

**NATIONAL INDO-AMERICAN ASSOCIATION FOR SENIOR
CITIZENS**

Report on the group discussion on financial and legal issues of concern to senior citizens

Shantiniketan 2: Tavares, Florida: November 8, 2014

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discussion group.**

Fellow seniors, I thank you for the opportunity to compile and present this report on the happenings during the discussion group session on financial and legal issues of concern to seniors. We are all well educated professionals who have excelled in their chosen field in this country. I am proud to be a part of such distinguished group. The following are some major topics that were discussed.

- 1) Pro and cons of simple Will Vs Living Trust
- 2) Check list for Legal issues to take care of and summary of follow up action:
- 3) Beneficiary designations: Review beneficiary designations on your Insurance policies, IRAs, 401K plans etc. and make changes as necessary.
 - a) Medical power of attorney
 - b) Complete a Medical power of attorney. Be as detailed and explicit as you feel necessary to let people in charge know your wishes regarding prolonging life with extraordinary means and devices.
 - c) Transferring the titles to all tangible assets to the living trust

If you execute a Living Trust make certain all the titles to tangible property is transferred to the Trust. Consult an Attorney for details of this action.

- d) Let the designated trustees know

Inform the designated trustees regarding the location of the original Will / Trust document and all details so that they can access it when necessary.
- e) Have a copy available to the executioner of the Will/Trust
- f) If you retain a lawyer to draft your Will/Trust documents he will safe keep a copy. Then you need to let your beneficiaries and children know the contact information of the Attorney. Otherwise you let your beneficiaries know where to find the documents, if no Attorney is involved.

(f)Updating of the Will.

Even though it is not essential, it is a good idea to periodically review the Will/Trust document and update the same by attaching Amendments, to cover the issues arising due to changing circumstances.

- g) **Is an Attorney necessary for the drafting of Will or Living Trust document?**

The general conclusion was, that there is no need for an Attorney, even though it was accepted that they have a role to play.

- h) **Where to Keep the Will or Living Trust documents.**

Keep the Will / Trust documents in a Fire resistant locker in the house. Avoid placing this document in bank safety deposit box, you may place a copy if you so choose. Place a copy in the cloud (Electronic filing cabinet). Let the executioner of Will/Trust know, how to access the documents when needed.

- i) **List of all pertinent documents**

Make a list of all pertinent documents such as Insurance policies, Bank account numbers, contact information, user IDs, Passwords etc. and keep a copy in the fire resistant locker at home, and inform the executioner of the Will/Trust.

- j) **What action to take when you change state of residence.**

When you change state of residence, consult a local Attorney regarding actions necessary to keep the Will/Trust executed in another state, current in the present state of your residence. DO NOT DESTROY old documents.

- k) **Create a summary of action items in layman's terms for Will/Trust executer for reference and keep it in the fire safe in the house.**

4) Check list for Financial issues to take care of:

- a) **Assets**

Make a list of all tangible assets such as autos, real estate, jewelry, heirloom furniture etc... Locate their title documents, take photographs and place all these documents along with the list in a safe place. Let your executor of the Will/Trust know about the location and how to access it.

- b) **IRA, Social Security, Medicare issues**

Record all pertinent data regarding these documents in a summary sheet and keep in a safe place. Let the executor know.

- c) **Property in India and repatriation of proceeds post sale.**

Inherited property in INDIA receives a special consideration from RBI for repatriation of proceeds upon sale. Consult RBI and appropriate legal opinion. Proceeds from other property may be repatriated after payment of tax. Consult RBI rules on this issue.

- d) **Charity Legacy issues**

One may want to consider leaving some of the assets to charitable organizations recognized by IRS for favorable tax implications towards the individual's estate. Consult your Attorney regarding this

e) **Change in Children's marital status**

If the marital status of your children changes, it may impact the way you structured your Will/Trust. You may want to revisit the document and make necessary changes.

f) **Long term care insurance Pro and cons**

Pros and Cons of Long Term Care Insurance were discussed at length. The group was evenly split on this issue. It was agreed that the premiums charged by LTCI provider's increases as you approach age 73 and is not offered beyond that age. The conclusion was that if one wants to carry LTCI then that person should sign up at the first opportunity when it is offered. Alternately an individual may save and invest the annual premiums and fund LTIC partially from that savings. The other option identified was to reduce the net worth to a point where Federal and State government will help in funding LTC at facilities not necessarily acceptable to the patient.

g) **Membership in continuing care facilities**

Dr. Ashok Sapre said that statistically a patient in LTC needs the use of the facility for an average of 3 years. He also mentioned that they carry LTIC and they are also enrolled as members with visitation rights in a continuing care facility in California. This give them the opportunity to periodically visit the facility and interact with residents and get a feel for living conditions, management attitude etc. According to Dr. Sapre this intelligence in very valuable when it becomes necessary for them to pick a facility for continuing care...

5) **Summary of follow-up action items:**

a) **Check and update your Will/Trust document as appropriate**

b) **Take action on as many items in the financial segment as possible if you have not done so already.**

c) **Dr. Ashwin Pandya suggested that Shantiniketan should organize a work shop on the above topics and this should be followed up.**

6) **Conclusion:**

The foregoing is a summary of discussion and collective conclusion reached by participants. It is intended to use as a checklist for follow up action with appropriate and competent legal and professional advice.

Reverend Dalai Lama during one of his interviews in INDIA suggested that as a human being one has every right for **Expecting** the way one's life should

be. However one should temper his expectations with Reality of the situation one is in. Finally one should learn to Accept the results. This is known by the acronym ERA. Try and be proactive and never be reactive. Live a peaceful life and consider yourself blessed if you can see the sunrise tomorrow in good health.