

# How Can You Plan For Incapacity?

We all hope to enjoy long, healthy lives, retaining the ability to think clearly and make our own decisions. But life doesn't always work out that way — which is why you need to prepare for a potential incapacity that could affect your independence and possibly create financial problems for your family.

So, in thinking about incapacity planning, you may want to consider the following arrangements:

- *Health care power of attorney* — When you establish a health care power of attorney, you name someone, such as a spouse or adult child, to make medical decisions on your behalf, should you become incapable of making them on your own due to disability or illness. These decisions include choosing doctors, treatments and care facilities.

- *Financial power of attorney* — With a financial power of attorney, you designate someone to assume a variety of duties for you in case you become incapacitated. These tasks include investing, selling property, paying bills and debts, collecting Social Security benefits and adding or changing insurance policies.

When establishing a health care or financial power of attorney, you may need to decide whether it's "durable" or "springing." A durable power of attorney typically takes effect immediately after you sign it, have it notarized and witnessed. So, the person you've chosen to have power of attorney — sometimes called an "agent" — can act on your behalf whenever you choose. On the other hand, you could select a power of attorney that "springs" into effect only when you become incapacitated — hence, the "springing" designation.

One issue affecting a springing power of attorney involves the speed with which it can be enacted. Generally, it won't go

into effect until a licensed physician declares in writing that the person granting the power of attorney is indeed incapacitated. This could cause a problem if your chosen agent needs to act quickly on your behalf. It's because of this potential delay that a durable power of attorney is often favored over a springing power of attorney. However, everyone's circumstances are different, so if you have a choice between a durable or springing power of attorney, you may want to consult with an estate-planning professional for guidance.

Apart from the health care and financial powers of attorney, you may also want to consider one other incapacity-related legal document — a living will. When you establish a living will, you describe the steps you would or wouldn't want taken to keep you alive, along with other medical decisions, including pain management and organ donation. Obviously, the decision to create a living will is highly personal, involving your feelings about self-sufficiency and the circumstances that define the quality of life you wish to have. But the mere fact of having a living will can relieve your loved ones of having to make potentially agonizing decisions.

Planning for an incapacity may not be the most pleasant task — but it's an important one. Of course, you may never become incapacitated at all, but by making the proper arrangements, you can make things easier for yourself and your family — just in case.

*This article was written by Edward Jones for use by your local Edward Jones Financial Advisor.*

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