

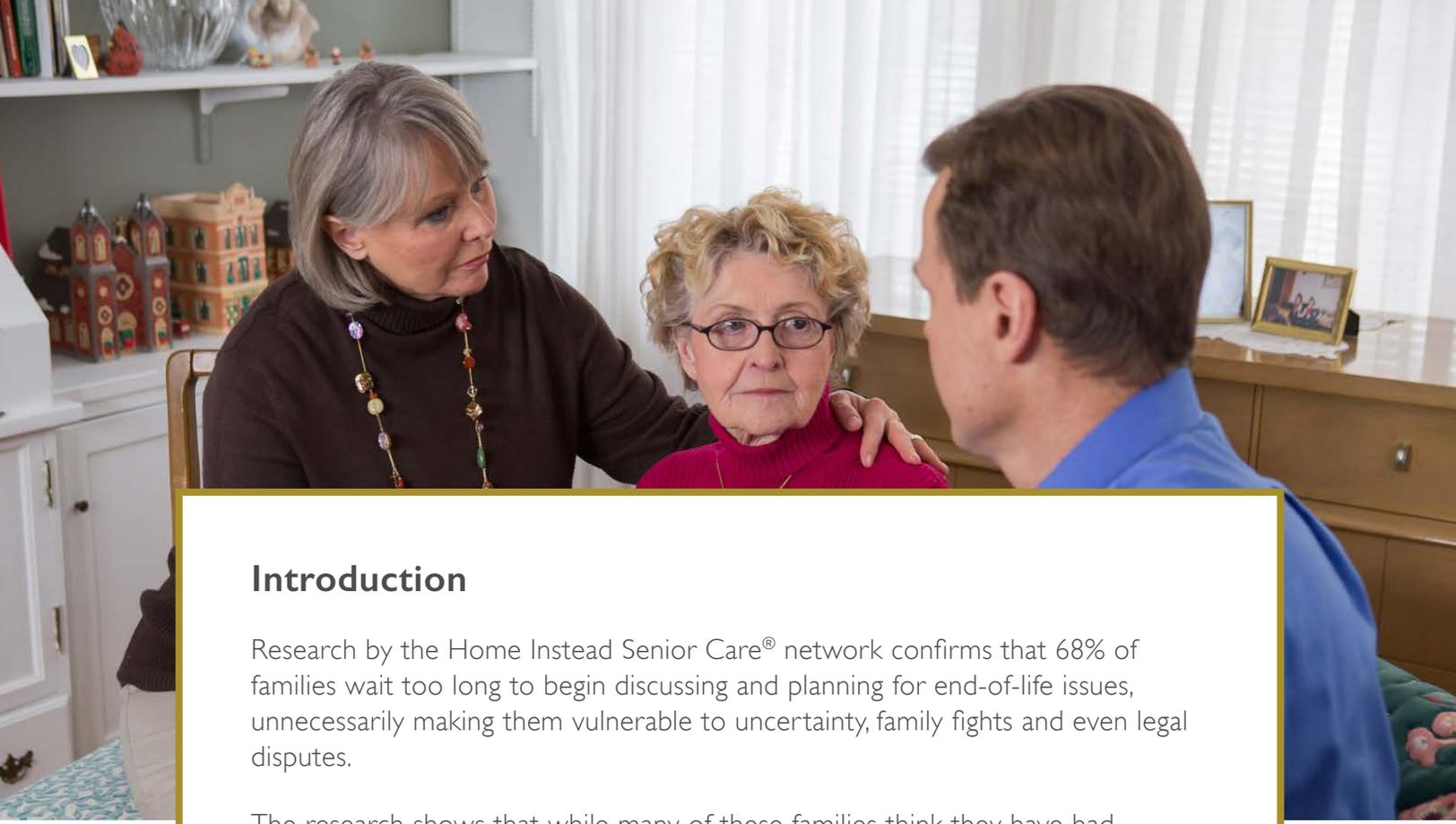
US Research Report

40 **70**
rule[®]

An action
plan for
successful
agingSM



4070Talk.com



Introduction

Research by the Home Instead Senior Care® network confirms that 68% of families wait too long to begin discussing and planning for end-of-life issues, unnecessarily making them vulnerable to uncertainty, family fights and even legal disputes.

The research shows that while many of these families think they have had adequate and timely conversations about a number of issues including finances, living choices and health, these families are generally being overly optimistic about the quality of their communications and their preparedness. Senior care professionals surveyed estimate that less than one-third of families (31%) have had adequate conversations about aging and end-of-life issues.

To prompt families to start these conversations and turn these talks into an action plan, Home Instead, Inc., franchisor of the Home Instead Senior Care network, has created the 40-70 Rule®: An Action Plan for Successful AgingSM. The idea of the 40-70 Rule is that by the time you are approaching 40 and when a love one is about 70, you should have had the “talk” about aging and end-of-life issues that so many families are avoiding.

The 40-70 Rule: An Action Plan for Successful Aging provides expert advice to help families start critical conversations about the future and put their wishes and desires into action. This plan includes conversation tips and considerations for a wide variety of circumstances such as living alone, blended families, having dementia and religious preferences.

The aging plan and additional resources can be accessed at 4070talk.com.

Key Findings

Talking Happens Too Late

Senior care professionals surveyed report that



of family conversations about aging are prompted by an event such as a health crisis or other emergency.



