

KRAMER RADIN, LLP

A LAW FIRM

ESTATE PLANNING MATTERS

Plan for Tomorrow —
TODAY



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SECURE Act

The Senate is considering passing the SECURE Act - be sure to update your estate plan and take precautionary measures if it is enacted in 2020.

Happy Holidays from all of us!

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About your Advance Health Care Directive

How does an Advance Health Care Directive compare to a POLST? Your questions about health care planning answered here.

Caring for your Grandchildren

It benefits both grandchild and grandparent!



ABOUT US

KRAMER RADIN, LLP is a firm of professionals dedicated to the practice of law in estate planning, probate and trust administration, conservatorships and all aspects of trust and estate litigation.

Our team of experienced legal professionals encourages our clients to plan and administer their estates wisely to provide for their loved ones, protect their assets from unneeded legal and tax expense and carry out smooth and well-thought-out estate continuity.

Our attorneys deal with related issues including gifting, charitable giving, prevention of elder abuse, Medi-Cal planning and dispute resolution.



Wishing you and those you love a wonderful holiday season from all of us here at Kramer Radin, LLP!

Linda, Deborah, Lisa, Tricia, Betsy, Nina, Kristy, Corina, Elissa, Bente, Wendy, Viviana, Jennifer, Renu, Nadine, Brenda, Deanna, Rajneet, Emil, and Mitzi!

Plan Ahead: The SECURE Act passes through the House, pending in the Senate

The Setting Every Community Up for Retirement Enhancement Act ("SECURE Act") recently passed in the House and will be up for vote in the Senate soon. While it is not law yet, everyone who has a stretch individual retirement account ("IRA") should be aware of this news and should monitor it closely.

Stretch IRAs allow their owners to leave their retirement accounts to the beneficiaries of their choosing, and under current law, the beneficiaries may then elect to receive the minimum distributions from these accounts stretched out over their lifetimes.

Under the SECURE Act, beneficiaries who are not spouses must take full distributions of their inherited IRA within 10 years, accelerating the income tax consequences of the IRA withdrawals. On the plus side, the SECURE Act moves the age at which retirees must take a minimum distribution from age 70 ½ to 72.

What can you do in the meantime? First, be aware of who is named as the beneficiary of your IRA. Next, depending on your planning goals, you may want to consider naming a standby charitable beneficiary as one way to extend the pending ten year limit that will come into effect under the SECURE Act.

If you have a stretch IRA where the beneficiary named is not your spouse, discuss the consequences with your financial advisor. Kramer Radin is also happy to work with you to find a solution that works best for you and your family. Call our front desk to schedule an appointment.

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Understanding both an Advance Health Care Directive and a POLST

When planning ahead for your health care decision-making, two different documents are often mentioned: a Physician's Orders for Life-Sustaining Treatment (POLST) and an Advance Health Care Directive (AHCD).

POLST: A POLST is a document designed for the healthcare industry and completed by a health care professional. Patients normally seek it as they face a serious illness or when nearing end-of-life. It usually provides two options for a patient: accept all treatment or refuse treatment (do not resuscitate, or "DNR"). Health care professionals are responsible for reviewing this document with patients when there is a substantial change in either the patient's health or goals regarding their health, as well as in the event of a transfer to a new facility.

AHCD: An AHCD is a legal document completed by an individual, not by a health care professional. The AHCD provides guidance for your future health care agents about the treatments you prefer in case of a medical emergency. All competent adults should complete one, irrespective of their current health status. The individual should update his or her AHCD as often as he or she wishes because this document must accurately reflect the priorities, values, and preferences of the individual.

What's the difference?

While a POLST can be concise, its words should not be taken lightly. Patients should be extremely careful when selecting DNR on a POLST because it can take the decision-making power out of the hands of family members and into the hands of professionals. Medical professionals will often make decisions quickly because it is their job to do so, and your POLST will be interpreted literally. Regardless, the addition of an AHCD in your estate planning portfolio helps the agent(s) you appointed, rather than a medical institution, make the decision you intended.

Furthermore, because it is up to you to change your AHCD, you should make a point to review it periodically. As you grow older, your preferences may change - or an event in your health may prompt you towards different opinions about your health. Ideally, your POLST and AHCD should mirror one another so that your health care provider and your health care agent can work together to make the best decisions possible on your behalf.

Lastly, neither document replaces the other. They accomplish different things: a POLST provides orders, while an AHCD provides direction as to what you want under certain circumstances and appoints the person to carry out that direction. When you become incompetent, the AHCD will be used to determine the best course of action.

If you have any questions about what your AHCD says, or if you would like to make changes to your current AHCD, please discuss this with your doctor, or schedule an appointment with us. We would be happy to consult with you about this document and others within your estate plan to ensure each will be followed in accordance with your wishes.

The Benefits of Raising Children Near Their Grandparents

A positive relationship between child and grandparent is much more than free babysitting services for the parent - it provides long-lasting benefits to all involved.

Children with close relationships with their grandparents have a greater ability to cope with difficult events in their lives, according to a study done at University of Oxford. The sense of security provided by the relationship helps grandchildren feel more prepared for life's obstacles because they know they have a support system.

Understanding their grandparents and all they underwent in their lives often makes children feel more interconnected with their family's history. This connection bolsters the child's sense of self when they understand all that grandma and/or grandpa went through to reach their life goals. Aside from understanding more about their families, children tend to be less ageist generally. They know more about the different generations within society and are likely to be empathetic towards those older than them.

Lastly, the grandparent-grandchild relationship makes both healthier. Both parties tend to have lower rates of depression when they share a strong emotional relationship, according to studies at Boston College. Furthermore, as reported by the Berlin Aging Study, grandparents who care for their grandchild live an average of five years longer than those who do not.

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Newsletter
Winter 2019

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