
State of California Department of Justice

Office of the Attorney General – Kamala D. Harris

www.oag.ca.gov

Estate and Financial Planning

You've worked a lifetime, accumulating assets along the way. Planning now can help you avoid losing your house and emptying your bank account in the event of a disabling illness or sudden death. Planning now also will help in the smooth transfer of your estate to the special people in your life.

Estate planning involves more than writing a Last Will and Testament. Many consider transferring ownership of assets to a "Living Trust," which they or a designated trustee control during the person's lifetime. A "Living Trust" is different from a "Living Will," which expresses your wishes about being kept alive if you' become terminally ill or seriously injured.

Since the approach taken will depend on your personal situation, we suggest that you consult with your accountant, your lawyer or other appropriate expert in financial and estate planning. Be wary of "free" estate planning seminars whose business is to sell legal and financial services even if your personal situation does not justify it.

The American Bar Association Guide to Wills and Estates answers the most common questions about estate planning. More information is available from the pamphlet: [State Bar of California: Do I Need A Living Trust?](#)

<http://www.calbar.ca.gov/Public/Pamphlets/LivingTrust.aspx>

Some things to consider in your financial/estate planning:

- Select the best type of estate/financial plan such as a "living trust" and "last will and testament"
- Determine your cash flow and the value of your assets. It is very difficult to develop a financial plan if you do not know how much income you will receive now and in the future.
- Calculate your net worth. In addition to your regular income and expenses, identify your assets and liabilities in your overall calculation.
- Anticipate changes, such as illness, inflation, retirement, etc. These changes could affect your financial status.
- Medicare/Medicaid Benefits (Social Security Administration)
<http://www.medicare.gov/default.aspx>
- Medical services and long-term care costs are important considerations in end-of-life care planning. Although there is often no easy or simple way to determine how to meet these future needs, it is important to learn what kind of financial assistance you may be able to receive under your health insurance plan, disability insurance plan and Medicare/Medicaid Benefits (Social Security Administration).
- Place a personal copy of your plan in a secure and accessible place. Also, keep vital information and records in a safe and accessible location. **Consider using the Where to Find My Important Papers Worksheet:**
http://www.caregiver.org/caregiver/jsp/content_node.jsp?nodeid=851
- Make sure your loved ones know of your estate and financial plan requests.
- Avoid surprise costs and let your family know your wishes by planning funeral arrangements.

RESOURCES

Note: This listing is intended as a starting point and provided for informational purposes only. There are many other resources available that you may wish to research. Listing here is not an endorsement of the organization or its web page content. If you have questions, please consult with your physician, lawyer, accountant or other appropriate person.

- **AARP: FINANCIAL PLANNING - Estate Planning, Living Wills, Legal Services Network** <http://www.aarp.org/work/retirement-planning/>
- **U.S. Administration on Aging - Eldercare Locator: Finding Local Services for Seniors** <http://www.eldercare.gov/Eldercare.NET/Public/Index.aspx>
- **Family Caregiver Alliance - Fact Sheet on Finding An Attorney** http://www.caregiver.org/caregiver/jsp/content_node.jsp?nodeid=435
- **National Academy of Elder Law Attorneys - Consumer Information on Estate Planning** <http://www.naela.org/>
- **Partnership for Caring: America's Voices for the Dying: Crisis and Information Hotline for End-of-Care Issues and State-Specific Living Wills and Medical Powers of Attorney** <http://www.caringinfo.org/i4a/pages/index.cfm?pageid=1>