



Ruth Brock  
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News Release

## **Aging Parents and Finances**

If you have aging parents, at some point your parents may need your help with financial or health care issues. One or both of your parents may become ill, incapacitated, at risk for financial fraud, or unable to keep up with their financial affairs as their mental and physical abilities decline. It will be easier to intervene and prevent problems if you have talked to them regularly about their finances. This can be difficult in families where the subject of money was always taboo, but waiting until a crisis occurs can cause stress, heartache, and money losses. Planning ahead helps ensure that your parents' wishes are granted and reduce disagreements among siblings.

If this subject seems difficult to talk about, let them know that it will be easier in the future by sharing the details about their finances with you now. If your parents are unwilling to discuss these details with you, at the very least they should tell you where they keep their important financial documents in case you need them in an emergency.

The time for preparing powers of attorney and living trusts, which give someone else the authority to make decisions about financial affairs or health care, is before the need arises, while your parents still have their mental faculties. If your parents are not mentally capable of signing such documents, you may have to seek legal guardianship, which can be a long and painful process.

So exactly what do you need to know? Ideally, you should know the details of their assets and liabilities and income and expenses, as well as the answers to questions such as:

- Do they have a will?
- What is the location of the will?
- Do they have a living will or medical directives so someone can speak for them in case they are unable to speak for themselves?
- Do they have a durable power of attorney so someone can handle their financial affairs if needed?

Other information you should know:

- Social Security numbers
- Details of insurance policies, including health, life, and long-term care
- Health records
- Medicare numbers
- Debts and payments

- Income, including retirement plans, social security, annuities, dividends, etc.
- Savings and investments, including bank account numbers and names of financial institutions
- Tax returns
- Location of safe deposit boxes and keys to the boxes
- Names and phone numbers of legal advisors, doctors, attorneys, insurance agents, accountants, etc.

If it becomes necessary to take over the administration of your parents' finances, it is important to respect their rights and wishes. Give them as much control as possible. Keep their money separate from yours and keep them informed. If you are concerned about your aging parents, take action now to assist them.

*For more information on this or related topics, contact Ruth Brock, Regional Extension Agent for Consumer Science and Personal Financial Management. You can reach her at the St. Clair County office at (205) 338-9416 or email at [brockru@auburn.edu](mailto:brockru@auburn.edu).*

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