

Mom's Health is Starting to Decline

ILTCI 2021 Case Study

Client Overview

Helen is a 72-year-old widow living in Milwaukee. She has been on her own for six years and has been doing well. After her husband passed of a heart attack, she has maintained friendships, kept active in volunteering and church.

Client Income and Assets

Income is comfortable with \$5,400 monthly. The breakdown:

- \$2,100 a month social security,
- \$3,000 from her husband's pension, and a
- \$300 pension of her own.

Client Spends \$3,500 monthly. She prefers to live simply and does not have interest in spending more.

A summary of her Net worth is below:

- \$120,000 in a non-qualified annuity,
- \$150,000 in three (3) CDs,
- \$325,000 in an Inherited IRA (from her husband)
- \$80,000 Traditional IRA
- \$75,000 in a bond fund held with fund company
- \$193,000 in stocks [We Energies, Kohls, and Johnson Controls], she has stock certificates in her safe
- \$5,000 in a savings account, and
- \$1,000 in a checking account.
- \$300,000 home
- \$15,000 car
- No Mortgage
- No Car Loan
- \$32,000 credit card debt

She also has \$100,000 whole life policy. Cash value is \$40,000 and the policy reports a loan of \$25,000. Helen cannot recall when the loan was added.

Client Family

She has three children, each of whom have their own families.

1. Son Tony lives in Greenfield (20 minutes away) and works for the city as an assessor. He has two sons in their 20s and they each live a couple hours away.
2. Daughter Gail lives in Mukwonago (45 minutes away) and has two daughters. Gail is divorced, works as a bookkeeper. Gail watches her six (6) grand children often since they live 10 and 20 minutes away from Gail's home.
3. Daughter Tammy is a speech therapist in the Denver school district. She is married and has two children, one 16 and the other 19 in college at UC-Boulder. Her husband travels for business regularly.

Everyone seems to be very busy living their lives, but they stay in touch via Facebook, semi-regular phone calls and major holidays.

Mom's Decline

Last Labor Day weekend, Gail visited Helen for the first time since the 4th of July. She was a little surprised to see some clutter in the house. Small piles of mail were unopened, patio chairs laying on their sides, some food in the refrigerator was out of date. Helen had an excuse for everything, and Gail did not think much of it.

A couple weeks later, Tony noticed that Helen must have called in the middle of the night a couple of time as when he awoke one morning, there were missed calls indicated on his cell phone. He called his mom and she said she must have bumped something. Tony thought nothing of it, but two mornings later he noticed the same thing.

Gail and Tony get along, but only reluctantly. They disagree about nearly everything, including parenting and "mom-ing". Tony is type "A" for sure; Gail believes he rarely listens to her or anyone else.

Tony thinks because he is so busy and Gail works 32 hours a week, that Gail should just take care of mom, and maybe move in with her. Gail says she is not going to take care on the Mom care burden alone.

Because Tammy is in Denver, she purposely tries to stay away from taking sides when it comes to her mother's care.

Tony told Gail and since he was too busy, Gail went to Helen's for a visit. The house was in more shambles than prior. Helen was still in a house gown even though it was afternoon. Gail offered to take Helen to dinner and as Helen changed into other clothes, Gail noticed a few bruises on Helen. When asked, Helen said she tripped a couple of times "but I caught myself, so I still have my balance."

Gail starts to worry and calls her sister the speech therapist. Tammy says she last spoke to Helen a few days prior and Mom sounded great. Telling stories as usual. Nothing to worry about.

Gail starts to snoop around Helen's home and finds her checkbook. Several thousand dollars are unaccounted for. When she asks Helen about the missing money, Helen cannot recall where it went, but does not seem too concerned.

Helen the Client

Gail finds some financial statements. Since your name is on one of the statements. Gail, whom you have never met, calls you.

The Task

Now what? How do you handle intra-family conflicts? At your table, discuss how you would advise Gail, Helen, and the rest of the family.