



## Senior Scams Seminar: Don't Be a Victim – Learn the Facts

### Protect Yourself From Scams and Fraud!

North Carolinians lose millions of dollars each year to consumer scams including scams associated with sweepstakes, charities, identity theft and more. To help seniors and other consumers protect themselves against scams, Attorney General Roy Cooper's office provides free educational presentations. A staff member of the Attorney General's



**Office will join us on March 18<sup>th</sup> at 10 am in our Learning Resource Center. Become scam smart -- learn the facts on scams and tips to avoid becoming a victim! Registration is required.**

**Register TODAY for this Important FREE Seminar! March 18th, 10:00 am**

**Carolina Family Estate Planning Learning Resource Center**

51 Kilmayne Dr., Suite 203, Cary, NC 27511— 919-443-3035, www.carolinafep.com

**Registration Required!**

**RSVP: Christie Henry, christie@carolinafep.com, or call: 919-443-3035**

**A**s an estate planning and long-term care planning attorney, I talk to people every day about long-term care planning. Many of our married clients may view this as a conversation about taking care of each other. Due to life expectancy differences between men and women, and sometimes age differences between husband and wife, it is often assumed that the wife will provide any needed caregiving to her husband, and the husband is concerned about making sure he does not leave his wife financially compromised. Sometimes, they might also think that the conversation is about being able to afford their care, while still trying to preserve some of their estate for their children.

But you know who else has a large financial risk in the equation? Your children—especially your daughters.

Many of us have already heard the common statistics:

- Everyday 10,000 people turn 65 in this country;
- 2 out of 3 people age 65+ will require long-term care;
- 20% of people age 65+ will require long-term care for five years or longer; and

#### Carolina Family Estate Planning

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#### Practice Areas:

- Wills & Living Trusts
- Asset Protection Trusts
- Long Term Care Planning
- Medicaid Planning & Qualification
- Veteran's Aid & Attendance Benefits
- Children's Safeguard Planning
- Probate & Estate Administration
- Trust Administration

This publication is intended to educate the general public about estate planning, elder law, asset protection and related issues. It is not intended to be legal or tax advice. The information in this newsletter may be freely copied and distributed as long as the newsletter is copied in its entirety.

## The Financial Crisis Facing Your Adult Daughters

The average costs of such care are rapidly increasing.

I recently read the in-depth study *The MetLife Study of Caregiving Costs to Working Caregivers: Double Jeopardy for Baby Boomers Caring for Their Parents* (if you want to read the full report, just "Google" that title).

Here are some staggering statistics from the report that you might not be familiar with:

- 66% of caregivers are women and 34% of caregivers are men.
- The percentage of adult children providing care to a parent has more than tripled over the past 15 years.
- The total estimated aggregated lost wages, pension, and Social Security benefits for these caregivers of parents is nearly \$3 trillion.

#### For women:

The total individual amount of lost wages due to leaving the labor force early because of caregiving responsibilities equals \$142,693.

Social Security benefits and pension benefits are calculated based upon a person's wages, so lower wages also ultimately means lower social security and pension benefits. The estimated impact of caregiving on lost Social Security benefits is \$131,351. A very conservative estimate is that pension benefits would be reduced by approximately \$50,000.

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## Total Cost:

*Total cost impact of caregiving is on the caregiver. For men, that cost could be \$233,716 compared to \$274,044 for women.*

Thus, in total, the cost impact of caregiving on the individual female caregiver in terms of lost wages, pension, and social security benefits equals \$324,044.

### For men:

- The total individual amount of lost wages due to leaving the labor force early because of caregiving responsibilities equals \$89,107.
- The estimated impact of caregiving on lost Social Security benefits is \$144,609.
- A very conservative estimate is that pension benefits would be reduced by approximately \$50,000.
- Thus, in total, the cost impact of caregiving on the individual male caregiver in terms of lost wages, pension, and social security benefits equals \$283,716.

These same caregivers are expected to live into their mid-80s. How will they afford their own care later in life if they can't save for it at midlife while they are caring for someone else?

The good news is that today, we have lots of long-term care planning options available. When we work with clients on long-term care planning, we discuss these matters and help clients explore which long-term options might work best for them based upon their goals, finances and family circumstances.

I view my role as an estate and long-term care planning attorney to help you build a solid foundation that can weather future storms. Give us a call at (919) 443-3035 to discuss how to get started on your planning.

