



How to have successful conversations around money and aging

Money can be a challenging topic, especially when you combine it with other hot button issues like aging, death, or dementia. Most people are sensitive when it comes to talking about money, as sensitive as they are when discussing a medical condition. When people talk about money, they almost always become emotional. Money topics invariably involve feelings of independence, self-worth, control, power, and agency. This is especially true with older adults.

This paper provides advice from nationally known experts in psychiatry, geriatrics, and financial planning on how to have successful conversations with older adults around the difficult topics of money and aging.

Featuring



Carolyn McClanahan,
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Anthony Weiner, MD



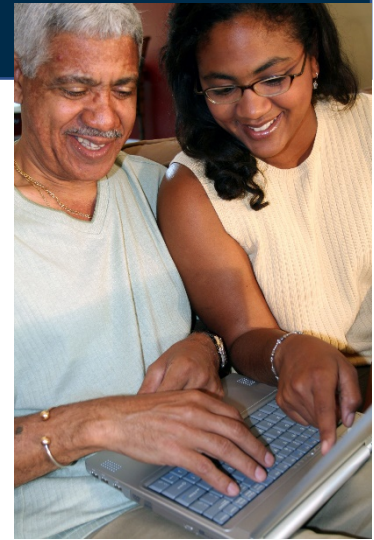
Edward "Ned" Hallowell,
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Hilary Illick



Chris Heye, PhD



So how do you talk to an older adult about money?

You can be the catalyst, the person who starts the conversation. It is likely that older adult family members, friends, or clients are looking for someone they can trust to provide them with meaningful advice, even if they are not always able to articulate this need.

Start early

Most people don't want to think about aging. Then at some point, they are hit with a challenge – either through taking care of family members or through their own aging events. These challenges, like the need to turnover financial decision-making or quit driving, can create huge family conflicts and can be quite expensive financially and emotionally if not thought through carefully.

Start making plans early. What is early? A recent Harvard study concluded that the “peak age” of financial reasoning occurs at age 53! So family discussions on the subject should start ideally when the principle financial decision-makers are in their 50s – 60s at the latest.

There is also a behavioral psychology element behind early planning. We've all heard the saying that practice makes perfect. This is so true and there is a physiologic reason why – when we do something repeatedly, our brain creates neural pathways. We don't have to think about how to throw a ball, we just do it. By creating a plan and revisiting it periodically, “the neural pathways become ingrained so that the plan becomes the default” explains Carolyn McClanahan, MD, CFP®. “If a situation occurs that necessitates implementing the plan, you and your family are prepared and bad reactive decisions are less likely.”





Acknowledge the difficult nature of the discussion

When having family discussions about money, especially when they concern giving up control, it can be useful to let the adult know that you understand the difficult nature of the subject BEFORE starting the conversation. It is important to respect how hard these types of conversations are for older adults, many of whom have been managing their finances successfully for decades.



“If the listener’s defensive stance is addressed from the outset, they often stop having it” advises Hilary Illick, Life Coach and Emmy Award winning writer. “You might say ‘I want to talk to you about something that might feel like I am trying to take away control from you’. There is something about naming the concerns for the listener that makes it easier for them to drop those concerns and to discuss the subject with greater openness.”

This approach invariably involves showing empathy towards the older adult. When acknowledging the difficult nature of the discussion, strive to put yourself in the other person’s shoes. Try to see the world as he or she sees it. Listen to them describe where they are in their life - where the smooth parts are, where the rough patches lie, where the obstacles are. Seek to give them the kind of advice that you would like to receive if you were in their position. Show them that you are on their side and that your number one concern is their physical and financial safety.



Ask open-ended questions

Many older adults are reluctant to give up control over financial decision-making, even when it may no longer be safe for them to be making decisions on their own. When to quit driving is another often contentious topic that involves independence and control, as well as physical safety.



“When confronted with these situations, I frequently respond by asking open-ended questions aimed at starting a dialog” counsels Dr Anthony Weiner, Director of Outpatient Geriatric Psychiatry at the Massachusetts General Hospital. “This encourages individuals to re-examine their attitudes in a non-confrontational way.”

For example, you might start with questions like:

How do you want to spend your time?

Where do you want to live?

What type of legacy do you want to leave?

In cases where the person is especially resistant to your advice, try to get them to discuss the pros and cons of a decision. Get them to talk about the risks of NOT discussing sensitive issues. Talk about the risks of ignoring inevitable changes to their health, and sometimes their personality, as they age. When at an impasse, ask more open-ended questions like:

I am feeling kind of stuck on this issue...can you help me proceed?

Can you help me figure this out?

Can you help me understand your perspective?

Can I offer you my perspective?



Finally, there are open-ended questions you might ask an older adult whom you fear may already be making poor financial decisions and vulnerable to financial exploitation. For example, you might ask:

Did anyone in your life make mistakes with money as they got older that you want to be sure to avoid?

How do you know no one is taking advantage of you financially?

Have you ever seen someone you love refuse help you knew they needed?

What do you think of people who won't go to a doctor because they want to avoid any bad news?

Have you seen people get into trouble around money simply because they refused expert advice?

Wouldn't it be a relief if you knew for sure your money was being well taken care of?

Don't do this

The sensitive nature of these discussions can easily lead to emotional outbursts that end up being counterproductive.



"Sometimes when we feel so strongly about something" explains Edward "Ned" Hallowell, MD, psychiatrist and New York Times bestselling author, "we just blurt it out. We have a couple glasses of wine and loudly announce 'Dad, you can't drive any more it's just not safe!' or 'Dad, you are giving all of our money away and there won't be anything left for us!'".

Families can spend months or years trying to clean up the mess that often ensues after these types of emotional eruptions. So it is important to be very careful around these hot topics. Holding back and then exploding is a recipe for disaster.



Never worry alone

“A really good suggestion” says Dr Hallowell, “is to follow one of my basic rules and never worry alone.” Talk to somebody else. Recognize that, in addition to the older adult, you are also in a vulnerable situation. If you are a single family member trying to engage in these discussions, invite other members to participate.

Strive to build a team that can share the responsibilities. Having these conversations on your own can be taxing emotionally and you will not be able to benefit from the insights or advice from others who have direct experience interacting with the older adult or addressing these types of situations more generally.

There will likely come a time when you will need to go beyond family members and your circle of friends and seek professional help. If you are concerned about the cognitive capacity of a family member, you should consult their primary care physician, who may in turn refer you to a mental health professional. You may also want to consult with your financial advisor, attorney, or other specialist(s) who help manage the adult’s financial and/or legal affairs.

Another type of professional who can help is called a geriatric care manager. Geriatric care managers are specialists, often nurses or social workers, who can provide wrap-around services for individuals and families to organize care for older adults. These professionals can provide valuable assistance in managing the day to day activities of an older adult.

Be patient

Finally, be patient. The goal is not to complete the entire conversation in one session. Don’t feel like you need to cover everything at once. These conversations can be exhausting for all involved, especially older adults. Once you have made progress, it is fine to say “I am glad we got this conversation started today. Let’s pick up on this subject again soon.”

How to get more help

Go to www.whealthcareplan.com to access additional educational materials on aging, financial planning, cognitive decline, preventing financial exploitation, and more.

We also offer interactive tools and assessments that help individuals and families more effectively prepare for the financial and emotional challenges associated with aging.

