**Preparing for the Unexpected**

1. **Life insurance**

* Think you can’t afford it? When tragedy strikes, you can’t afford not to have it!
* Get it when you’re young and healthy if possible because it’s much cheaper then.
* Recommendation to get “term life” to 60 yrs. or 70 yrs. depending on your situation.
* After that, you should have a $$ saved up to cover any bills that are have left behind.
* Many employers offer “cheap” life insurance policies for 1x annual salary, 2x salary, etc.
* Insurance can help you stay in your home rather than being forced to sell it because you cannot make the rent/mortgage payments. Stability in the short term is really important, esp. for kids.
* Insurance can help cover immediate needs like funeral expenses and can help with longer-term needs (possibly things like college funding) if there is anything left after normal living expenses.
* Make sure beneficiaries (primary and secondary) are named in each insurance policy.
* Make sure someone knows where the policy is, who the insurance company is, and what the general terms of the policy are.

1. **Bank Accounts, Brokerage Accounts, Retirement Accounts (IRA, 401k, etc.) & other Financial Accounts**

* Keep a list of all accounts and make sure both spouses know where all the accounts are held and what the purpose is for each account.
* Unless you have other arrangements where you purposely only have one spouse on certain accounts, make sure BOTH spouses names are on all accounts. This will allow all money in those joint accounts to avoid going through probate (dealing with a will, courts, a pain in the neck).
* Make sure every account has a beneficiary named. (Don’t assume. Check to make sure your name is on all accounts and/or they have beneficiaries listed, including a secondary beneficiary.)
* Know how to access all of your accounts: online usernames/passwords, which debit card goes with which account, are there checks and where are the extras kept, phone numbers to contact customer service; is there a particular person at any financial institution who knows your situation (financial advisor, accountant, etc.)
* Don’t close any bank account for approximately one year, so you can deal with payments made to your deceased spouse, bills in the name of your deceased spouse, or things set up to automatically come out of that account that you weren’t aware of.
* If you own a business, make sure you understand things well enough to keep things afloat if you are left to do so on your own. Discuss who would help, would another family member take over, whether to sell the company, etc.

1. **Houses, cars and other “real property”**

* Make sure both spouses are listed on the deed for the house, title of the cars, boats, RVs, etc. in order to avoid probate (as mentioned above).
* There may be circumstances where you purposely don’t put both spouses onto the deed/title for some reason, but it should be a conscious decision in order to achieve some estate planning goal.
* Make sure all names on legal documents are correct.
* If your spouse predeceases you, get their name off the deed/title by submitting the death certificate to the state.
* Discuss with spouse what you would do with any rental property you own.

1. **POA and DNR**

* Sign separate notarized documents giving your spouse a general power or attorney and a medical power of attorney so they can make decisions for you when you are incapacitated
* Talk with your spouse about what you would want done if you were on life support and both of you should sign advanced medical directives outlining what measures you would or would not want taken. How long, what type of life support, etc.? It’s an awful discussion but have it … trust me!

1. **Wills and Trusts**

* Make a will. Just do it. Get it notarized. Put it in a safe place.
* If you’re military, get it done for free by the JAG office on base.
* Ask your H.R. department whether they have any relationship with any legal services provider who might do it at a cost-effective rate.
* Not ideal, but for simple estates, you can do it via LegalZoom online; but get it notarized.
* For more complex estates, check into whether setting up a trust would give you and your family tax advantages or help to avoid probate.
* Different types of trusts: living trust where the grantor and trustee are the same person, trust for the benefit of children, trust for the benefit of the spouse. A trust can be the beneficiary listed on life insurance, bank accounts, etc.

1. **Military benefits**

* If you or your spouse ever served in the military, make sure you have copies of the DD 214 form.
* There are people at the VA who will help walk you through the survivor benefits process.
* If your spouse was retired military and you have SBP (survivor benefit plan), make sure you understand what those benefits will look like when your spouse is gone.
* You may be entitled to burial benefits.

1. **Funeral Expenses**

* Funeral costs (transportation, obituary, plot, headstone, etc.) run $10,000 - $20,000+
* How are you going to pay? Death benefits, insurance payment, savings?

1. **Social Security**

* There is a one-time death benefit of $255. Apply for that even though it won’t begin to make a dent in the funeral expenses.
* Social Security benefits are available if you depended on your spouse’s income.
* Children qualify for SSA benefits until 18 yrs. old or high school graduation (whichever is later.)
* If you have children 16 years or younger and you have stayed home with them, you probably qualify to receive an additional (widow) benefit. But if you’ve been working and have a separate income, you probably won’t qualify for this benefit.
* You can lose your SSA benefit if you re-marry before a certain age.
* If you are retirement age and your spouse was receiving SSA, that will end the month of your spouse’s death and you need to reapply for your own benefits (which may be based on spouse’s income).

