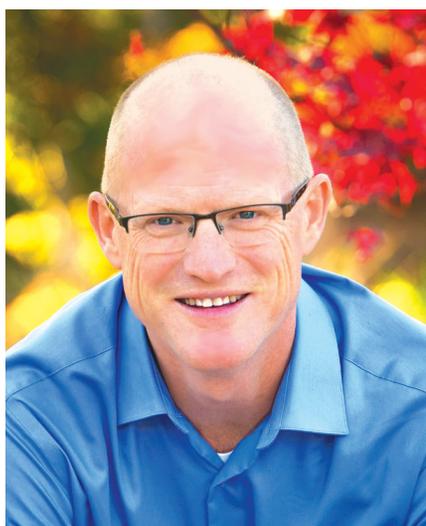




# INSIGHTful DISCUSSIONS

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## HELPING LOVED ONES WITH PRE-PLANNING



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**M**oving closer to the end of the road is not something any of us wants to think about. Still, leaving “at-need” arrangements to loved ones creates unnecessary burdens and stress, both emotionally and financially. We asked professionals involved in pre-planning about what we can do to help make this difficult time as painless and hassle-free as possible.

### What are some of the common hurdles family members face when dealing with loved ones who have died without arrangements?

**SUSAN KATZ:** Without conversations and discussions about “what to do if...” family members may find

themselves face-to-face with a crisis situation when the unexpected occurs. For instance, when the death of one parent occurs, adult children can panic and make decisions for the surviving parent that are not well thought out and can result in more emotional turmoil. Sometimes adult children mistakenly place a parent in assisted living, for example, when an independent community is the better choice.

These decisions are “reactive” not proactive and are made from an emotional place, not a rational, planful place.

Reducing crises, creating a state of peace of mind and a sense of security, less dependence on family and friends, more opportunities for pleasurable activities, new adventures and experiences are all benefits of pre-planning. Creating a personal environment for continued personal and intellectual growth and a sense of mastery over one’s life is important.

**JASON CLAMME:** When families fail to prepare for end of life, they may encounter a number of hurdles and issues related to the death of a loved one. These

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“The decision to move into an independent senior community is a process and often takes months or years. It's not like buying a car.”

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Engagement Manager,  
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can include things like family conflict. Regardless of how well a family is “put together” when a health care crisis or end-of-life situation occurs, relationships may become strained. Each family member brings their own perspective on the issues; their own visions for potential decisions and outcomes; their own knowledge of, and experience with, end of life; and their own unique relationship with the loved one. Unfortunately, if families have not had the planning conversations ahead of the crisis, too often their time is spent in conflict with each other instead of in support of each other, and that is sad.

Indecision and/or regret is a major hurdle to overcome. In the absence of pre-planning, health care decisions can become even more difficult. Often, there is a range of medical options from various health care providers; an abundance of information from different sources including facilities, websites, places of worship; and personal opinions (both solicited and unsolicited) about what direction a loved one's care should have taken. And when faced with so much, rather than make a wrong decision -- or a contested decision -- or an unsure decision, family members make no decision.

Another issue to deal with is unfortunate memories. After I am gone, my hope is that those closest to me remember the good times and the joys of my life, not the turmoil, conflict, burden, or regret that my death caused everyone. Working in hospice care, we too often see surviving families forever changed by circumstances that could have been anticipated, talked about and planned for.

**LISA OSBORNE:** Often they are in shock or grieving so much they will “overspend” to show their love for the deceased person. Conversely, loved ones

may not have much in terms of financial resources to handle expenses.

If you plan ahead, you can lock into arrangement prices of the day you sign up. As funeral and related expenses continue to rise over the years, loved ones won't see any increases in cost; it's a fact that the cost of funeral and cemetery services doubles every eight to 10 years. This is especially helpful as loved ones may not know what you wanted insofar as cremation or burial.

An individual's funeral or cremation service should be personalized to reflect their wishes, which in turn brings comfort to their family and friends. A grieving family needs a sense of closure to begin the healing process, which is enhanced by an appropriate memorial service that doesn't have to be thrown together in a short amount of time.

**KARA GANSMANN:** In addition to grief, without end-of-life plans, family members are forced into an uncomfortable position to guess what their loved ones would have wanted. Sometimes families first scramble to locate advanced directives, wills, burial arrangements, and other important end-of-life documents only to learn that none exist. Then, the families have to guess what decisions to make for their loved one. They must guess about who gets to make decisions for a loved one or whether to withdraw from care or choose between burial or cremation.

