



THE PATH TO FINANCIAL STABILITY FOR AGING LGBT INDIVIDUALS

The Path to Financial Stability for Aging LGBT Individuals Starts Now

Richelle Maguire, *Partner, Tax & Business Services*
Anupriya Mehta, *Manager, Tax Services*

Modern Family & LGBT Services Practice Group
Marcum LLP (www.marcumllp.com/lgbt)

For many of us, the question of who will take care of us when we are “old” seems obvious. It will be our spouse and/or children. But what if you were never married and/or never had children? Who will step in to manage your needs when you are unable to do so? What if you are a member of the LGBT community? Alternative lifestyles have become socially acceptable in today’s culture, but it was not so for the generation who are approaching retirement age. What retirement community will embrace them and will they have the means to secure the future that they are entitled to?

We often hear from LGBT seniors that they do not have adequate retirement, financial, or long-term medical care plans in place which will sufficiently cater to their distinctive situations as they age. They need a place to turn and assurance that there can be a game plan – but options seem so limited on financial, medical and psychological resources that are in place.

This lack of clarity on what the future may hold is compounded by the fact that unlike their heterosexual peers, LGBT seniors often lack traditional family support systems, which heightens their need to create long-term plans for their future. Experts indicate that LGBT seniors are estimated to be twice as likely to be single or live alone, and are 3-4 times less likely to have children. In general, it is estimated that approximately 80% of informal care to aging Americans is provided by family members; however, the likelihood that LGBT seniors will have someone to look after them as they age is improbable. Most of these individuals will derive no benefit from the new marriage equality rules, as many do not have a legal spouse present to execute their end-of-life plans.

It is common for LGBT elders to determine their own “family of choice.” As such, many LGBT seniors tend to rely on informal networks of close friends for support and are inclined to confide in these individuals regarding their end-of-life decisions. There are several practical issues that arise from this, which can impact planning. First, it is likely that their family of choice is of similar age and will grow old along with them, bringing into question the true capability of

these individuals to act as trustees and execute the LGBT senior’s final wishes. Second, without a financial plan and proper legal documentation, such as a valid will, financial power of attorney, and/or healthcare proxy forms, these individuals will have no legal authority over the LGBT senior’s medical care, property or distribution of assets in the event of illness, short term disability or incapacitation.

In the absence of a competent trustee or personal representative, court-appointed guardianship may be necessary to assist with some or all personal, property and/or medical decisions on behalf of the individual. In most situations, guardianship will be passed to “next of kin” (individuals related by blood or marriage), which could bypass persons who understand the LGBT senior’s end-of-life decisions and succession plans, and replace them with someone who may not have their personal best interests at heart. It is important to note that this issue also relates to same-sex couples who are not married or are married but reside in states where same-sex marriage is not legal.

Retirement plans are essential to insuring that LGBT seniors have control over both the financial and non-financial aspects of their lives upon retirement or in the event of illness. This includes advance insurance and medical care planning. Many LGBT seniors can feel overlooked within the LGBT community as well as by mainstream elder care service providers; therefore, it is recommended that LGBT seniors choose their own ultimate assisted living facility. Studies have shown that LGBT seniors are less likely than heterosexual seniors to independently access aging care services and tend to not feel welcome, and therefore do not assimilate well, in places where many elderly people socialize, such as senior centers. Research indicates that there are several detrimental effects resulting from solitude or lack of social interaction including depression, poor nutrition and premature mortality. As such, it is important for LGBT seniors to have access to community groups and/or to reside in LGBT-friendly assisted living/over 55 facilities prior to becoming ill. This will allow them to create a circle of friends and build strong support networks.

Ultimately, knowing what you don’t know, and understanding that the aging LGBT is facing unique, complicated issues is a first step to being prepared for the future.

Marcum LLP (www.marcumllp.com) is one of the largest independent public accounting and advisory services firms in the United States. Marcum’s Modern Family & LGBT Services Practice was the first by a national accounting firm dedicated to the unique tax and estate planning needs of same-sex clients. For more information, visit www.marcumllp.com/LGBT.

