Advance Planning for the Elderly

When it comes to a parent or spouse’s healthcare, the law is very strict about who can receive status updates, participate in conversations with medical professionals and make medical decisions. These policies are meant to protect our sensitive information, but they can also pose serious problems for family caregivers.

There are ways to access a loved one’s medical records and obtain the ability to make decisions on their behalf. However, these legal permissions must be established before they are needed for them to be effective. Unfortunately, many families do not realize that any special paperwork is required for them to participate in a loved one’s care, and the consequences of being unprepared can be very stressful for everyone involved.

You might be barred from accessing vital medical information or unable to direct your loved one’s care if they cannot make their own decisions. In a worst-case scenario, you may need to go to court and petition for guardianship to obtain these legal powers. Fortunately, families can avoid this time-consuming and expensive scenario by working together to prepare three necessary legal documents and one custodial based document that will enable them to make critical care decisions.

HIPAA Authorization Form

The Health Information Portability and Accountability Act (HIPAA) provides legal standards for keeping a person’s health information and records private. This means it is illegal for medical professionals to share any details about your care recipient’s health unless they gave their written consent for you to receive this sensitive information. HIPAA authorization is a simple yet important document for family caregivers. It authorizes the doctor to keep approved family members in the loop regarding a loved one’s medical status. This form only takes a moment to complete, and every doctor’s office should have blank ones on hand for patients. All you need to do is request that your loved one grants you access to their healthcare information by filling out this form.

Health Care Proxy

Also known as a medical power of attorney (POA), a health care proxy is a legal document that enables a person (called the “principal”) to appoint a trusted relative or friend (called the “agent”) to handle specific healthcare decisions on their behalf.   
While HIPAA authorization only grants a caregiver access to information, a medical POA document grants this access as well as the ability to make medical decisions for their care recipient. This document is crucial because it gives a trusted person the power to manage a loved one’s healthcare in the event they become incapacitated. There is a catch, though. This document must be prepared while a person is still mentally competent to grant an agent these powers.  
It is important for the principal to trust that their agent understands their healthcare goals and will act in their best interest. This is where the next legal document comes into play.

Advance Health Care Directive

This document is commonly referred to as a living will. An advance health care directive lets people record their wishes for end-of-life care before a medical crisis strikes. With a living will, a person’s loved ones don’t have to agonize over difficult medical decisions. This document essentially spells out instructions for a medical POA to follow when making end-of-life care decisions.   
A living will may indicate specific treatments a person does or does not want performed under certain circumstances. At the very least, the document should specify whether resuscitation should be attempted if breathing stops, whether artificial life support should be used and whether a feeding tube should be inserted.

Assigning a “Trusted Person” (Custodial Based Document)

This “Trusted Person” document is available through your Advisor’s custodian and can be made part of your Customer Account Information. A “trusted person” is intended to protect vulnerable investors by having you provide contact information for a person the advisor is authorized to contact in the event your advisor suspects you are suffering financial exploitation, fraud, or another serious issue affecting your ability to act in his or her own best interest. This person should be someone we can reach out to should the need ever arise – an emergency contact for your Advisor.

When choosing your Trusted Contact, consider a person you trust and who will assist us with only your best interest in mind. We recommend that your Trusted Contact be an unbiased person rather than someone who may have an interest in your accounts or assets. Consider choosing someone who is not a spouse, joint account owner, power of attorney, Trustee, or beneficiary of your accounts.

In the event your Advisor ever needs to contact your Trusted Contact, they will not share any information about your accounts, investments or assets. Nor should they take any instruction from your Trusted Contact or make any changes to your accounts at their request. Your Trusted Contact is merely someone your Advisor can get in touch with if they have concerns regarding your health or financial well-being.

**Preparation is Crucial**

Once a healthcare emergency strikes, it is usually too late to prepare these documents. To avoid unnecessary stress and confusion, talk to your family members about getting their affairs in order. It is important for all adults to discuss their personal wishes with loved ones while they are still healthy.

FAC Advisors work in conjunction with elder law attorneys that can discuss individual questions and concerns, prepare these legal documents, and provide advice on additional legal planning tools that may be useful for your family’s circumstances. Your FAC Advisor is a click or phone call away with the service and knowledge you deserve.