1. **Insurance: home/vehicles/mortgage/health/dental/vision**

* Know the details of your insurance coverage for your home, vehicles, other property. How is it paid? Will it come out of your bank account automatically or go onto your credit card each month?
* Do you have mortgage insurance? Does it kick in if the only spouse with income is incapacitated or deceased?
* How much do you know about your family’s health insurance? What would you do if the coverage is through your spouse’s employer and terminates upon his/her death?

1. **Medical Bills**

* One reason it’s important to have a medical power of attorney is for decision making.
* Another reason is so that you can talk to medical providers after your spouse is gone. HIPAA prohibits them from talking to you – which makes for painful conversations.
* Get copies of your spouse’s medical records, blood work, etc., especially if there could be an issue with a hereditary disease.
* Understand your health insurance coverage – premiums, co-pays, deductibles, exclusions, annual caps, etc.
* Where will you get insurance coverage for your family if you cannot get it through your spouse’s employer once they are gone?
* If you are on Medicare or Medicaid, understand all you can about what is covered.

1. **Utilities and other Bills**

* As with bank accounts, make sure all of your accounts have both spouses’ names.
* Utilities: water, gas, electric, trash, internet, cable, home phone, cell phone, etc., etc.
* Are your credit cards held jointly? How do they get paid every month?
* Do you have automatic bill-pay? Is it set up through your bank or on the service provider’s end?
* If the spouse who set them up dies, will the payments keep being paid automatically or does the second spouse have to re-set them up? (I assumed auto-payments would keep being made but they didn’t until the utility company notified me that I could be terminated for non-payment.)
* So many accounts now get paid online … make sure you know usernames/passwords so you can get access to the things you need.
* DO NOT PAY BILLS FOR THINGS YOU DON’T RECOGNIZE. Investigate. Scammers prey on widows and may try to collect “money owed” on an “outstanding account” – BE CAREFUL.

1. **Death Certificate**

* Get multiple “official” copies of the death certificate – like 6-12 of them. You’ll need them for a lot of different things.
* Some places will take a copy or a scanned electronic version, but the State or Federal government (Social Security, etc.) and insurance companies will require a certified copy.

1. **Central locations for important documents**

* Keep a detailed list of all accounts, where to find important documents, important phone numbers, people to call for help with specific things, etc.
* It is recommended to keep insurance policies, wills, trust documents, POAs, DNRs, etc. in a fireproof box or safe.
* If you put them into a safe deposit box at a bank, make sure people know where that is located, where the keys are, and make sure someone besides you is authorized to access it.

1. **Work**

* Do you know how to get hold of your spouse’s employer (boss or co-worker)?
* Have someone help you reach out to H.R. of spouse’s employer for work-related benefits, whether long-term disability if spouse is incapacitated, life insurance, COBRA for health insurance, etc.

1. **Funeral arrangements**

* Talk to your spouse or your children about your wishes. Where do you want to be buried or do you want to be cremated?
* Is there a special song or poem that you want at your funeral?
* If you have the resources and don’t want the burial/funeral costs to a) come out of your estate or b) burden your surviving spouse or children, then pay for them in advance.

1. **Guardians for minor (or dependent) children**

* The guardian must be of legal age to take care of the children.
* Remember to ask them and make sure they are willing to do all that you are asking of them. At the time of death, they may change their minds (change of circumstance), so have backup.

1. **Discuss remarrying**

* It’s an awful thing to think about, but have the discussion now with your spouse.

1. **Taking care of your home**

* Do you know where to shut off your water in an emergency? How to run your sprinkler system?
* Keep a list of service providers you’ve used and trust: plumber, electrician, painters, the guy who stains your deck, etc.
* Who installed your water heater or furnace or A/C and how old are they?
* Who would you call if your dishwasher, oven, stove, washer/dryer had issues?
* What color paint is on the exterior and interior, if you need it touched up rather than fully repainted?
* Do you need to arrange for help with mowing a lawn, shoveling your driveway?

1. **Passwords and usernames**

* Keep them secure but let your spouse know how to access everything from bank accounts to utility accounts to social media accounts
* Recommend an app called “Last Pass” but there are others.

1. **Get emotional support**

* Although friends and family will be there to lean on (hopefully), no one can relate the way other widows and widowers can.
* Support groups can be found through funeral homes, hospitals and hospice, online, etc.
* Find one where you have commonalities with members (same faith, similar manner of death, etc.)

1. **Don’t be in a hurry for any major decisions**

* If you are prepared, you will have the flexibility to stay where you are to give yourself the time you need to figure things out and not be rushed into any major decisions like selling your home, moving in with other family members, etc.