



Estate Planning Your Child Needs Once They Turn 18

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You may still consider your 18-year-old a child, but to the world, they are an adult. As your child graduates from high school and heads out into the newfound ventures of adulthood, it's important to consider the legal implications that arise when they legally become an adult. To the surprise of many parents, when a child turns 18, healthcare and financial information becomes private and parents no longer have the right to make medical or financial decisions for their children. To prepare for this, below are the documents we recommend every legal adult has in place.

HIPAA Authorization (Health Insurance Portability and Accountability Act)

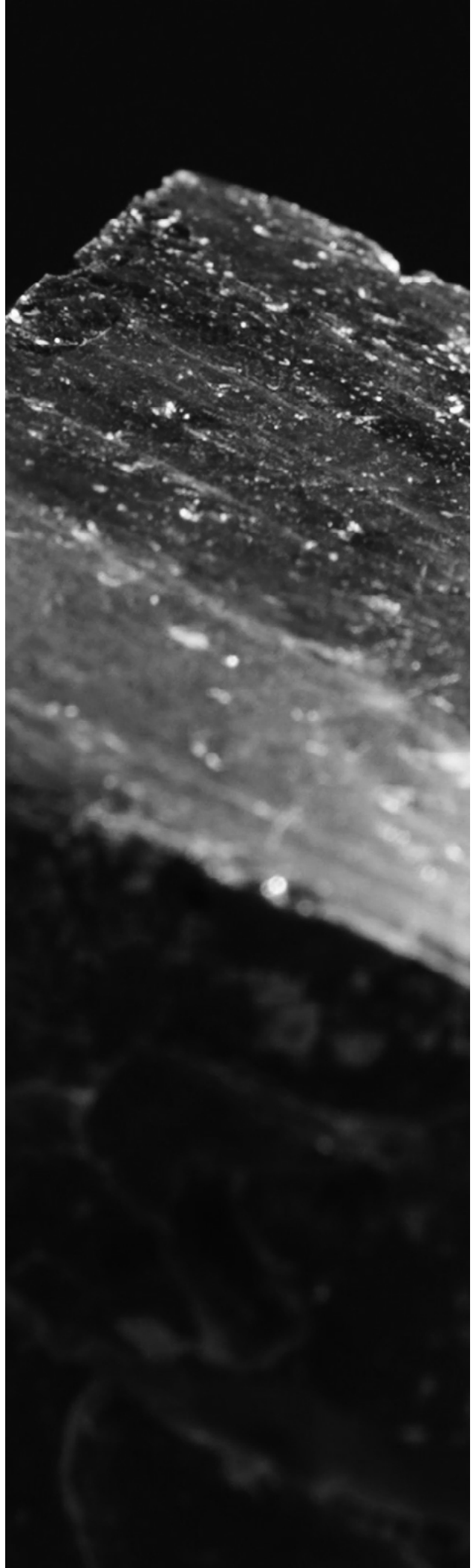
- A HIPAA release permits medical providers to share your child's medical information and records with you. If you want to have access to your child's medical records while they are off to college, this document is essential and can be written to cover all healthcare providers in every state.

Health Care Power of Attorney

- Also known as a "health care proxy," this document enables you, as agent, to make medical decisions on behalf of your child in the event they are not able to do so. Importantly, the drafting and requirements of these documents may differ by state, thus ensuring it applies to where your child is likely to be located is critical. The scenarios that may lead to this document being needed are difficult to picture, but in the event it's required, you will be very glad you have it.

Living Will

- A Living Will spells out your child's end of life wishes with regard to medical treatment. When your child becomes a legal adult, you no longer have this legal role.
- If your child hasn't named an agent to act on their behalf, a probate court proceeding may be required before someone is able to make legal decisions.
- By planning ahead, your child can receive the proper medical care and relieve caregivers of decision-making burdens during moments of crisis or grief.



Financial Power of Attorney

- Similar to the Health Care Power of Attorney, a Financial Power of Attorney grants you, as agent, the authority to access your child's financial records and manage financial affairs on their behalf.

FERPA Authorization

- The Family Educational Rights and Privacy Act (FERPA) protects the privacy of student education records. With FERPA consent, educational institutions can release your child's education records to you. This authorization would allow you to have access to transcripts, disciplinary actions, scholarship related information and tuition information.
- In addition, this is required to access records maintained by a college campus health clinic, even if a HIPAA Authorization is available.

Who Should Act as My Child's Agent?

- Your child may choose the same or different individuals to act as their Health Care Power of Attorney and Financial Power of Attorney.
- It is best for them to choose one individual to act on their behalf or give two individuals the power to act independently. This helps alleviate confusion or disagreements between two people about the choices they may need to make on the child's behalf.
- As your child ages and circumstances evolve, this can be updated.

Does My Child Need a Will?

- Depending on the complexity of your child's estate, it may be important to discuss a Last Will and Testament. Otherwise, their estate will be subject to probate laws in accordance with state law, which might not align with your child's wishes.

Creating a proper estate plan requires time, thought, effort and the ability to design tools specific to your child's needs. As your child grows older and their needs and desires change, they can update these tools to suit changing circumstances. State laws regarding estate planning differ significantly and change regularly. Talking to a Wealth Strategist or estate planning professional is always the best way to protect yourself and your loved ones.



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