



Age Like You Mean It!SM Planning for the Second Half of Life.

WEBINAR BOOKLET



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LOOK AT YOU GO!
You received your education, some of you had families, started and maintained careers, earned and saved your money, planned for retirement, or not... and yet, HERE YOU ARE.



YOU MADE IT!

...THIS FAR...

NOW WHAT?

WHAT WILL IT TAKE TO AGE LIKE YOU MEAN IT!SM FROM THIS POINT, FORWARD?

“The message was clear for Baby Boomers everywhere:

Kurt Cobain was not merely some rock-and-roll icon who couldn't handle drugs.

In ways that were important to recognize he was every parent's child.”

“Always be nice to your children because they are the ones who will choose your rest home.”

“Retirement at 65 is ridiculous. When I was 65 I still had pimples.”

George Burns

And so, my fellow Americans, ask not what your country can do for you; ask what you can do for your country?”

“The Boomer's biggest impact will be on eliminating the term 'retirement' and inventing a new stage of life...the new career arc.”

WHO'S ON YOUR TEAM?

In the first half life, it was you against the world! Or you and your spouse or significant other against the world! And you took it on!

But does that approach work for the second half of life?

NO!

YOU NEED A TEAM!

Who should be on your team?

Trusted individuals who:

1. make good decisions in their own lives;
2. manage money well;
3. have integrity;
4. would respect your wishes and always act in your best interest;
5. etc.



CHOICES

- Pre-Planning
(Proactive)
- Crisis Planning
(Reactive)

OR

Do nothing at all/
“Hope it all works out”



There is a big difference!

Critical Foundations

Take a moment to think about it? What are your critical foundations? How well have you built them up?

- Family
- Faith- Religion, Spirituality
- Community- Neighborhood, Friends, Local Resources

• LEGAL

WHAT DOES YOUR LEGAL FOUNDATION

LOOK LIKE?

Most people

know this one!

→ WHAT DOCUMENTS ARE IN YOUR ESTATE PLAN?

But do you know this one?

WHAT IS AN ESTATE PLAN? ←

Why do I need a power of attorney? Aren't all powers of attorney the same?

- Everyone over the age of 18 needs good powers of attorney in place.
- The most common misconception is that your spouse automatically has the authority to act on your behalf.

Powerful Asset Protection

Powers of Attorney to Protect Your Family!

Finances

- Asset Protection Power
- Appropriate Gifting Power
- Real Estate Power
- Taxes

Health Care

- Living Will
- HIPAA

The bottom line is you need to plan ahead and choose who will make decisions on your behalf.

What happens if I don't have powers of attorney? What happens if I run out of people to serve?

I fall into _____.

This process can result in someone I do not know having tremendous power over my healthcare and financial decisions.

"What do I care? I won't know what's happening to me anyways."

This is Steve...

Steve thinks he won't care what's happening to or around him at that point in his life.

STEVE IS WRONG.



Notes

Would you want to protect the ones you love?

How do I protect my spouse?

How do I protect my family?

If you are married, don't be fooled by steeply discounted offers advertised by lawyers who do quick simple Wills. You miss great opportunities to protect assets for the surviving spouse.



Notes

Continue to Build Your Legal Foundation

For some of you, that might be a last will and testament.

- Written instructions about how your property is to be distributed upon your death.
- Designation of an executor or personal representative who will administer your estate upon your death.
- Caveat: a will is a ticket to a public, lengthy probate process.

Most people want to avoid probate through:

- Joint accounts
- Beneficiary designations
- Various types of trusts.

Notes

HOW TO BETTER AVOID A WILL CONTEST

Living Probate Now Possible in NC

Probate is often a time-consuming process that could require several months, or even years, to complete. Probate proceedings could be further lengthened if provisions in a will are contested. Recent amendments to North Carolina's Uniform Trust Code now provide for 'living probate' – a way for individuals to petition a court to declare a will valid while the testator is alive. **This could help prevent will contests after the testator dies.**

The changes to the North Carolina Uniform Trust Code are part of The Act to Amend the Law Governing Estate Planning and Fiduciaries (Senate Bill 336). Living probate procedures are among several modifications to the Code that affect legislation regarding certain property transferred to trust, trustees, and guardianship in North Carolina. Read more about the recent changes to North Carolina estate planning laws.

To initiate a living probate proceeding, the testator must petition the court to declare the will valid. This process accrues additional expense beyond the costs associated with preparing one's estate planning documents, particularly if a party contests the will's validity. However, the testator might feel inclined to incur costs in advance to prevent an even more costly post-mortem administration for surviving family.

During a living probate proceeding, the court will verify the testator is of sound mind, not pressured under undue influence, and that the will is valid under North Carolina law. All interested parties must be provided with notice of the proceeding, along with full disclosure of the contents of the will. These individuals may have the opportunity to contest the validity of the will, in which case a hearing would be scheduled before the clerk. Each party would then have the opportunity to present evidence regarding the testator's capacity and the validity of the will.