The decisions are difficult enough when family members get along. But if there is family discord, the end-of-life decisions made for someone else can lead to hurt feelings, inconsistent plans, or even legal action.

### Is having a will

### the same as pre-planning?

**GANSMANN:** No, a will is just one component of end-of-life planning. A will addresses only what happens to your property when you pass away; pre-planning encompasses much more.

Execute a health care power of attorney and a general durable power of attorney to identify who can make financial, health, and end-of-life decisions for you when you cannot make or communicate those wishes. Implement advanced directives to determine when to proceed with or withdraw from life-sustaining care. Consider a life insurance policy to provide for dependents' needs, replace your salary, or to pay off debt and liabilities that could be passed on to your estate. Purchase a burial or cremation plan to simplify planning for grieving family members and ensure your wishes are followed. Execute a will or trust to determine who receives your property, when they can receive your property, and how they can receive your property. Review your beneficiary designations on retirement plans, accounts, and insurance policies. Consider how your overall plan can maximize tax advantages or minimize probate fees.

In end-of-life planning, people may also want to consider plans for businesses, minor children, or pets.

**OSBORNE:** No, pre-planning encompasses so much more than just leaving instructions on the disposition of an estate. A will simply leaves instructions for the handling of an individual's financial affairs, while a living will usually clarifies certain general wishes regarding medical treatment. The funeral or cremation service still remains to be planned, among

many other details.

### How common are “at-need” arrangements as opposed to people who've planned ahead?

**GANSMANN:** Elder law contemplates both crisis planning a pre-planning for end of life and long-term care. While both types of planning are common, crisis planning presents challenges because the need for urgency is heightened, nerves are raw, expenses can be unexpectedly high, and available funds can be low. Crisis planning hurts those who failed to plan ahead as well as their loved ones who are left to scramble to figure out a plan.

**CLAMME:** Most research shows that only about one third of adults have advance health directives expressing their end-of-life care wishes; and of those that do, a large number have not actually talked about their decisions with loved ones, physicians, clergy, or other important relationships, which can open the door to family conflict. Families are all too often torn apart by things that could have been discussed ahead of time, confirmed by a U.S. research report that stated, “Over 66 percent of family disputes about aging or end of life issues that end up in court could have been avoided if family had clearly discussed and documented wishes in advance.”

**OSBORNE:** At-need is more common in younger than older folks as people

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can pass away unexpectedly. Unfortunately many times at-need arrangements occur because people do not take the time to prearrange. Pre-planning gives you the opportunity to become informed about your options in a no-pressure environment, when you have the time to think things through in detail. Grief is very overwhelming and is an extra burden on loved ones tasked with making instant arrangements.

Pre-planning is always the best way to go, as you are empowered to plan and pay for what you want. It also helps you arrange finances to cover expenses and make sure loved ones will be able to access it without having to jump through a multitude of hoops.

### Does pre-planning only deal with funeral arrangements?

**OSBORNE:** Pre-planning encompasses everything, from how an individual lives out the golden years of his or her life to medical care, financial and legal issues. Other questions to deal with involve what professionals loved ones want involved, whether a living will or trust makes sense, and who will handle an estate.

That said, funerals are a major part of pre-planning. You can decide if you want to be buried in a casket or cremated, and what type of casket or urn is desired. What will the memorial service look like? Will any meaningful items or decorations be needed? It also instructs what to do with ashes if cremated, where they will be spread.

Being thoughtful and proactive in having your affairs together ahead of time provides a sense of comfort for both you and your loved ones, knowing that nobody will have to experience any significant burdens when you are gone.

**GANSMANN:** No, funeral arrangements are just part of an end-of-life plan. However, without funeral, burial, or cremation arrangements in place, your family members are left to make guesses for you. In their grief, they may not know which options you would have chosen for cremation or burial. Pre-planning is the best way to ensure your end-of-life wishes are achieved.

### What are the common elements of pre-planning?

**KATZ:** There are so many questions each of us needs to ask ourselves as we grow older on a multitude of different topics. They can range from is my home accessible if my mobility changes over time or becomes impaired to would moving to a senior community make life easier and safer for me?

We need to consider how our financial resources would work for us if we need to move from our homes into a senior community. How much do these communities cost? How are they different, and will I have sufficient resources to support myself?

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Each of us have social support systems – what does mine look like? Can I depend on my family to help me make decisions as my needs change? Do I have good friends who can help me? What kind of senior community can I choose so I am not a burden on my family?

