

6 Reasons Millennials Need Estate Planning

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Before heading off to Bangladesh, biking across Spain, hiking the Inca Trail, or any other adventure travel, millennials should act to protect and preserve their estate. Many think that estate planning is for those in their 30s and 40s with young children or for those with significant bank account assets. Everyone needs estate planning, however. Young or old. With significant dollars in savings and without.

- **1. Your Estate Is Bigger Than You Think**

Many think you do not need estate planning if you do not have a lot of money saved in the bank. However, your estate comprises of more than just a bank account. Your retirement account, life insurance policies, home, vehicle, personal property, and inherited heirlooms all comprise your estate. You should act to ensure each of these assets pass easily to your selected beneficiaries.

- **2. Change Beneficiary Designations as Life Circumstances Change**

Many employers provide employees with retirement accounts and life insurance policies as benefits of employment. Often, young employees name their parents as beneficiaries on those types of accounts and policies. It is important to update your beneficiary designations as your life circumstances have changed. Perhaps your parents have passed away, you've gotten married, or you've established a meaningful relationship with another but have not gotten married. You should act to avoid confusion regarding your beneficiary designations.

- **3. Make Your Medical Directives Known**

Do you want prolonged life support? Do you want a formal burial? Do you want to make anatomical donations? Don't let others make a decision that is inconsistent with your beliefs. It is important to make each of your medical directives known through a Will, Healthcare Power of Attorney, Living Will, and Memorial Instructions. Further, during a period of your disability or in the event of your death, your loved ones may be overwhelmed and not thinking clearly. Many decisions must be made within hours of death. Setting forth your wishes will alleviate the burden from your loved ones and help provide them with direction during a difficult time.

- **4. Select a Financial Power of Attorney in the Event of Incapacity**

In the event of a short or long term incapacity, you will need an agent to handle your financial affairs. A power of attorney can maintain your property, pay your bills, and help you to effectively manage your affairs. Your power of attorney can also help allocate finances to provide you with the medical care, transport, and other necessities. The last thing you want is to be released from extended hospital care to find out your bills have lapsed or you have weeks of mail and paperwork to complete to restore your finances. You need to identify an agent, confirm he/she is willing to accept this responsibility for you, and execute an official power of attorney.

- **5. Allow for Proper HIPAA Authorizations**

In the event of an incapacity, the Health Insurance Portability and Accountability Act (HIPAA) limits use, disclosure, or release of *individually identifiable health information*. A legal heir and power of attorney agents can be allowed access to this information and act on your behalf. However, there may be others that would like to be apprised of your health status, even though they cannot take any legal action. For example, if your parents are designated as your agents, a significant other may still want to be kept in the loop. This is especially important if your parents do not know your significant other or do not like your significant other and may not themselves share health information with them.

- **6. Protect Your Digital Assets**

The final consideration before jetting off, is to set guidelines and preferences for transferring your digital assets, such as social media accounts. Alternatively, you may want all digital assets closed. Without setting preferences, you can't control what will happen.

Estate planning is a form of insurance. Insurance that your wishes will be followed and that those who are important to you will be protected in the event of your incapacity or death. Act to protect your estate and provide for your loved ones.

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