


[Back](#)
FREE SITE REGISTRATION
Sign up today and gain full instant access to member-only content

Earn CE Credits
 Access our Discussion Boards
 E-Newsletters - Retirement Planning, Wealth Advisor
 Attend Coaching Sessions and Web Seminars, Podcasts and more

Caring for Your Client

Adding a care manager to your estate planning team can benefit both you and your client.

By Martin Shenkman

May 1, 2011

A good estate plan is always the result of a team effort. While an estate planning lawyer is often the hub, a financial planner, insurance consultant and CPA are integral to the process. For example, no good estate planning attorney would plan a grantor-retained annuity trust for wealth transfer without first reviewing the investment considerations with the advisor.

[Like what you see? Click here to sign up for Financial Planning's daily newsletter to get the latest on advisor market trends, investment management, retirement planning, practice management, technology, compliance and new product development.](#)

As the population ages and families continue to become more diverse in terms of geography and life views, the role of the social worker, care manager, nurse practitioner, geriatric consultant or similar professional as part of an estate planning team will become more important. For simplicity, we'll refer to this professional as the care manager. Creatively integrating a care manager into the estate planning process can provide valuable information essential to planning a budget or trust distribution plan, ensure that funds disbursed are used for their intended personal goals, and provide a valuable bridge between the client's family, medical team and financial team.

WHAT CARE MANAGERS DO

The independent care manager can evaluate the needs of a particular client and his or her family, and assess the emotional and psychosocial circumstances. For example, if a client is an elderly parent, having a geriatric consultant assess care needs can be essential. This can help assure the best care, use scarce resources efficiently, identify care issues that have been overlooked and set up a reporting/monitoring system that can be invaluable, especially if family members live far away.

The numbers are compelling. For example, 12 million Americans live with chronic obstructive pulmonary disease, and 1.5 million Americans have Parkinson's disease.

Researchers estimate that by 2050, 13.2 million Americans will have Alzheimer's disease if current population trends continue and no preventive treatments become available, according to the National Institute on Aging. Planning for these common issues already affects more clients than the estate-tax issues so many planners are used to focusing on.

The difficulty of building the expertise to plan appropriately for the myriad interpersonal and health issues that clients face as they age makes the involvement of a care manager a practical solution. Following is a short description of several roles a care manager can play when helping clients create an estate plan.

*** Motivate planning.** Every advisor has clients who won't follow up or heed important planning advice. While disinterest and concern over costs might be factors, in many instances the real impediment could be a client's depression (a common symptom of a wide range of chronic illnesses that affect many people), or family dynamics (a reluctant spouse, a spendthrift child, etc.).

A care manager, who likely would meet a client at home, often will develop a very different understanding than a financial planner, lawyer or CPA who meet in their offices. Even more important, the care manager is trained to evaluate the interpersonal and medical considerations that other members of the estate planning team are not.

With this skill set and knowledge base, the care manager may be the only estate planning team member capable of encouraging a client to proceed with essential planning. Often, the insights a care manager obtains from a home visit and evaluation can provide important missing input essential to planning how family wealth will be managed.

For example, a care manager might identify an impediment to planning to be the control concerns of a spouse who has been a passive participant at meetings or who worries over a child with substance abuse issues. Once these concerns are out in the open, it's possible to plan for them, and a client may be willing to proceed.

*** Discuss health care budgeting.** Does a client have special health care funding requirements now or possibly in the future that he or she has not communicated? A common objective for many clients is to stay in their homes as long as feasible and avoid a nursing home or other facility. "But the costs and care requirements of keeping the client in his or her home must be evaluated and estimated," said Marci Sadorf, RN, CMC, at Bayshore Health & Homemaker Services in Largo, Fla.

An independent caregiver can simplify some of the financial decisions, explaining them as budgeting for milestones. For example, if one spouse has a health issue and the other spouse is serving as caregiver, the care manager may evaluate the impact on the employment and earnings of the caregiver spouse.

