



Why Estate Planning Matters

This factsheet will explain the importance of making three legal documents: the **financial power of attorney**, the **will**, and the **advance medical directive**. These will give YOU the power to say what happens to your assets, property, and with your healthcare. **This is not legal advice**. Please consult an attorney about your particular situation.

FINANCIAL POWER OF ATTORNEY

What is Financial Power of Attorney?

- ◆ It appoints a person to make decisions about what happens to your property, assets, and insurance while you're still living. It goes into effect **right when you make it** unless you specify otherwise. It lasts until death.

Why is it important?

- ◆ Your representative can arrange the payment of everyday expenses, rent, and/or doctors' bills. They can collect government benefits, handle bank transactions, file and pay your taxes, manage retirement accounts, and more.
- ◆ They will deal with insurance on your behalf to get your full benefits for you.
- ◆ Financial Power of Attorney is a simple way to arrange for someone to manage your finances if you become incapacitated (unable to make decisions for yourself).
- ◆ If you don't appoint someone yourself, the court may appoint someone if you're incapacitated. This can be a complicated and time consuming process.

What else do I need to know about Financial Power of Attorney?

- ◆ You can decide what powers to give your representative.
- ◆ **Pick someone you trust to manage your finances.**
- ◆ Usually, the appointed representative isn't responsible for financial losses unless your representative committed theft or other fraud, failed to perform normal duties (like pay rent), or made reckless decisions.
- ◆ This form can be found on our website: mvslaw.org/adv-planning

WILL

What is a Will?

- ◆ It names someone to handle your estate.
- ◆ It names guardians of any minor kids.
- ◆ It says where and to whom your assets will go, and will authorize payment of funeral expenses.

Why is it important?

- ◆ If you die without a will, then the state decides how to distribute your assets. State laws usually don't reflect your wishes.
- ◆ A will allows your property to be distributed as you desire and allows you to tell the court who you want to raise your children.

MORE INFO ON THE BACK!

More resources: mvslaw.org/adv-planning

Request free legal help: mvslaw.org/apply-for-services/

Or call intake (9 am - 12 pm, Monday - Thursday) at 1(800) 510-0050



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More information...

ADVANCE MEDICAL DIRECTIVE

What is an Advance Medical Directive?

- ◆ It appoints a **Healthcare Agent**: someone that handles your health decisions if you can't communicate.
- ◆ It can also include a **Living Will**: this outlines your medical preferences, which will guide doctors in deciding how best to treat you if you can't communicate.

Why is it important?

- ◆ It helps the doctor to speak with one person and receive a decision instead of all of your family members trying to agree on what to do.

What else do I need to know about Advance Medical Directives?

- ◆ The agent must base decisions on your best interests
- ◆ Pick a person that you are close with (usually a family member), who understands your values, and speak with them about what you would want in certain situations.
- ◆ You must sign it and have two witnesses. The witnesses cannot be the healthcare agent and at least one witness must not be entitled to any of the estate or any financial benefits.
- ◆ Give copies to physician and Healthcare Agent you chose.
- ◆ Find the forms and more information at:

mvslaw.org/adv-planning

Is estate planning for me?

- ◆ **Yes!** All Marylanders have the right to make determinations about their healthcare, how their bills will be paid, and to decide who should receive their personal belongings.
- ◆ These rights apply regardless of your income or assets.
- ◆ Think about your family. Making these decisions ahead of time will be a kindness to your family in troubling times when making decisions can be particularly difficult.

So, how do I start estate planning?

1. Think about who you would want to name as your agents and who should inherit your belongings.
2. Gather the names, addresses, and phone numbers of these people.
3. Contact MVLS to receive free assistance.

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