Older clients need more than a retirement plan

Advisers should be prepared to offer assistance for the next set of challenges facing the elderly, including transportation needs and protection from financial abuse.

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Advisers who have helped clients meet their retirement planning goals need to make sure they're prepared to offer assistance for their clients' next set of challenges: living as older adults.

A new report analyzing care requests of senior citizens suggests elder Americans especially need help sorting out transportation issues, finding home or community based services and, not surprisingly, dealing with housing and health care quandaries.

"The impact from a lack of transportation trickles down," said Dallas Jamison, spokeswoman for the National Association of Area Agencies on Aging. "If you don't have access to transportation, you can't get to the grocery store, you can't get to the bank, you can't get to the doctor and you can't go see friends."

Those working with older clients — including financial advisers — can help by investigating the transportation resources available in their community though the local area agency on aging. Specialists there can help provide customized care for the elderly, accommodating certain health or disability issues, she said.

PLANNING AHEAD

Planning ahead for when an individual may not be able to drive or for when a spouse who was the primary driver dies is a much better idea than waiting until there is an emergency situation, Ms. Jamison said.

Nearly one out of every five calls to the Eldercare Locator, a national phone center and website, were for transportation help, and 64% of those requests had an immediate need, according to the report based on about 270,000 requests in 2014.
Of course, clients in their 70s and beyond also need protection from elder abuse, which some advisers said they have seen rising in the last five years.

About 47% of financial planners who are also CPAs have seen a boost in schemes aimed at defrauding older individuals or outright abuse of elders, according to a survey from the American Institute of CPAs released Tuesday.

Nearly 80% saw phone or Internet scams, 72% saw an inability to say no to relatives and 57% described parents unable to reject support requests from non-disabled adult children, the AICPA survey found.

Of course, sometimes financial planners can be the perpetrators.

Just last week the Financial Industry Regulatory Authority Inc. filed a complaint against a broker who allegedly took advantage of an 81-year-old client who suffered from Alzheimer’s disease and convinced her to name him as beneficiary of her trust so he could inherit $2 million.

SUPPORT TEAM

Planners can help protect clients from elder fraud or abuse by identifying members of their support team, such as loved ones and those who can make medical decisions, and making sure they are all authorized to communicate with one another.

Also, clients should feel like they can make the planner "the bad guy" by responding to every money or support question with a promise to run it by their financial professionals and get back to them.

Finally, if a client is displaying questionable competency, their assets can be put into a revocable living trust with a co-trustee to ensure every check requires two signatures to go out, the AICPA report said.