

## **Planning for Unexpected Life Events**

### **Description:**

We never truly know what tomorrow will bring but being prepared for an unexpected life event can reduce the stress if one should occur. Planning ahead gives you control and options for your situation. It can relieve stress of decision-making from family members. It saves money and helps you avoid financial disaster or setback. You now have time for gathering information, comparing options, and determining which options help achieve what is most important.

### **Objectives:**

1. List some unexpected health events
2. Learn how to prepare for a possible disability
3. Learn how to prepare financially for a disaster

## **Unexpected Health Events**

What are some examples of unexpected life events that would require long-term care?

- Disabling disease
- Car accidents
- Brain injuries
- Strokes
- Other disabling accidents

Families and individuals who plan ahead before a disability will be in a better position to cope in the event of a disability. The following are steps you can take now to be better prepared.

1. Prepare a plan- Start with reviewing your income and expenses
2. Make sure trusted family members know where to find personal and financial documents in an emergency.
3. Set-up direct deposit for income and benefit checks- This will make sure income sources are quickly and safely deposited into your bank, savings and loan or credit union accounts.
4. Consider automatic payment of important, recurring bills.
5. Consider a durable power of attorney. This legal document gives one or more people the authority to handle finances and remains in effect if you become incapacitated.
6. Make sure you are properly insured. Review your policy regularly because your needs can change.
7. Maintain a healthy lifestyle.

## **How to be Financially Prepared for Disasters**

What are some disasters that can strike? This list may include floods, fires, earthquakes, tornadoes, hurricanes, and other events that can force people to leave their homes.

Disasters, even if they are minor, can damage your property and effect your ability to conduct financial transactions for a period of time. You can plan ahead by having financial items and resources in a secure place.

### **What to have ready**

1. Forms of identification- Driver's license, insurance cards, Social Security card, passport, and birth certificate.
2. Enough blank checks and deposit slips to last at least a month.
3. ATM cards, debit cards, and credit cards: Don't assume that merchants and ATM's in areas affected by a disaster will immediately be functioning as usual. Have other options available for getting cash and making payments.
4. Have some cash available incase banks are closed due to the disaster.
5. Telephone numbers for your financial service providers and insurance companies: These include local and toll-free numbers
6. Important account numbers
7. The key to your safe deposit boxes.

### **What to keep and where to keep it**

Make backup copies of important documents. You can also make an electronic image of your documents so you can more easily store the information. You could give a copy of your documents to loved ones or let them know where to find the documents in an emergency. Store your backups at some distance from your home in case the disaster impacts your entire community. Make a record of all credit/debit cards with the account and contact numbers to report lost/stolen cards.

A safe deposit box at the bank is best for protecting items of value and certain papers that could be difficult or impossible to replace. However, you may not be able to access them quickly. Safe deposit boxes are not necessarily fireproof or waterproof.

You could prepare an emergency evacuation bag. In the bag pack essential financial items and documents. Make sure the evacuation bag is waterproof and easy to carry. Keep it in a secure place in your home. Periodically update the contents of the bag.

### **How Financially Prepared are You?**

Reflect on what you learned today. What documents do you need to gather and where will you put them? Who do you need to share this information with?



**Resources:**

Money Smart for Older Adults-Resource Guide

Consumer Financial protection Bureau

<http://www.consumerfinance.gov>

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