This can be critical to a proper projection of future cash needs. This type of report can also help identify critical gaps in a client's safety net that will need to be addressed for any planning to succeed.

*** Facilitate choosing a fiduciary.** Fiduciary selection is the key to the success of any estate plan. The trustee a client names may be the primary contact for the planner if the client's competency or health deteriorate. Planners should consider that half of people 85 and older have some cognitive challenges.

If a trustee is ill-suited for the task, a planner's role can be undermined or, worse, a planner can become embroiled in problems created by an inappropriate trustee. Traditional members of an estate planning team rarely vet the selection of trustees, but this is well within the purview of the care manager.

*** Analyze family dynamics.** A care manager can also help clients and their families deal with interpersonal dynamics that traditional members of the estate planning team are not trained to address. When the family landscape includes significant antagonism or dysfunction, a care manager can address the issues proactively. The care manager can also help feed information about what is happening medically, emotionally and psychologically to the advisors.

The objective is to provide a supportive environment while the estate planning process is sorted out. The process is stressful for many clients, especially if resources are to be distributed unequally or one child is given more responsibility than another. Family conflicts and disagreements can make the process difficult. In many instances, a care manager is the only professional with the skill set to guide the family forward in a productive manner.

*** Work to minimize geographical impact.** Many children live far from their elderly parents. If a child living in California has an ailing elderly parent in New York, he or she could obtain considerable peace of mind knowing that an independent care manager-with no ties to any local siblings, institutions or medical providers serving the parent-is conducting independent evaluations periodically and sending a report with their findings.

*** Watch for elder financial abuse.** With an aging population, elder financial abuse is on the upswing. In their daily interaction with older or ill clients, care managers are often in a position to notice signs of abuse.

The estate planning team traditionally includes an attorney, accountant, financial planner and insurance consultant. But when clients are elderly or chronically ill, including a care manager on the team can provide considerable expertise and benefit both a client and the family. FP

Martin M. Shenkman, CPA, MBA, PFS, AEP, JD, is an estate planner in Paramus, N.J. He acknowledges the assistance of Nicholas LaRocca of the National Multiple Sclerosis Society.

Related Articles

- Most Popular
- Viewed
- Emailed

1. [Morgan Stanley Fires Office Complex Director](#)
2. [FINRA Arbitration Panel Hits Raymond James with \\$1.7 Million Penalty](#)
3. [Krawcheck Says Wealth Management Firms Should Focus on Individuals](#)
4. [With Retirement Planning, Abstract Doesn't Cut It](#)
5. [UBS' McCann Denies Wealth Management Sale Rumors](#)
6. [Vanguard, Fidelity, TIAA-CREF Head Kasina's Ranking of Social Media Users](#)
7. [Five Ways To Capitalize On The New Estate Laws For 2011](#)
8. [Make Your Practice a Client Experience](#)

9. [How Can Whitney Houston's Court Battle Provide Valuable Lessons for Clients, Advisors?](#)
10. [And More People on the Move](#)
1. [With Retirement Planning, Abstract Doesn't Cut It](#)
2. [FINRA Arbitration Panel Hits Raymond James with \\$1.7 Million Penalty](#)
3. [Americans Unprepared and Fearful of Retirement](#)
4. [Morgan Stanley Fires Office Complex Director](#)
5. [UBS' McCann Denies Wealth Management Sale Rumors](#)
6. [Financial Services for Small Credit Unions and Community Banks](#)
7. [RIAs Winning More Clients](#)
8. [Krawcheck Says Wealth Management Firms Should Focus on Individuals](#)
9. [Due Diligence, Best Practices Tips For RIAs](#)
10. [How Will the Corporate Culture Impact the Digital Future at Banks, Financial Services Firms?](#)



[About Us](#) | [Contact Us](#) | [Advertise with us](#) | [Privacy Policy](#) | [Terms of Use](#) | [Site Map](#)
© 2011 Financial Planning and SourceMedia, Inc. All rights reserved. SourceMedia is an [Investcorp](#) company.
Use, duplication, or sale of this service, or data contained herein, is strictly prohibited.