

Silence is Not Golden: Proactive Communication is Key to Preventing Catastrophes

- There is a clear benefit for having family discussions and planning ahead for potential family challenges. Those who have had financial discussions with their spouses or adult children are almost twice as likely to say they would be well prepared if they were to face family challenges.
- Too few people talk with close family members about important financial topics, such as net worth, how to pay for long-term care, where to live in retirement, or inheritance plans. Seventy percent of children age 25+ have not discussed any of these topics with their parents. More than half (56%) of parents age 50+ have not discussed any of these topics with their adult children. Over a quarter (28%) have not discussed any of these topics with their spouse. Just a quarter (24%) of siblings age 50+ have discussed how their parents will be financially provided for or cared for as they get older.
- All too often, people are reactive instead of proactive in planning and preparing for family challenges. Across all relationships, the most common catalyst for such discussions is the death or illness of a family member or friend (43%), and the top barriers for having an open conversation include fear of family conflict (24%) and the fact that such topics are just too uncomfortable to discuss (19%). People who do have these discussions with family members are, on average, nearly twice as likely to say they would be well prepared financially if faced with a family challenge.

For the full study, please visit www.ml.com/retirementstudy.

Source: Age Wave - <http://agewave.com>

