ESTATE PLANNING

16 Advisers: Experts help is indispensable for every estate **20** Keeping your family informed helps curb potential problems

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Encumbered by caring

Families can fall into a financial decline when roles reverse and the kids begin providing for the parents

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Sometimes it feels like it happens in a heartbeat — a parent's transition from sound mind or body to deterioration.

And then there are times a child can see it coming but defensively opts to hunker down and wait rather than actively plan how to handle it.

And when it comes, everything is upside-down. The questions come rapid-fire:

Should she be left alone anymore? Should he still be driving? And, most importantly, who will take care of this person who once took care of us?

When a child takes on the title of caregiver, often all bets are off when it comes to financial security. Sometimes jobs are quit, savings are pillaged and stress levels run high. Sometimes grandma was the baby-sitter or the homeowner, whose decline affects multiple generations.

That's why there are organized movements afoot to link issues such as estate planning, long-term care

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BUSINESS OF POVERTY

This story is the sixth in a monthly series that examines the relationship between business and poverty in Northeast Ohio.

SHORT TAKES

■ **PLAN AHEAD:** Here are four financial "death traps" to avoid, according to the **National Association of Financial and Estate Planning.**

■ **Remarriage:** If you remarry, write a new will or you won't have control over what your new spouse gets.

■ **Crossing state lines:** Take note that there are nine states, including California and Texas, that have "community property" laws governing how spouses' property is split upon divorce or death. If you move to another state, and particularly if you move between a community-property and noncommunity-property state, you must have your plan reviewed.

■ **Automatic funding:** Say you have a $5 million estate. If your will sets up a traditional bypass trust with automatic funding at the level of the federal estate tax exemption, and you die in 2009, you may have unwittingly skewed your plans, leaving $3.5 million to the kids, and only $1.5 million to your spouse, instead of the opposite.

■ **Specific bequests:** You have a $1 million estate when you write your will and leave $100,000 to a canine rescue society and what's left to your kids. If the value of your assets drops in half by the time you die, 20% of your estate is going to the dogs. One solution is to provide that specific dollar bequests not exceed a certain percentage of your assets.

■ **SPECIAL NEEDS NOT MET:** Parents of children with disabilities often don't know where to turn for their unique financial and estate planning needs, according to a survey by **MetLife Inc.'s Division of Estate Planning for Special Kids**.

The problem is exacerbated by the dearth of financial advisers with expertise in the area, said Nadine O. Vogel, a MetLife vice president who founded MetDESK in 1998 for the New York-based insurer. Most of the 1,718 parents surveyed for the report, "The Torn Security Blanket: Children with Special Needs and the Planning Gap," said some information was so difficult to obtain that most of them (85%) sought advice from their doctors. The study found that 29% of parents had taken "no action whatsoever" to make financial plans for their special-needs children. The level of inaction is surprising, given the fact that 27% of those parents expected their child to be financially dependent for his or her entire life, the study reported.

SNAPSHOT

POOR PLANNING

While most of those in the work force know that saving for retirement is essential, the following survey shows that many have little put away for the future:

Less than $25,000 saved	52%
$25,000 – $49,999	13%
$50,000 – $99,999	11%
$100,000 – $249,999	12%
$250,000 or more	11%

Source: 2005 Retirement Confidence Survey – Employee Benefit Research Institute