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Professionals Who Can Help With an Aging Parent's Finances

How to coordinate the efforts of financial, legal and medical outside help

By Anna Prior - March 27, 2016

When it comes to helping an aging parent, it often makes sense to get outside help.

But for many, that raises three questions: Who should help? What can they offer? And what's the best way to make sure everyone works together?

Here is a closer look at three main professional groups and the roles they play in helping manage an aging parent's finances, as well as how best to streamline and coordinate among these groups.

Financial Professionals

Once adult children get a handle on the types of accounts a parent has, they can turn to the different financial professionals who work with those accounts—keeping in mind that the parent is the client.

It's typical for a parent to have a banker who handles checking and savings accounts, money-market accounts and certificates of deposit, and a financial adviser who manages a portfolio of investments, brokerage accounts and retirement accounts, says Carly Howard, a wealth strategist in Atlanta for Atlantic Trust Private Wealth Management.

The financial adviser is likely to also handle financial planning, including cash-flow analyses and retirement planning, she says.

There might be other financial specialists in the picture, such as a certified public accountant, insurance agent or mortgage specialist. Ms. Howard suggests coordinating those conversations through the financial adviser.

It also could help to gather everyone for a yearly meeting, with the financial adviser acting as a sort of quarterback for the team. "Get everyone, including the financial team, the parent and child, in the same room and have a good dialogue," says Denis Higgins, a certified financial planner and CPA at Edelstein & Co. in Boston. This way, everyone is on the same page, he says.

Legal Professionals

Another professional likely to be included in that meeting is an estate-planning attorney who can assist on crafting a last will and testament, or help with more complex estate planning including trusts.

If a parent isn't already working with an estate-planning attorney, ask the financial adviser for a reference, and consider accompanying the parent to a meeting with a prospective lawyer, says David Geibel, a wealth adviser at Girard Partners Ltd. in King of Prussia, Pa.

“It’s daunting to talk to an attorney, especially about things that are uncomfortable, so being there and being supportive” can be helpful, he says.

Atlantic Trust’s Ms. Howard recommends letting the parent direct the conversation. To avoid the appearance of undue influence from the child, the parent should have a private, one-on-one discussion with the attorney as well.

“It’s important that parents communicate with family members what their intentions are for the estate plan,” says Ms. Howard.

Medical Professionals

It can be a little harder to integrate medical professionals into the discussion, in particular because of privacy concerns.

But one critical situation where it will be important to coordinate between a parent’s doctor and lawyer is in situations of diminished capacity.

Ideally, durable powers of attorney for medical care and finances—which would allow a person of the parent’s choosing to act in his or her place in the event of mental incapacity—are sorted out well before a parent has reached this stage. But in cases where no action has been taken to secure proper legal documentation, a doctor will generally need to vouch that the parent is incapacitated or unable to make his or her own decisions, says Ms. Howard.

As for working with professionals while an aging parent is still competent, it can be a good idea to keep mom or dad’s financial adviser abreast of any major medical developments that have a direct bearing on financial issues—provided the parent approves—so that the adviser can plan accordingly.

Adult children should consider accompanying their parent to the doctor’s office for appointments, or attending via conference call if they don’t live in the same city, says Carol Harrington, a partner and head of the Private Client Group at law firm McDermott Will & Emery LLP in Chicago.

This way, the child stays informed and can ask questions—something an elderly parent may be less inclined to do, says Ms. Harrington.

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