Four in five of these estate planning attorneys (82%) surveyed

recommend having discussions about aging and end-of-life issues before the adult child is age 40 and before the parent is age 70.

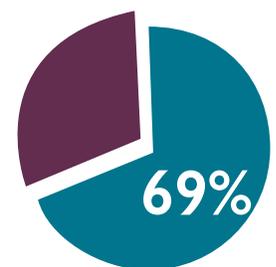
- More than two-thirds of families (68%) wait too long to begin discussing and planning for end-of-life issues, according to these senior care professionals.
- A majority of estate planning attorneys (54%) surveyed say that waiting too long is the most common mistake that parents make when it comes to communicating with their adult children about aging and end-of-life planning.

The Problem is Widespread



More than one-third of American adults (34%) – 80 million individuals – are estimated to be conversation avoiders, meaning they haven't talked about any important end-of-life issues with their parents or children, or have talked about just one issue, according to the Marist Poll.

- Nearly one-half of adult children (49%) surveyed say there is still some information they would like to know about their parents' personal situation including their health, financial or housing care needs, so they can help them if necessary.



Seven in 10 families (69%) have not had adequate conversations about aging or end-of-life issues, according to senior care professionals surveyed.

Discomfort Kills the Conversation

More than one-half of adult children surveyed



described their end-of-life conversations with their parents as uncomfortable at times, difficult but necessary, emotional with yelling and tears, or difficult and unsuccessful.



- Two in five of these adult children (39%) surveyed reported having at least one barrier that prevents them from having conversations with their parents about aging or end-of-life issues.
- According to senior care professionals surveyed, the most common reasons that people avoid planning for the end of life are:
 - It's uncomfortable to think or talk about
 - They procrastinate
 - They don't know how to start the conversation

Ignorance is Not Bliss

- Approximately three in five families (58%) who are managing the care of an aging parent experience problems such as fights or hurt feelings due to lack of communication about financial issues, health crises and end-of-life decisions, according to senior care professionals surveyed.

20%

One in five adult children (20%) surveyed reportedly fears his or her family could have problems in the future due to lack of communication.

Two-thirds of family disputes



over aging or end-of-life issues that end up in court could have been avoided if the family had clearly discussed and documented wishes in advance, according to estate planning attorneys surveyed.

Taboo Topics



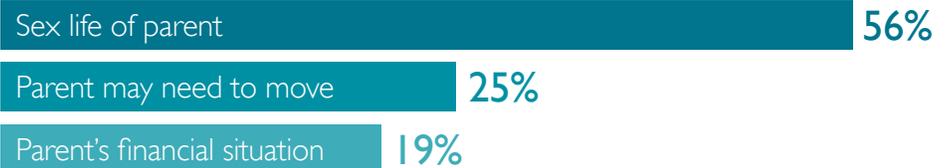
One in six of these adult children (16%) surveyed say their parents may need financial help from them in the future.

A plurality of estate planning attorneys (37%) surveyed says that disputes regarding wills or whether a will exists is the most common aging or end-of-life issue that leads to legal action between family members.

Discussing housing options and preferences is a particularly tricky topic.

- One quarter of seniors (25%) surveyed say having to move from their home would be the most difficult topic to discuss.
- There is a gap between the wishes of these senior parents and their children when it comes to housing. Children (18%) are more likely than the parents (12%) to say that the parents would prefer to live with family if they can no longer live independently.

Most Difficult Topics to Discuss, According to Senior Parents



Special Circumstances Make a Difference

More than one-third of parents

35%

surveyed said it is easier to discuss some difficult issues with one child more than another. Parents who report that it is easier to talk to a specific child are more likely than other parents to say that their families could have problems in the future due to lack of communication.

Most senior care professionals say that the following circumstances make disputes over aging or end-of-life issues more likely:

- Families who are spread out geographically
- Families whose loved one has Alzheimer's or another form of dementia
- Families with children of differing financial means
- Existence of a family business
- Blended families

Expert Advice

- According to both estate planning attorneys and senior care professionals, the most important advice for families is to start early and begin having conversations about end of life and aging before they think they need to.
- All estate planning attorneys surveyed (100%) agree that it is important to document wishes in writing; they say conversations are the first step, but don't rely on anyone's memory.
- A vast majority of senior care professionals (84%) surveyed say the most important step families can take to avoid disputes around aging or end-of-life issues is to establish medical powers of attorney, advance directives and financial powers of attorney.



Research Methodology

In the U.S., the Home Instead Senior Care network completed five separate research projects to better understand conversations and planning around aging and end-of-life issues. These projects were:

- Telephone interviews with 600 seniors age 65 and older residing in the U.S. who have adult children age 25 or older. The sampling error is +/-4.0% at a 95% confidence level.
- Telephone interviews with 600 adults between the ages of 30 and 60 residing in the U.S. who have at least one parent who is age 65 or older. The sampling error is +/-4.0% at a 95% confidence level.
- Telephone interviews with 1,224 adults age 18 and older residing in the U.S. The survey, conducted by The Marist Poll, has a sampling error of +/-2.8% at a 95% confidence level.
- An online survey with 645 senior care professionals located in the U.S. and Canada. The senior care professionals included social workers, care managers, service coordinators and program managers working in a variety of settings such as government agencies, independent living communities and long-term care facilities.
- Telephone interviews with 100 estate planning attorneys located in the U.S.