SOURCES: <http://www.lgbtagingcenter.org/resources/resource.cfm?r=643>
<http://www.thetaskforce.org/issues/aging/challenges>
http://www.huffingtonpost.com/john-feather-phd/lgbt-friendly-communities_b_4170360.html



AGING AND THE LGBT COMMUNITY

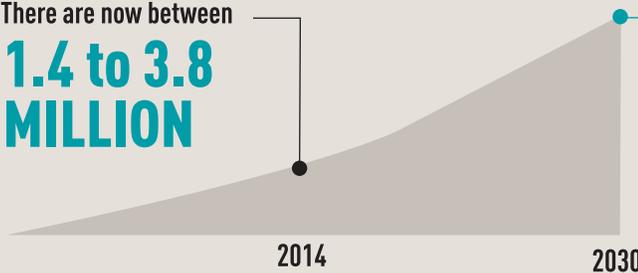
2014



As the LGBT population ages, it is critical to understand and address the needs of this group. Here is a snapshot of the aging LGBT community and the myriad of challenges they're dealing within the greater struggle for acceptance and civil rights.

LGBT SENIOR PROFILE : OVER 65 YEARS OF AGE

There are now between
**1.4 to 3.8
MILLION**



By 2030 there will be almost
8 MILLION

CURRENTLY LGBT OLDER PEOPLE ARE:

2x as likely to live alone



2x as likely to be single



3-4x

less likely to have children, compared to their heterosexual counterparts



< 1 in 10 same-sex couples include a partner 65+



< 1 in 4 include a partner 55+



FINANCIAL ISSUES



30%



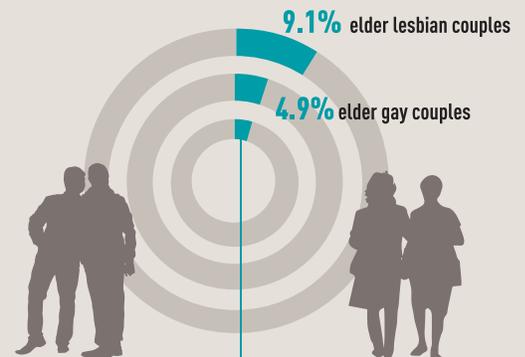
of LGBT seniors do not have a will

36%



of LGBT seniors do not have a durable power of attorney for healthcare

THE POVERTY RATE FOR SAME-SEX ELDER COUPLES IS:



in contrast to **4.6%** older heterosexual couples

continued on next page



HEALTH ISSUES



41%

of LGBT adults age 50 and older have a disability including HIV/AIDS, asthma, diabetes, and other chronic conditions



21%

have been denied healthcare or provided with inferior healthcare



13%

do not disclose their sexual or gender identity to their physician



39%

of LGBT older adults have seriously thought of suicide

PERVASIVE LACK OF CULTURAL COMPETENCY IN THE HEALTHCARE SYSTEM CONTRIBUTES TO SIGNIFICANT HEALTH CARE AVOIDANCE REPORTED BY:



29% LGB



48% transgender



17% individuals compared to their non-LGBT counterparts



89% of LGBT seniors feel positive about belonging to their LGBT communities



HOUSING & CARE ISSUES

THE 2013 HOMELESS COUNT REPORT ESTIMATED THAT:



29% of homeless individuals were lesbian, gay, or bisexual



3% were transgender



About 10% of those individuals are seniors



A national survey on transgender people found that :

19% of respondents had been refused a home or apartment and 11% had been evicted because of transgender-related discrimination

48%



of older adult in same-sex relationships experienced at least one form of differential treatment when seeking housing

(i.e., fewer rental options, higher fees, more extensive application requirements and less information regarding financial incentives than opposite-sex couples)



22%



of LGBT older adults in long-term care facilities report feeling that they can be open about their LGBT identities with facility staff

Sources: LGBT Elder Initiative / The National LGBT Health and Aging Center / SAGE / National Gay and Lesbian Task Force / National Resource Center on LGBT Aging / The Equal Rights Center and SAGE's 2014 report, "Opening Doors: An Investigation of Barriers to Senior Housing for Same-Sex Couples"