If a testator's goal is to ensure that assets pass according to their wishes and to prevent a family member from contesting the will, the testator might find their goals could be achieved through the use of a revocable living trust. A living trust can be structured to provide clear instructions for a successor trustee to follow in distributing assets to beneficiaries. Assets held in trust pass to beneficiaries outside of probate and the terms remain confidential. While a trust might satisfy the goals that an individual would otherwise attempt to achieve through living probate, the expenses might be comparable depending on the complexity of the trust. Like a will, a revocable living trust can be revoked at any time.

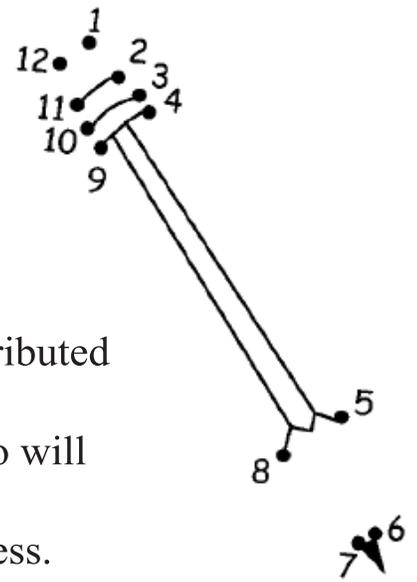
According to JDSupra Business Advisor, North Carolina is now one of only five states in the country that provides specific statutes for living probate. Regular reviews of one's documents is an important step to maintaining one's estate plan, especially if one moves out-of-state. Individuals moving to North Carolina might wish to address the benefits and disadvantages of living probate with an estate planning attorney to determine if the process is appropriate for their situation. Focusing on a will alone is often not an optimal estate planning method. Learn more about assets that are not distributed as part of provisions in a will.

Connecting the Dots is a Must!

Continue to build your legal foundation.

For some of you, that might be a last will and testament.

- Written instructions about how your property is to be distributed upon your death.
- Designation of an executor or personal representative who will administer your estate upon your death.
- Caveat: a will is a ticket to a public, lengthy probate process.



Most people want to avoid probate

- Joint accounts
- Beneficiary designations
- Various types of trusts

Wills and trusts don't work if....



...your dots don't connect!

Notes

Long-Term Care Planning

- Medicare

- Veteran's Benefits

- Self-pay

- Long-Term Care Insurance

- Medicaid

Notes

You Might Consider a Revocable Living Trust An “Open Box”



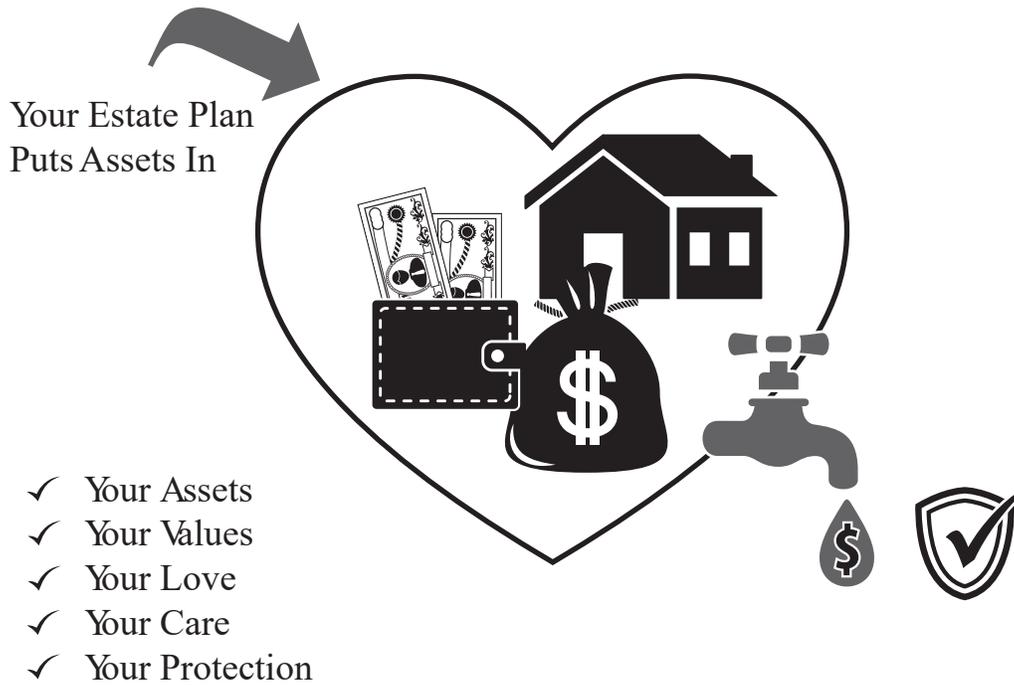
- Avoids Probate
- Disability Instructions can be changed
- Can be revoked
- You have full control
- Outlaw protection

Living trusts are great...
But they are not asset protectors!

