



Planning for “*What If...?*”

Tools for Protecting Your Family and
Managing Your Assets

Lessons for Living

Introduction

- ⇒ If you haven't met with an attorney to draw up a will or trust because the terms and concepts are like *Greek* to you...
- ⇒ If you've wondered what assets you could keep if your spouse needed to apply for Medicaid to cover long-term care expenses...
- ⇒ If you haven't made arrangements for someone else to look after your affairs if you were unable to handle them yourself...

This series of fact sheets is for you. You will learn about tools you can use to aid you and your family in the event of disability, incapacity, and death, or marriage, remarriage, and divorce. Whether your assets total \$60 or \$60,000,000, you need to have a plan for who will pay your bills and handle your finances, where the money will come from in case of emergencies and illness, and how your property will be distributed.

This document introduces a number of techniques including legal tools, insurances, government programs, and others. It is organized as a series of fact sheets, with each one explaining a different tool:

- Emergency Fund
- Life Insurance
- Social Security
- Medicaid
- Long-term Care Insurance
- Forms of Property Ownership
- Power of Attorney
- Trusts
- Wills

Each fact sheet begins with a brief description of the tool. It lists terms and definitions the user will need to understand, and mentions issues and limitations associated with that planning tool. Many tools include a short discussion of who should have it and why. Each fact sheet concludes with questions to ask yourself that will help you in determining whether or how to use that tool.

The last fact sheet contains a list of additional resources where you will find more information about the topics covered here and/or search features to locate professionals in your area.

Please note:

These fact sheets are intended to acquaint you with the purpose, terminology, and issues associated with many of the planning tools available. Not all tools are relevant or useful in every situation. There may also be other tools, not covered in this publication, that apply in your situation. These include living wills and medical powers of attorney, prenuptial agreements, workman's compensation, unemployment compensation, alimony and child support, Medicare, Medigap health insurance policies, and others. Each person's situation is different, and you will need to discuss your particular circumstances with a skilled professional.

Some circumstances are particularly complicated and will need careful planning. Some of the circumstances that warrant special attention include:

- unmarried partners
- unmarried parents
- separated or divorced parents
- special-needs children
- second marriages with children from one or both first marriages

Disclaimer:

These fact sheets are merely an introduction designed for educational purposes only. The area of estate planning is extremely technical and filled with opportunities to make costly mistakes. Seek expert advice that will address your specific situation before taking action on your estate plan. You may need to consult an accountant, attorney, financial planner, or a representative from the Social Security Administration or your state Department of Human Services. See the last fact sheet, *Additional Resources*, for links to professional associations and other sources of information.



<http://www.ace.uiuc.edu/cfe/>

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