social, emotional and spiritual. Concerns about change, lack of independence and the fear of memory loss can be overwhelming. Fortunately, you can prepare now to ensure that your affairs are in order. Here are some actions you can take now to plan for your needs later.

Prepare Crucial Legal Documents

DURABLE POWER OF ATTORNEY
Everyone needs a financial power of attorney—a legal document that allows someone you choose now to act on your behalf later, including managing your finances and paying bills should you become incapacitated and unable to manage your own financial affairs.

Your selected agent could be your spouse or child, a financial professional, or an organization such as a bank. Choose someone you trust to honor your wishes, and if you select an individual, name a backup person in case the first person is not available.

The power ends when you die, but you can revoke it at any time as long as you are still capable. It has no bearing on the distribution of your assets when you die. A power of attorney must be signed by you and may need to be witnessed or notarized, depending on state law.

REVOCABLE LIVING TRUST
Depending on the level of assets you own, you may wish to have a revocable living trust in addition to the power of attorney, or in some states a conservator, for someone who is suffering from dementia or Alzheimer’s. A living trust can eliminate the possibility of a contentious court proceeding to appoint a guardian.

You can transfer ownership of most of your property to the trust now. You can serve as your own trustee and continue to manage your trust assets for as long as you are able and wish

Planning Tip
Because laws vary from state to state and every person’s situation is different, it’s important to meet with your estate planning attorney to create legal documents. Your attorney can help you look at all your options for creating a plan that meets your future needs.
to do so; thereafter, your selected backup trustee takes
over on your behalf. You can choose a friend, relative,
trust company or bank institution that will act as your
backup trustee.

Such trusts are usually revocable and can be modified at
any point until you are no longer capable. Upon your
death, the trustee can distribute the trust assets to the
people and charitable beneficiaries you have designated—
much like a will does.

ADVANCE DIRECTIVES
To address future health care or medical issues, you’ll
also want to have advance directives—legal documents
that let your family and doctors know about your health
care wishes. There are two types of advance directives: a
medical power of attorney and a living will.

A medical power of attorney allows you to name a person
now to make health care decisions for you when you are
incapable of making decisions yourself. It also allows you
to give specific instructions now to your representative
about the type of care you would want to receive later.
Choose a representative you trust to make decisions for
you—someone who knows your values and wishes and
who is likely to be available.

A more narrowly focused document, the living will directs
your doctor to withhold or withdraw life-prolonging
treatment if you are terminally ill or permanently
unconscious. It can tell your doctor to provide only those
treatments that will relieve pain and provide comfort.

As explained above, there are definite differences between
a living will and a medical power of attorney. Many
people choose to have both a living will and medical
power of attorney. If you do have both, make sure they
are kept together so that your representative will know all
of your wishes.

Did You Know?
Advance directives give you a voice in
decisions about your medical care if you are
too ill to speak for yourself. As long as you
are able to make your own decisions known,
your advance directives will not be used.
Make Your Wishes Known
Communicating with loved ones about a future with diminished mental capacity might seem difficult, but it’s important to discuss your wishes now while you are able to do so. You’ll have the peace of mind that comes from knowing that your needs and wishes will be fulfilled. Besides the financial and medical issues already addressed, here are other important things to discuss:
- Living arrangements
- Health care arrangements
- Last will and testament
- Beneficiary designations
- Charitable giving wishes

Take Care of Yourself
Once your legal and financial affairs are in order, get the emotional support you need from family, friends, support groups or therapists. Spend time with your loved ones doing the things that provide joy and will leave a lasting connection. A diagnosis of Alzheimer’s disease or dementia does not mean an end to all of the happy moments that can be shared with those closest to you.

Contact Us
If you have questions about including MSU in your plans, please contact us. We would be happy to work with you and your advisors to ensure your wishes are fulfilled.