



Talking to Your Parents About Their Finances

In this time of economic turmoil, it is more important than ever to talk to your parents about their financial situation. Although this conversation may be very difficult, the consequences of not discussing these matters can be severe.

Tips for having a successful conversation with your parents:

- Choose a non-stressful time.
- Start by bringing up your own financial situation or by mentioning a relevant article.
- Let your parents know this discussion will benefit the entire family.
- Be respectful of your parents' wishes, and emphasize that you are not trying to take control or take away their independence.
- Let your parents know that you care deeply and are just trying to make their lives easier.

Important topics to cover:

- How much money your parents have in savings, investment and retirement accounts. What investments they have and whether they are allocated appropriately for their needs.
- How much income your parents receive from pensions, social security and investments. Will they have enough to support themselves for their retirement years?
- How much debt your parents have, such as mortgages, credit card balances, and other loans. How many credit cards they have.
- What insurance policies your parents have, including if they have long-term health care policies. Where they want to live when their health declines: at home with home health aides, or in a nursing home.
- Make sure your parents have wills. Suggest that durable power of attorney forms be signed, if not previously done, so you can step in to manage their finances if needed. Your parents should also sign health care proxy forms and living wills.
- Prepare a document checklist containing location of important documents and personal and professional contact information.
- Prepare a master list of passwords for access to computer, tablet, cell phone and similar devices as well as for e-mail, social media, and other online accounts. This should be updated as needed, and kept in a secure location.