

# PUBLICATION

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## Self-care: Making Sure Affairs Are in Order

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**Having your "affairs in order" is a pillar of self-care, and boils down to a simple concept: you should have a written, detailed plan about your life and assets. A life and asset plan provides peace of mind for everyday life and strategy for major events. All women, regardless of their age or stage in life, should embark on a plan as an essential element of self-care. The plan should address basic needs and objectives, and include the legal tools necessary to carry out those objectives during emergencies, or after your death.**

Estate planning provides women the opportunity to review their current circumstances, both financial and personal, in light of future goals. The term "estate planning" is often a misnomer. There is a common misconception that you must have an "estate," or built-up wealth, before needing a plan. Instead, a good estate plan addresses not only hard assets, regardless of value, but also physical wellbeing and personal relationships. Perhaps a better term would be to call it "life planning."

Whichever term best fits you, a good plan consists of three basic documents that every woman should have in her toolkit:

1. Financial power of attorney
2. Health care power of attorney
3. Last will and testament

Each document addresses a different need, but combined, they create a blueprint to ensure your wishes and desires are carried out during an emergency and that your loved ones are cared for after your death. The self-reflective process of creating your life plan provides the opportunity to really assess your current assets as well as your future goals and objectives.

Financial powers of attorney and health care powers of attorney (sometimes referred to as health care proxies, or advance directives) are documents that address lifetime needs. A financial power of attorney nominates an individual to administer finances during life when you are unable to do so yourself. A power of attorney can be used for convenience, but is most useful during times of crisis because it allows the agent to administer another's finances when that person is unable to act for herself.

Health care powers of attorney are similar to financial powers of attorney and are useful for the same reasons, but in the context of physical wellbeing. Health care powers of attorney nominate agents to make or communicate health care decisions. Most health care powers of attorney also incorporate "living will" provisions, or preferences concerning life support measures, in the event of health care emergencies. Many jurisdictions have default provisions for the nomination of agents on your behalf, if a health care provider needs a decision maker. However, a health care power of attorney provides control by nominating an agent in advance of a crisis, and often sets forth life preferences so that there is no guesswork for the agent.

Without financial and health care powers of attorney, most jurisdictions require a court proceeding for the appointment of agents, even if there is an emergency. Court proceedings are lengthy and costly, and a judicial officer ultimately selects the agent. By having these documents in place, an agent can usually bypass the court

and has a more seamless way of carrying out his or her duties during urgent situations. These documents are much more cost effective, and provide control over the appointment of agents and direct care. In short, powers of attorney help maintain financial and physical wellbeing during your lifetime in the face of the unknown, regardless of your age or net worth.

The last of the three documents is a last will and testament, which dictates the disposition of property at death. Even for women with few assets, the will is an important document to have in the toolkit, because without a will, many states have default provisions for how property passes at death. A will provides the ultimate control over distribution of assets rather than relying on default law. Wills are especially important for families with minor children because they also set forth the nomination of guardians and caretakers. In addition, wills typically incorporate specific provisions relating to the financial care of minor children.

A trust is another form of estate planning, appropriate in certain situations, that distributes property at death. For women with more complex assets, a will (or trust) not only disposes of property but also addresses potential death taxes and legacy planning. The last will and testament is the last piece of the plan to make sure that loved ones are cared for after death, regardless of the size of the "estate."

While having a formal will in place is ideal, another option is to review the titling of your assets to verify that those closest to you have access to your accounts, or are the beneficiaries of such assets. Every woman, however, regardless of your stage in life, should execute financial and health care powers of attorney because these documents are critical during times of crises. Women with young children should also routinely review emergency contact lists, such as those at work and at school, for themselves and their dependents to make sure information is up-to-date. Another component to a good plan is having a network of professional contacts, consisting of a financial advisor, accountant, attorney, and/or insurance agent, to develop assets and fine-tune goals.

Every woman should establish a plan that touches on the varying needs and goals for any stage in her life. The plan can begin with a conversation with loved ones or a trusted consultant, or it can start with a formal set of planning documents. A good plan is not always set in stone, though, and the best plans are those that are revisited and updated every few years. The peace of mind that comes with knowing affairs are in order, whether it's for herself or for her loved ones, is a key element of every woman's self-care.