For some of you, an asset protection irrevocable trust might make sense.

Notes

Love & Protection Trust



Income Stretched Out To Your Loved Ones To Promote Lifetime Benefits and Prevent Blowout

Notes

The Pension Protection Act

Federal and some state governments are creating incentives to encourage consumers to cover their need to pay for the cost of care as they age.

Why?

8,900

Eighty-nine hundred Baby Boomers turn 65 every day.

- Average life expectancy is 84-86 years old.
- Huge strain on Medicaid budget.
- Medicare does not cover most long-term care expenses.



Notes

The Pension Protection Act allows you to:

Exchange an existing annuity for a long-term care policy on a tax-free basis.

Access funds from certain types of long-term care annuities, tax-free, to pay for long-term care.

Let's look at some examples.



CD Example

Mary (age 60)



\$250,000
IRA



\$370,000
Checking/CDs



\$300,000
Stocks &
Bonds

Mary has a history of Alzheimer's Disease in her family.

Notes



Mary's Strategy



Transferred from CDs



By transitioning the money...

\$10,170/monthly benefit is paid tax-free for:

- ✓ Home Health Care
- ✓ Assisted Living
- ✓ Skilled Care

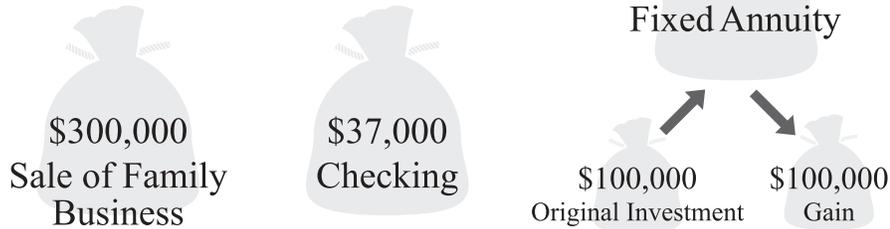
Benefits:

- Provide for a long-term care program by repositioning assets.
- Choices where she wants to receive her care.
- Provide tax-free death benefit to her heirs if she doesn't need Long-Term Care.
- Single premium purchase guarantees no rate increase for her long-term care protection.

These examples are hypothetical, and are not intended to provide a recommendation for any specific financial product; nor is this information intended to be used as the sole basis for financial decisions; nor should it be construed as advice designed to meet the particular needs of an individual's situation.



Bob (age 70)



- Recently widowed
- Adult children live out-of-town
- Cares deeply about remaining in his own home
- Health concerns - diabetes w/history of heart disease
(turned down by traditional LTC insurance companies)



By transitioning the money...
 \$8,292/monthly benefit is paid tax-free for:

- ✓ Home Health Care
- ✓ Assisted Living
- ✓ Skilled Care

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Notes



Beth (60) & Ken (65)

\$540,000
IRA

\$125,000
Checking/CDs

\$3,800/mo
Pension &
Social Security

- They are concerned about long-term care costs
- Both are in reasonably good health

\$240,000

Trustee to Trustee
Transfer from IRA



20 Pay Whole Life
Insurance; LTC
Accelerated Benefits

By transitioning the money...

\$9,000/monthly benefits for qualifying health needs for both

- ✓ Home Health Care
- ✓ Assisted Living
- ✓ Skilled Care

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Notes

Pension Protection Act

The right plan can:

- Convert a countable asset and make it exempt for government assistance programs
- Create an income stream during a 5-year lookback period for Medicaid
- May receive higher interest rates than CDs
- Can minimize or eliminate stock market losses to principal
- May add a double income for long-term care expenses

Why I became licensed.

- To be educated on the bad products being solicited and sold to seniors.
- To be educated on the good alternatives.
- To work with clients' advisors to put a long-term care plan in place (not just asset growth, but also protection).
- To assist clients who don't have advisors.

Notes

What is the SECURE ACT? How does it impact my planning?