#### Impact of Parental Caregiving on Lost Wages and Social Security: Women

	Reduced Hours Working	Labor Force Exit
Lost Wages	\$120,616	\$142,693
Lost Social Security Benefits	\$64,433	\$131,351
<b>Total Impact</b>	<b>\$185,049</b>	<b>\$274,044</b>

Source: MetLife Mature Market Institute, *The MetLife Study of Caregiving Costs to Working Caregivers*, Table 2, 2011

#### Impact of Parental Caregiving on Lost Wages and Social Security: Men

	Reduced Hours Working	Labor Force Exit
Lost Wages	\$126,934	\$89,107
Lost Social Security Benefits	\$37,923	\$144,609
<b>Total Impact</b>	<b>\$164,857</b>	<b>\$233,716</b>

Source: MetLife Mature Market Institute, *The MetLife Study of Caregiving Costs to Working Caregivers*, Table 3, 2011

## Thank You For Introducing Your Friends and Family to Our Office!

*We invest 100% of our time and energy to delivering first-class service to our clients. As a result, our valued clients, partners, and friends refer their family, friends and associates to us. We'd like to take a moment to thank these individuals.*



### Bill Breitenback

Cary Magazine

Cary Newcomers Club

Cary Senior Center

Cyndie Bennett

Dan Thomason, First Citizens Bank

David Overholser, Charles Schwab

James Hart, The Hart Law Firm

Jesse Harris, Edward Jones

Jason Jonczak, Edward Jones

Kevin Lunsford, Edward Jones

Lorraine Davis

Matthew Gleisner, Charles Schwab

Outreach NC Magazine

Nancy Ruffner, Navigate NC

Rick White, American Planning Group

Robert Villareal, Charles Schwab

Ron and Mary Brady

Roxanne & Tim Rhoads

St. Francis United Methodist Church

Tim Murray, Aware Senior Care

Tom Gervase, Coastal Federal Credit Union

Wes White, American Planning Group

**For up to date information and events announcements, remember to:**



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## Common Misconception: There Will Be a Formal Reading of My Will

*Scene: The air is thick with tension and anticipation. The entire family and beneficiaries are gathered around the conference room table with the lawyer who solemnly takes the will out of the envelope and begins reading it aloud. As the will is read, various family members gasp with shock, exclaim in surprise, or give angry glares at one another.*

I'm sure you've seen similar scenes on the television or in the movies. But do formal readings of the will actually happen in real life? No, they do not.

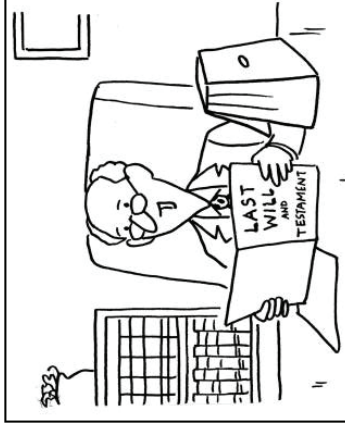
So why do we see them in the movies or read about them in books so often? Because a formal reading of the will is a great plot device to create drama and conflict and set the stage for the rest of the story. Authors and playwrights have been using them for years.

Granted, some families might opt to arrange something akin to a reading of the will to reduce confusion among beneficiaries, but especially in today's world where families are more likely to be spread out geographically, this is pretty rare.

So how do people find out what's in a will? During the probate process, the law requires that each person named as a beneficiary of the will, or who is an heir of the deceased, be notified of the decedent's death and be provided with a copy of the will.

During the probate process, the executor is required to file various forms and accountings with the courts, and those records also often have to be shared with the beneficiaries of the will to keep them informed of what is going on.

Finally, at the conclusion of the probate process, each beneficiary usually has to sign a receipt or written consent approving the executor's handling of the estate and that the beneficiary received what he or she was entitled to.



"And to my teenage grandchildren, I leave my unused minutes."

## Planning for the Second Half of Life...

*The 7 Threats to Your Family & Their Security*

### Carolina Family Estate Planning's Free Seminars

*Wednesday, March 16th — 6:30-8:30 pm, or*

*Tuesday, April 5th — 6:30-8:30 pm or Tuesday, April 19th — 6:30-8:30 pm*

You've spent a lifetime building your savings & taking care of your family, but what would happen if you fall ill or pass away?

**Join us for this free seminar to make sure you've protected them and discover:**

- The most important document that **everyone** needs
- How to protect your family from lawsuits, creditors, divorce, remarriage and similar concerns
- Strategies to have the advantage in tax & probate issues
- Steps you can take **now** to save \$\$\$ in costs **later**
- How to protect your home & assets from long-term care costs
- How to make sure your spouse or children are not left **financially ruined** if you need nursing home care
- Recent US Supreme Court case that puts the future of your IRAs **at risk**
- How to provide for minor children or grandchildren

**These free seminars fill up quickly — Registration Required! Sign up online or Call! Register Online (see all our seminar dates): <http://seminars.carolinafep.com>**

**Call Today: 919-443-3035**