

The Smart Investor

How to have "the talk" with aging parents

By Deanne Gage | 03-31-11 | [E-mail Article to a Friend](#)

You'll reach a stage in your life when it's time for "the talk." Not *that* talk, but the one with your aging parents. It may be awkward and scary if you've never discussed such health and financial matters with them before. Why should you bring it up? If they wanted to address anything, they would have brought it up themselves, you muse. There's plenty of time to figure things out and make the best decisions, right?



The advertisement features the Dell logo at the top left with the tagline "The power to do more". To the right, it says "Introducing the powerful, scalable Vostro 460." Below this, a black Dell Vostro 460 desktop tower is shown. To the right of the tower, it says "NEW Dell Vostro 460™ desktop" and "\$599". At the bottom left, there is an "Intel Inside" logo with "CORE i5" below it. To the right of the Intel logo, it says "Featuring the 2nd Gen Intel® Core™ i5 Processor". At the bottom right, it says "Limited time offer." and "Get Yours ▶".

That's what Karen Henderson thought. Yes, she had many discussions with her ailing father about his financial affairs and wishes -- she even met up with his trusted advisors. Still, she had one nagging concern that she didn't address with him -- where he should live so he would be safe.

Even though he had severe arthritis in his back, he continued to live in a house with too many staircases. He ended up falling, breaking a hip and having a stroke. After surgery and rehab, his dementia got progressively worse and Henderson reluctantly moved him to a retirement home, then later, into a long-term-care facility. He died in April 2000 at 94 years of age.

Talking about health and money is still a taboo subject for the older generation, and with good reason. Some aging parents question their kids' true motives with wanting to know about their finances, for instance. Others may be embarrassed that they didn't save enough.

Finally, some families don't want to have the discussion at all. "Unfortunately that's the

wrong approach to take in this day and age when health-care and financial arrangements are so complex," says Henderson, founder/CEO of the Long Term Care Planning Network, a Toronto-based company that educates consumers and financial advisors about aging and long-term care-planning issues.

Her 14 years' experience being her father's caregiver was the company's brainchild. "Some parents may say, 'I'll tell you when you need to know, don't worry' or the kids say, 'you are fine, we don't need to talk about illness and dying.' Then two weeks later, something happens and it's too late."

How do you break the ice? Try these pointers.

1. Start early

When to broach the issue? Henderson uses the 40/70 rule (when kids are about age 40 and parents are about age 70) since that tends to be when the kids are mature enough and parents are going through health issues, says Henderson. "Sooner than later is better because if your parent does develop a cognitive impairment or other condition such as a stroke, there will be a point when they can no longer express what they want or tell you where things are," she says.

2. Be respectful

Some adult children cut to the chase and ask at an inappropriate time, like at a milestone birthday celebration. But this approach often backfires because the response is, "Oh, yeah, John, you just want to know how much is there and when you're going to get it."

Other kids make the mistake of telling their parents what to do. Bad move. "Don't talk to your parents like children," Henderson warns. "Your parents have lived a lot longer than you have. They've earned their money and they have a right to make the decisions with respect to it."

Instead, she suggests adult kids ask more probing questions that get at their parents' inclinations and desires. For example: What can I do to help you maintain your independence? What kind of lifestyle do you see for yourself over the next 20 years? Where do you want to live? Do you want to donate more to charity?

"That way, they see you are interested in their well-being and it isn't about the money grab," Henderson says. Never talked about estate planning with your parents? Start with the basics such as, do they have a will, and if so, when was the will last updated? Where is it located?

3. Ask for their feedback

Parents are natural advice-givers. Drafting or updating your own will and power of attorney? Run them by your parents, which can get discussions rolling. "It makes them think about themselves," says Diane McCurdy, president of McCurdy Financial Planning Inc. in Vancouver. It may turn out that your parents never had a will drawn up or need to update theirs. You could then ask, "If you don't have a will, what would you

want to happen, what would you want us to do?" You can also ask if they use a financial advisor, and offer ideas on where to store these important documents.

4. Keep having conversations

When you ask open-ended questions, parents simply may not have thought of the answers. "You can't expect to have one conversation and everything is going to be solved and shared, just like that. It takes time," Henderson notes. [Click here](#) to check out a list of questions and issues for parents and children to consider.

5. Take the time

In today's 24/7 world, adult kids may listen to their parents' answers halfheartedly while glued to their Blackberries and thinking of other things on their to-do lists. "We're all in a hurry as adult kids but if you're going to do this, take the time," says Henderson.

Just to make sure you try and learn as much as possible, Henderson recommends you ask this: Mom/Dad, do I know everything I need to know so I can do what you want me to do when the time comes? "That's really what it's about -- being able to do what your parents want when they can no longer express their wishes," she says.

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