

Elder Care

By Dr. Jim McCabe

Personal Responsibility and the Information Age

After returning from a short vacation last week, I was reminded of the dichotomy of the times in which we live. On the one hand, there was an overflowing inbox of e-mails representing the burdens of an information age that, in my opinion, is out of control.

On the other hand, despite the overflow of information, there is evidence that people may be less informed today than ever before. I read a couple of articles about the lack of understanding people have about money matters, financial planning and the consequences of that ignorance. In the first article, the author reported on an informal study that had been done with high school seniors. He was startled by the fact that the majority of students in the study thought that a checking account was the best vehicle for getting a good return on one's money. The second article reported an often reported problem, the story of several elderly individuals who had become victims of fraud.

While I believe that many of my clients make mistakes because they do not know any better, I am becoming more and more aware that much of the problem emanates from the fact that people do not have the incentive to educate themselves and get the information they need to make a sound decision. On many occasions I have heard my clients say, "Whatever you think is best." Unfortunately, when things go wrong down the road, the blame for the problems is often cast my way because I am the "expert" and was paid to see that problems would not arise.

A long-time friend who is a financial advisor describes the dilemma this way. "When there is a bull market and my clients are getting great returns on the portfolio, I am the smartest planner on the face of the earth!" As a safeguard, when she holds her regularly scheduled quarterly meetings with



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these clients, she is very careful to educate them about how the investment strategy is developed and that if there is a reverse market she hopes she does not revert to the village idiot in their eyes.

It has been said that the smartest people are the poorest listeners. And I can cite examples of problems with clients where they did not listen or did not pay attention to the information I was bringing to the table to help them understand their options. While some would argue that intelligent people need to take responsibility for their own bad decisions, we all know by experience that blaming the client only results in bad feelings and lost clients.

Education Is the Best Medicine

In my practice, we have become more and more proactive about offering educational activities for professional colleagues and their clients. Each time I receive a referral from a colleague, I offer to provide a seminar to her employees and her clients in return. The benefits are numerous. The audience receives information that helps them to make educated decisions about long-term planning, my company benefits from the good will, and future referrals are likely to come with the activity. In addition, I am less likely to be sent inappropriate referrals now that the focus of my practice has been explained. These educational opportunities can be accomplished with minimal planning and cost.

If you are interested in increasing your educational community outreach efforts, partners that you may consider for these efforts may include colleges and universities, not-for-profit organizations and government agencies. In my community, a major university has partnered with retirement communities to develop a life-long learning program that provides regular programs and seminars to residents. We are currently developing a series of programs focused on long-term planning that will offer sessions on long-term care insurance, advanced directives, trusts, and other financial planning tools. The event will be hosted by the university and will include estate planning professionals I have recruited from the community. In addition to sharing the cost of the publicity with the university, they are providing the space at no cost to me and the offerings are perceived

by the public to be education focused and not a situation where somebody is going to try to sell them something—an element that is sure to have an impact on attendance!

Last year, we offered a program on special needs planning that was sponsored by the Local Easter Seals Society and offered sessions on financial and legal planning. Easter Seal saw this event as an opportunity to serve their clients, create additional exposure for their programs and services, and roll out their newly conceived planned giving campaign.

The State Attorney General's office has been very cooperative in providing resources to sessions we have done on fraud and elder abuse. Planners and attorneys have had the opportunity to establish a referral network through the partnerships established by the Attorney General's office and, in the end, reduce the risk to citizens through their efforts.

Other examples of resources that are potential partnerships include national associations like the American Society on Aging (www.asaging.org) that links health and social service professionals with businesses that work with the elderly. The Society also supports the American Institute of Financial Gerontology (www.aifg.org) which offers a number of courses for estate planners leading to certification as a Registered Financial Gerontologist.

The emphasis in the estate planning profession has moved more and more away from a product-focus to an information-focused approach. This is a move that has allowed me to form more interdisciplinary partnerships in the estate planning area that increase the number of professional resources at my disposal and help me to provide a much more comprehensive service to my clients.

Educating rather than selling has been a theme in a number of articles I have written in the past for this journal, and this focus is much more in concert with my values that identify how I help my clients with their personal struggles rather than how I "sell" what I do.

The "bad guys" will continue to create new ways to defraud and cheat people. My hope is that our profession continues to reach out to the public in ongoing efforts to educate and inform so that when people are inclined to take personal responsibility for increasing their understanding and making good decisions, we are available to assist them.

At a recent workshop on selling to seniors, a co-presenter shared his secret to working with his customers: “Our customers don’t really care how much we know, but they do like to know how much we care!”

A concerted effort on our part to educate and inform will go a long way toward meeting our professional responsibility for helping our clients act in their best interest through informed and responsible decision-making.



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