Resources are a huge consideration as well. Which ones exist in my local community, and how can I access them if I need them? How will I manage shopping, meal preparation, laundry, transportation? How will I be able to access health care, especially in an emergency? What will I be able to do for fun and pleasure? What does my “pleasure island” look like and how can I achieve it?

**GANSMANN:** On a broad scale, think about what you have, what you want, who can help, when to facilitate your wishes, and how to execute your plan.

Consider the things you have like property, insurance coverage, accounts, and any other assets. How are these assets managed or titled? Is there a mechanism to pass your property to others easily and in the way that makes sense for your needs and theirs? Does your insurance policy adequately replace your salary if others depend on you? Will you leave any debts or liabilities that could impact your estate? In determining what you want, do you want to proceed with life-prolonging measures in difficult situations like terminal illness or permanent coma? Do you want to be buried or cremated or donate your organs for others to use or study? Identify who you trust to execute your plan.

Rely on trusted friends, corporate fiduciaries or professionals, or family members and determine when they should act on your behalf. Create a plan that makes sense for your beneficiaries to inherit from you.



**OSBORNE:** Many times people think they have everything taken care of because they have a will or have established a living will or even purchased a cemetery plot, but that's not all. In prearranging your funeral or cremation service you ensure that your wishes are known, therefore taking that burden off of the ones you love the most.

Additionally, other common pre-planning elements include creating a will; organizing paperwork like your will, life insurance policy, banking and utilities (including passwords to online accounts) as well as other legal and medical papers; taking a long, hard look at life insurance; deciding on who to name for power of attorney over your finances; examining or establishing trusts to deal with money and property transfers; and looking at eldercare.

**CLAMME:** End-of-life planning can encompass a variety of topics and activities. Of course, putting legal and financial documents in place before a death is vitally important, helping to ensure a smooth transition of personal property, assets, and possessions. Similarly, having a plan for funeral and burial/cremation/disposition arrangements can save loved ones considerable time, money, and stress. But pre-planning does not have to stop there.

Whether it be a living will, a health care power of attorney, a medical order (such as a DNR or MOST), or even the little red organ donation heart on your driver's license, the value of an advance directive is that it provides a foundation for others who may have to make medical decisions for you in the future. They offer a starting point, a formal piece of evidence of your personal wishes and preferences.

This process can also include plans for guardianship of children/pets, planned or charitable giving, and even stories/memories/advice to be handed down to future generations.

That all said, it is only when these plans are coupled with conversations with loved ones, family members, faith leaders, and medical providers that they become the most effective, and consequently most beneficial, tool for making and communicating decisions.

### What kinds of documents should people begin collecting before going to a pre-planning professional?

**OSBORNE:** Once the pre-planning meeting has started, we have a workbook that you can take home to complete. It includes entering all sorts of information including relatives and friends to be contacted, the songs you want played at your service, if you want any religions officials holding a service elsewhere prior to burial. Do you want food served? Literally every detail can be answered by the workbook.

I have never had a family upset because their loved one had pre-planned. Most regret not having planned ahead

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when death occurs.

**GANSMANN:** If you already have existing estate plan documents in place, bring them for a professional review. If you are the beneficiary of an existing trust or have a pre- or post-marital agreement in place, bring those documents, too. Gather the formal names and contact information of people/entities you would like to include in your plan either as beneficiaries or decision-makers. Know the names and contact information for the other trusted professionals that you work with like financial advisers, insurance agents, and health care providers. Collect recent statements for all of your financial, investment, or retirement accounts. Your estate-planning attorney will want to know who else owns that asset, the value of the asset, and who you have appointed as a beneficiary for that asset.

Bring a statement of benefits for your insurance policies to discern the terms, the owners, and the beneficiaries of each policy. Be able to discuss your personal debts and liabilities. Bring copies of deeds to any real property you own. You'll win bonus points for completing the estate-planning attorney's information form before your appointment. Come with an open mind, but also a general idea as to how you envision your estate passing to your heirs.

**CLAMME:** One of the good things about health care planning and advance directives is that they do not require a lot of pre-work. I do recommend thinking about your health care preferences in advance, though, and having a basic idea of any measures you do or don't want in the event of a medical crisis. I would also recommend going ahead and making a choice regarding your health care proxy (POA) and communicating that with him/her, making sure he/she is on board with the responsibility as well as what your decisions and preferences are. Finally, the only items to "gather" are contact information (address, phone numbers, etc.) for your advocate and a photo ID for yourself.

