

Going to the Hospital? Prepare Financially as well as Medically

Whether you or a loved one are going for a scheduled hospital stay, don't stop with your doctor's orders – get your financial orders in place, too.

While most people exit the hospital without incident, no matter what your age, it's important to have an action plan in place if you become disabled or die after surgery or other treatment. Actually, it makes sense to have these elements in place even if you're not facing any immediate medical need. Make it part of your family disaster plan.

Check your insurance coverage: Make sure you contact your insurance provider well in advance to determine out-of-pocket costs for your surgery or treatment and make sure you have all necessary pre-approvals for that work. If you'll need additional cash to cover deductibles, put that money aside where it can be accessed. Also, check your disability coverage – hopefully you have personal coverage to extend the reach of limited coverage at work – to make sure you understand the effective date and the range of benefits. Above all, make sure you're current on premiums for your health, disability, life and long-term care coverage and make sure all beneficiaries are current.

Designate a family member as your primary contact: This person may or may not be your health power of attorney (more on this below), but you should have one person designated to keep in touch with the family, friends and employers you designate they call. This person could also see that your bills get paid if you're out of commission longer than you anticipate.

Get your health care directives in place: A health care directive – also called an advance directive – specifies your medical wishes in case you're incapacitated. They come in two forms: the living will and the power of attorney for health care. The living will indicates specific wishes about medication and life-support treatment if you're incapacitated, and you need to refer to your own state laws on how these documents need to be written. The power of attorney for health care – also called a durable power of attorney for health care -- also specifies your wishes for treatment but allows you to designate a specific person to act in your stead if you are incapacitated. You obviously have to pick this person carefully and have a thorough conversation and agreement on your wishes.

Set up accounts properly: Your health care power of attorney may or may not be the person with the power to disburse your assets if you're incapacitated, but that person should have their name on a joint checking account in case bills need to be paid. Also, make sure you have a line of credit established that your designated representative can access in case of emergency.

Make sure your will is current: No one expects they'll die in the hospital, but it's necessary that your will be up to date so your spouse or designated executor can step in immediately to handle your affairs.

Have an up-to-date “disaster” file: If you are incapacitated or die, it makes sense to have all critical papers in one place so your health care power of attorney, your executor or a trusted friend or family member can access them. Include the following with an index:

- Birth, death, marriage certificates (with 10 copies apiece in case they're needed for estate

- purposes); List and location of all bills that must be paid with due dates;
- Divorce decrees with all relevant settlement information;
 - Location of wills, trusts and any power of attorney information;
 - Advanced healthcare directives;
 - Adoption papers, if applicable;
 - Key identification numbers, including drivers' license, Social Security, passport and employee identification data;
 - Recent bank and brokerage statements;
 - Detailed funeral and burial wishes;
 - Location of cash that may be used to handle emergency expenses;
 - Copies of recent medical records in case you're incapacitated;
 - Copies of deeds for primary home, vacation and investment properties;
 - Car title, lease, loan information and license plate data;
 - All insurance policy (health, disability, life, auto and long-term car) with agent contact information;
 - Photocopies of credit and debit cards, front and back (displaying the individual's signature);
 - A current copy of the individual's home financial software program reflecting up-to-date financial data;
 - All password information necessary to get inside any computers, PDAs and cellphones you own;
 - The locations for all investment documents;
 - Notes on house maintenance and service providers;
 - Where safe deposit, lockbox and filing cabinet keys are;
 - The name and number of your human resources department at work;
 - Location of tax returns for the last three years;
 - All relevant contact numbers for executors, financial advisers, trustees, guardians, attorneys and any other individuals who will need to step in if the person is dead or incapacitated;
 - All user IDs and passwords for online accounts;
 - Guidelines on what to do about orphaned pets, including set plans for who will adopt them and pay for their care.
 - A general statement of family origins, values, and hopes for future generations, including what you want for children in the way of day-to-day parental guidance as well as aspirations.
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