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COURSE INFORMATION

Course Title: *Financial Planning for Senior Clients*

#295724

Recommended CPE credit hours for this course

In accordance with the standards of the CFP Board and the Institute for Divorce Financial Analysts, CE credits have been granted based on a 50-minute hour.

CFP® 15.5 (Registered with the CFP Board (course ID 322552), sponsor #1008)

CDFA® 15.5 (Registered with the Institute for Divorce Financial Analysts)

Course Description

This course addresses the myriad of issues that must be considered when advising older clients. The course examines financial, tax, insurance, and estate planning considerations, and it provides guidance on healthcare choices including Medicare and Medicaid and housing options, such as assisted living and long-term care. The course also addresses issues related to employment, such as the timing of retirement, when to claim social security benefits, and tax issues around IRAs and 401ks. Also covered are issues related to COVID 19 and recent laws, such as the required minimum distribution changes and other effects of the Secure Act and the CARES Act.

Case studies provide examples of the issues that retirees and their families face and how a financial planner can address them.

Course content

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Final Exam (online): Seventy-eight multiple choice questions.

Subject Codes

CFP Board, IDFA, NAPFA: *General Principles of Financial Planning*

Level of Complexity

CFP Board: Overview (programs that provide a general review of a subject from a broad perspective or dive into basic knowledge on a specific skill or topic. Best suited for CFP® professionals seeking knowledge in an unfamiliar subject area and with entry level experience.)

IDFA: Programs provide a general review of a subject from a broad perspective or dive into basic knowledge on a specific skill or topic. Best suited for CDFA® professionals seeking knowledge in an unfamiliar subject area and with entry level experience.

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LEARNING OBJECTIVES

Chapter 1 The Elder Care Perspective

Understand the challenges faced by elder care planners, including the implications of the age wave and longevity, emergency planning as compared to long-range planning, ethical problems of elder care planning, and intergenerational and family conflict.

Chapter 2 Health Choices

Define and explain paid elder care, the kind of care seniors require, where care can be accessed, how care is paid for, and the options for care in the community.

Chapter 3 Housing Choices

Understand the housing options relevant to elder care planning, including types of housing and the related financial considerations.

Chapter 4 Financial and Tax Choices

Understand the financial planning considerations that are of particular concern to older clients.

Chapter 5 Insurance Choices

Describe the various considerations and choices with respect to insurance.

Chapter 6 Employment and Retirement Choices

Describe the choices and considerations related to employment and retirement that are important to seniors.

Chapter 7 Estate Planning and Administration

Identify the key elements of the estate planning process, including defining the estate, bequests, trusts, administration, and tax issues.

Chapter 8 Long-Term Care

Understand the long-term care options available to elder clients.

Chapter 9 Medicare

Understand the rules and structure of Medicare and the important decisions that need to be made by elder clients.

Chapter 10 Medicaid

Explain the Medicaid eligibility rules applicable to senior clients.

Chapter 11 Social Security

Explain the structure of the Social Security system and its benefits.

Chapter 12 Caregiver Issues

Understand the issues relating to caregivers.

Chapter 13 Silvertech

Define Silvertech and its use.

Chapter 14 Preparing for the Worst

Understand the threats faced by elder clients with respect to incapacity, elder abuse, scams, and other challenges.

ABOUT THE AUTHOR

Dana Shilling has an A.B. in History from Goucher College, and a J.D. from the Harvard Law School. A useful combination—because the ever-changing rules make a lot more sense in historical perspective. She has worked in the language simplification/ forms design field, which taught her a great deal about how to find the best place to start explaining something difficult and how to convey complex concepts. Her pandemic passion is online jigsaw puzzles, which also taught her a lot about finding patterns.

She has retired from the New York bar and now writes full-time. She lives in Jersey City, a wacky little burg for which she has the greatest affection.

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PREFACE

The COVID-19 pandemic that was first recognized in March 2020 has changed everything. Not only did it cause massive suffering and loss of life, illness and death fell disproportionately on senior citizens—and, among senior citizens, on nursing home residents. The calculation of when to move to specialized housing or a nursing home has been upended—at a time when the availability of home care workers is overstretched.

Even before the pandemic, society and the economy had experienced major changes. Longer lifespans (a trend interrupted in 2020 because of COVID) mean that a person who retires at age 65 is likely to have to fund 20, 25, even 30 years of post-retirement life, as well as finding zest, interest, and meaning in life without the companionship and structure that are part of the work environment.

Some seniors will enjoy good health and cognitive soundness through most of their lives. Others, however, will suffer serious illnesses like cancer or heart disease, visual and hearing loss, or mobility problems. Many people, especially those over 80, will have multiple problems. As people age, the probability of cognitive decline increases. Not only do these cognitive problems make life more difficult, but they also raise legal issues of when the person can validly take actions or give consent.

To plan effectively for older clients, planners need to develop or cultivate an elder care perspective. The plan has to do as much as possible to make sure that health care will be available, with funds, government benefits, and/or insurance to pay for it. The planner may also have to advocate for the client to make sure hospitals, nursing homes, and home health agencies provide the right care; provide high-quality care—and don't bill more than they're entitled to. Saving taxes at any age is a worthy objective, but it may have to go by the wayside if it ties up money that is needed right away, or if tax-saving strategies impair eligibility for vitally needed public benefits.

Speaking of public benefits, elder care planners need to be skillful in applying for Medicare and Medicaid benefits and managing the benefits once they arrive. Being a Medicaid beneficiary, or even being at risk of becoming a Medicaid beneficiary, influences all financial plans for senior citizens, including their investment choices and gifts to family members and charity.

Planning for the older client not only requires the skills of a juggler, a clairvoyant (for predicting how the often-changed rules will twist and turn next) but diplomacy and compassion. In many cases, the planner is consulted not only by a senior citizen, but by a whole family of caregivers and concerned relatives. Wherever possible, the planner has to walk the fine line between respecting the older person's dignity and autonomy and protecting them against financial abuse and self-neglect. In many cases, seeing how a parent or in-law had to struggle inspires caregivers to create long-range plans for their own successful aging. And, of course, planners can gain insights that are useful for themselves and their families.

The demographics of an aging society predict that there will be more people needing care, and fewer family and paid caregivers to provide it. There will be more and more potential

clients. If planners can develop the skills and perspectives to arrange their financial affairs to avoid outliving their assets, to make a workable estate plan, and to get care when and where needed, it's a win-win all around for clients, their families, and the planners themselves.