### What happens to individuals and their estates/belongings/money without plans or loved ones who

### can handle things at time of death?

**GANSMANN:** The bottom line is that your property may not pass along to the people or in the manner you would have intended. Additionally, the people handling your property may not be the people you would have chosen for that role. Without a will or trust, North Carolina has laws that will identify who may inherit from you and who may administer your estate. If you prefer for your property to pass to certain people in the manner you intend, then an estate plan becomes imperative to achieving those goals and avoiding the default laws set by the state of North Carolina.

How you title your assets during your lifetime may make a difference as well. For blended families, families with minor children, families with unmarried partners, or families with disabled individuals, your failure to plan can detrimentally (and unintentionally) impact how and whether certain people will inherit from you.



**OSBORNE:** When a funeral or cremation service is not prearranged someone who may not be aware of your wishes may have to make all the decisions. Prearranging ensures that your wishes are known. Without any plans, the state takes control of the disposition and families will pay significantly because the state will take a percentage.

The disposition may not be what the deceased intended, but without pre-planning their desires will not count.

### How young is too young to start planning for end-of-life arrangements?

**KATZ:** Parents start planning for their children's education when they are born, so it is never too early – planning for later life should ideally begin in one's 40's when the cost of long term care insurance is still affordable. Planning for Life Plan Communities can begin as early as the '60's.

No one likes to feel dependent on others so pre-planning fosters independence in later life.

**GANSMANN:** The decision to plan for end-of-life is a grown-up responsibility for any adult, but should be commended especially for young adults. Young adults may not own many assets, but they may feel strongly about who can inherit from them and who can make health or financial choices for them if they are incapacitated. Identifying the

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Funeral Director,  
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proper people to handle assets and make decisions is part of a sound end-of-life plan at any age for the young or young at heart.

### Should single people engage in pre-planning or wait until they are married?

**CLAMME:** Every semester, I speak to a class of college students at UNCW and ask them two questions. First, "Are you now an adult who makes your own decisions?" After they all shake their heads in affirmation, I follow up with, "If you were facing your own death, would you have any thoughts or preferences about what was done to/for you?" In my

opinion, if a person can answer yes to these two simple questions, no matter what stage of life they're in, then he or she should consider doing some advance care planning.

Sadly, this is made apparent when there is a health care crisis, whether it be by disease or by injury, of a person early in life. When younger, healthier people are faced with these kinds of crises, family members and medical professionals are often faced with decisions that are even more emotionally charged and ethically complex. I could argue that advance care planning may actually be more important for folks earlier in their lives, before anything is even on the horizon. And as the saying goes, "It's better to plan 10 years too early than one day too late."

**GANSMANN:** You don't have to be married to make end-of-life plans. Unmarried adults should consider who can inherit from them, who can handle their estate, and who can make health or financial decisions for them.

While North Carolina laws specify individuals who may assume those roles without an end-of-life plan in place, those laws may not always be consistent with a person's wishes. The only way to guarantee that your wishes are followed is to execute a plan.

**KATZ:** Marriage is not in the cards for everyone. Plan for oneself and then plan again as your family changes.

**OSBORNE:** Everyone should pre-plan. We don't know when illness or death is coming our way and without properly prepared documents, families have to guess what a person wanted and the state will become involved. Once married, these documents should be updated. They should continue to be updated as life events happen – children, divorce, etc.

Whether you are single or married makes no difference. A single person may never decide to marry but decisions concerning their funeral or cremation service will eventually have to be made by someone.

Regardless of when you engage in pre-planning, make sure that you involve the important people in your life like spouses, children, parents, brothers and sisters, doctors and caregivers, business partners, friends, and, if appropriate, spiritual leaders.

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### What unique problems arise when an individual dies in a foreign country, and how does pre-planning deal with that?

**GANSMANN:** The families of U.S. citizens who die in foreign countries can face complications without adequate plans in place. Simply obtaining a death certificate and identifying the body can be difficult due to language barriers or if the decedent is traveling alone. Transporting the body back to America can be costly and subject to rules such as a requirement for embalming or a casket. Temporarily, a decedent's personal property could be managed by others per the laws of the foreign country until someone with legal authority is identified. For real estate owned in a foreign country, a valid U.S. will may not always be honored or valid in other countries.

The best plans to avoid unintended complications include: an insurance policy for transporting the body, carrying valid identification, and preparing legal documents that allow others to make health decisions or manage your affairs for you when you cannot.