Due to new legislation known as the Setting Every Community Up for Retirement Enhancement (“SECURE”) Act, enacted December 20, 2019, there are dramatic changes to retirement tax policy, particularly the rules that limit “stretch” IRAs, a concept we discussed during our time together in designing your estate plan. The law affects all tax deferred qualified retirement plan accounts including IRAs, 401ks, 403(b)’s, 457’s, TSPs. The key changes to retirement plan accounts and how they are administered are as follows:

1. First Required Distribution Year (the year you must begin taking what is known as “RMDs” or “Required Minimum Distributions” also known as “Minimum Required Distributions” or “MRDs” for traditional retirement plans is the year you attain the age of 72, which was the year you turned 70 1/2 under the old law. At least this makes the distribution year easier to calculate!
2. There is now no age cap on contributions to Traditional IRAs. So now, there are NO excuses!
3. Annuities are now permitted in 401k plans.
4. Required Minimum Distributions over the life expectancy of beneficiaries (known as “stretch”) is now largely eliminated in favor of an “all money must come out of the plan by 10 Years” rule. This is by far one of the largest implications of the new law, ruining a highly favorable aspect to inherited IRA planning that permitted children and grandchildren to “stretch out” the IRAs as a tax-deferred compounding growth vehicle that was very powerful wealth- building technique for those beneficiaries upon the death of the retirement plan account owner.

As a result of the implementation of the SECURE Act, qualified retirement plan accounts naming beneficiaries other than those that are considered “Eligible Designated Beneficiaries” are subject to the new rule that forces the retirement plan account out of tax deferred status over a 10-year period, which will trigger an income tax event for those beneficiaries. This new law will impact the many clients desiring asset protection for those who will inherit qualified retirement plan accounts.

The new law defines “Eligible Designated Beneficiaries” as only those people who can still “stretch-out” RMDs to potentially build higher wealth as a tax-deferred, compounded growth vehicle. Only the following beneficiaries will still qualify for this type of treatment. All others must have the retirement plan distributed within 10 years after the death of the account owner.

“Eligible Designated Beneficiary” includes:

- Surviving Spouse, outright or in a see-through trust known as a “conduit” trust;
- Minor child;
- Disabled individual as defined by statute;
- Chronically ill individual as defined by statute;
- Individual not more than 10 years younger than the employee

Tying this all together

You need to get the proper legal foundation in place.

Design and implement a plan that will evolve with you as you (and your family) age.

Offer solutions to provide for the lifestyle you want and to pay for healthcare at home or in a Care Center if you or a loved one becomes sick.

Don't make the mistakes so many Baby Boomers make

- #1** Don't design the perfect "Here's what happens when I die" plan and forget to plan for the costs of long-term care if you or your spouse gets sick before you die.
- #2** Don't design the perfect "Here's how we'll pay for the cost of long-term care" plan if you or your spouse gets sick without first building a strong legal foundation.
- #3** Don't settle for "one size fits all" legal documents. One size rarely fits all, due to the needs of our kids, their spouses and your grandchildren.
- #4** Know when to grow your wealth and when to switch to an asset protection and longevity estate planning strategy so your IRA or 401k won't be wiped out by the cost of your long-term care.
- #5** If you are part of the "sandwich generation," know how to care for your parents and how to protect yourself so your kids won't have to care for you.



And don't make the biggest mistake of all:

Denial



Denial is not a strategy.

There are almost always steps you can take now that will lead to a better, brighter future and greater peace of mind.

Notes

Who comes to see us for longevity estate planning?

People come to us when they recognize themselves in one or more of the situations I've talked about today.

Whether they need help with:

A "What happens when I die?" plan

A "What happens if I don't die but get sick?" plan

They need to protect their children or grandchildren from in-laws, out-laws, and the dangers of a pensionless society.

They are caring or concerned about their aging parents and their own vulnerability.

They have a retirement plan they don't want to lose to the cost of health care.

They have a diagnosis.



Notes

They come to us when they recognize their problems or concerns and we help them by designing a longevity estate plan to help them along every step of their elder care journey so they get the peace of mind they want and deserve.

We help them by serving as a guide to shepherd them through a sometimes confusing and intimidating process. We do this by sitting down with them for a comprehensive consultation where we review their current plans and make recommendations.



Taking estate planning to holistic levels.

SPECIAL OFFER

Take advantage of the special offer for having participated in this webcast.

GET 50% OFF YOUR INITIAL CONSULTATION FEE.

This offer is redeemed only by submitting the completed forum evaluation form included in your packet.

Have Questions? CONTACT US:

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Future Events:

Interested in learning more? Helayne regularly hosts FREE educational forums covering topics like asset protection, long term care resources, and more. Visit the News & Events tab of our website for upcoming dates and locations!

Consultations:

You are always welcome to give us a call and set an appointment for a consultation with one of our attorneys.

Alzheimer's Resource:

Helayne has recently released two new short books for families facing an Alzheimer's Diagnosis. *You're Not Alone: Living With Alzheimer's Disease* and *Living as an Alzheimer's Caregiver*. You can request your copies now by visiting our website or calling our office.

"Doing nothing" sets you up to fail.

"Doing something" is better than nothing.

If you have a choice,
why not do it right
the first time?



"Doing it right" sets you up to succeed.