**OSBORNE:** Dying in a foreign country will definitely add to the cost of the burial/cremation expense. There are numerous details that would be involved just getting the body back to the U.S., not to mention a myriad of other details.

When someone dies in a foreign country we would involve a funeral home in that country and the U.S. Consulate in order to get permission to ship the decedent back home. Pre-planning can help individuals who do a lot of travelling, as navigating international protocols for handling a death vary widely. Loved ones will need to handle intricate details on contacting

a consulate or embassy in the location of a death, travelling to the location to handle affairs in person, dealing with language barriers and coordinating transport of remains among many other things. These are things that just can't be handled in a will alone.

Companies like ours offer a travel relocation protection plan that covers the expense and documents required.

### What special considerations do business owners face with pre-planning?

**OSBORNE:** Business owners not only need to pre-plan their personal lives, but they should have a succession plan for their business as well. In addition, they should have all legal documents covering ownership, transfer of ownership, etc. organized and in safe storage -- easily accessible to loved ones -- in the event of death.

Pre-planning is for everyone. The number one reason that people choose to pre-plan is to remove the burden off of their ones that may be left behind. The second reason is cost. If an individual chooses to do a funded pre-arrangement, the monies are placed in a pre-need division of American Memorial Life. The inflation proof contract is governed by the statutes of North Carolina and filed with the N.C. Board of Funeral Service.

If a business owner intended for the business to go to his or her management team when he or she die but the documents are not in place, the business would go to their estate. Once again, the state would be involved and perhaps someone would become the owner and have no desire nor skills to run the business. There are so many things that can impact the disposition.

**CLAMME:** Employers and business owners often implement programs to assist employees with maintaining a healthy balance between work and

home life, but rarely do they think to include end-of-life planning. However, an unexpected emergency, advanced illness, accident or injury, or the death of a loved one can result in lost productivity for employees juggling workplace responsibilities with caregiving or household duties. The process of advance care planning, though, can help prepare and support employees (and their families) before a health care crisis occurs. I believe all employers should consider offering advance care planning as part of their employee benefits programs and their wellness initiatives.

**GANSMANN:** Succession planning is critical for your business to continue in your absence, whether you plan to continue operating the business indefinitely or to simply wrap up the business after you're gone. At a minimum, a business succession plan should address the systematic transfer of the management and ownership of a business. You may want one of your children, a business partner, or a key employee to serve in the role as manager or owner. But without a written plan, the funding to make it happen, and careful grooming of the right successor, the business you spent most of your life building and running could be ruined without you.

Moreover, business operations or even salary payments to your employees could become tangled in or even temporarily halted by your estate's probate proceedings. Life insurance, trusts, or corporate governance documents are often used to minimize these impacts on a business's succession.

### What resources are available to people who want to do pre-planning?

**CLAMME:** For the health care piece, I would point people towards Lower Cape Fear Hospice and our Begin the Conversation program, which includes free advance care planning materials, health care resources, and an interactive website

devoted to encouraging people to have these difficult discussions before a crisis. The program also provides community education across the region as well as complimentary clinics in New Hanover and Brunswick counties to help people understand and execute their documents.

**GANSMANN:** No one has to plan for end-of-life care alone. Build your team and rely on the team to carry the workload of planning for end-of-life. Include your financial advisors; insurance agents; estate planning attorneys; health care providers; funeral or cremation providers; pastors, rabbis, and religious leaders; and trusted friends or family members.

Keep all the team members apprised of the plan and any updates. Your team can provide you the resources you need and make personalized recommendations for your circumstances.

**KATZ:** Counselors are available at life plan communities to help folks sort through the different residential and life-style options. Although they may be referred to as "sales counselors" successful counselors are not selling anything.

The decision to move into an independent senior community is a process and often takes months or years. It's not like buying a car. Everyone can benefit from coaching to help make the right decision.

**OSBORNE:** There are lawyers to help prepare wills and living wills. In addition, there are services that can help if someone can't afford a lawyer. Pre-planning your cremation or burial can be paid over time so it is a good idea to do this when you are younger and then it will be paid for when you are older.

At Coble Ward-Smith Funeral & Cremation Service we offer a nice pre-planning guide, at no cost. This guide has been very helpful to many people. Also I would love to meet with anyone that may be interested in learning more about pre-planning to answer any questions they may have. 

### HAVE SOMETHING INSIGHTFUL TO SAY?



For more info, contact Melissa Pressley at (910) 343-8600 x203 or [mpressley@wilmingtonbiz.com](mailto:mpressley@wilmingtonbiz.com)

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