

Protect Your Family With A Letter Of Last Instruction

Some time ago, a doctor suffered a massive heart attack and died at his practice. His widow was not involved in the practice, nor in their personal finances. She was so overcome with grief that she couldn't bring a doctor into the practice to maintain its operation, or to sell it. Unfortunately, she had to pay staff salaries, rent, utilities, insurance, and a multitude of other expenses for some time. Worse yet, the practice closed without her receiving anything for it!

How could this situation have been avoided? Simple - - every doctor needs a "Letter of Last Instruction," an informal letter providing essential information and your wishes to your surviving family members. This relieves them of needless worry, and can save hundreds of thousands of dollars by facilitating a timely practice disposition. Once completed, it should be reviewed with your spouse and filed where the spouse will have easy access to it in time of need.

This letter is not a legal document requiring an attorney to draft, nor is it meant to replace your will. Rather, it supplements your will by providing personal information your survivors will need concerning your personal and financial matters.

The letter should have three separate parts to accomplish different purposes.

Part I – Personal Contacts and Funeral Wishes

The first part informs your family of whom they should contact regarding your demise, and helpful information to plan your funeral.

- Prepare a list of family, relatives, friends, and advisors who should be notified of your death. Include their name, address, telephone number, and email address. Make sure this is kept up-to-date.
- Provide the contact for any Mutual Assistance Group that you belong to, so that your spouse can inform the contact of your death and ask him to notify the other members of the group who have each agreed to work one day a week for up to six months to keep the practice operating until it can be sold.

If you do not belong to a Mutual Assistance Group, provide the name, address, phone number, and email address of a practice broker or practice management consultant to assist your spouse in negotiating the sale of your practice.

- Provide the name and phone number of your most trusted staff member to be contacted to talk to your employees and ask them to continue to work as if you were there. Explain the steps that you are taking to keep the practice operating in preparation for sale.

- Include instructions about the type of funeral or memorial service that you want, who should officiate, who should serve as pallbearers, and the order of service, including what songs should be sung, any outside speakers, and whether you wish to have an open casket or not.
- Inform your family of any funeral home arrangements that have been made and whether or not any prepayments have been made. Inform them of the location of any pre-purchased burial plot or crypt, and where the plot deed is located. Furthermore, let them know if you wish to be cremated, and where you want your ashes placed.
- Prepare your obituary in advance so the family will have what you want published in a newspaper.
- Name one or more favorite charities to receive memorials in your honor.
- If you are an organ or tissue donor, provide the recipient organization and phone number to contact so that necessary arrangements can be made promptly.

Part II – Financial Details

- Provide the location of your original will, trust, and any other related estate planning documents.
- Provide information required for the death certificate, including date of birth, city and state of birth, father and mother's names, military record and history, and Social Security Number.
- Provide the location of other important personal documents, such as your birth and marriage certificates, Social Security card, divorce papers, naturalization and citizenship papers, military discharge, etc.
- Provide the location (including address to the bank) of your safe deposit box, a list of contents, and where the key is located along with a list of the authorized signers. Also provide the location and number of any Post Office boxes that you have, including where the key may be found or the combination of the box.
- Provide the location for the registration, title, and other papers for automobiles, boats, snowmobiles, watercraft, and other titled property.
- Compile a list of usernames and passwords for all of your computers and online accounts (including email, Facebook, LinkedIn, etc.) and store securely.
- Provide the location for all insurance policies and include the company policy number, premium amount, face value, name and phone number of insurance agent, name of insured and beneficiary for each life insurance, health, accident/disability, and burial insurance policy.
- Provide a list of other pension systems that provide benefits. If you are a veteran, ask your survivors to call the VA at 800.827.1000 since you may be eligible for burial and memorial benefits.

- Provide notification of your death to Social Security by calling 800.772.1213. Have your survivors request that the bank return benefit payments received for the month of your death and thereafter to Social Security. Surviving spouses and other family members may be eligible for a \$255 lump sum death benefit and/or survivor's benefits. Visit www.ssa.gov for more information.
- Provide the location of your federal and state income tax returns and supporting documentation for the past five years.
- Provide a list of all checking, savings, certificates of deposit, brokerage, IRA and retirement plan accounts by name and institution, address, the type of account, account number, and title in which accounts are held. List the full name and telephone number of your personal and practice banker.
- Include the name, address, telephone number, and email address for all stock broker/investment advisors, attorney, CPA, and other financial advisors. Also, include the name and contact information for the person chosen as executor of your estate (or alternate) as well as the Trustee (or Co-Trustee or Alternate-Trustee) of any trusts that you have established.
- Provide information regarding other business interests that you own (partnerships, corporations, LLCs, etc.), including the name, address, telephone number, and email address of those you are in business with, or who assist you with or manage these businesses, and the location of any Buy/Sell Agreements related to them.
- Make a list of all debts owed (including credit cards), including the full name, address, and telephone number of the creditor, account numbers, payment dates, and interest rates.
- Make a list of all accounts that are owed to you. Include the full name, address, telephone number, and email address of the debtor, as well as payment terms, interest rates, and collateral.
- Provide the location of the deed and mortgage documents of your personal residence and all other real estate that you own, as well as its current value. Provide details on property taxes, mortgage payments, interest rates, and property managers.
- Provide the name and contact information for the Trustee of any retirement plans and IRA custodians holding balances, along with the designated beneficiaries and the post-death distribution options.
- List your stamp, coin, baseball card, artwork, gun, and other collections and their estimated values.

Part III – Personal Effects and Letter to Survivors

- Maintain a household inventory and related appraisals. Provide a list of your personal possessions and who is to receive each. Include a detailed description for each item and the complete name, address, and relationship of the person who will receive personal effects such as jewelry, furniture, family heirlooms, collectibles, etc.

Write your letter to the person most likely to take over your financial affairs when you're no longer able to do so, or after you die. This is usually the surviving spouse, but may be an adult child or other relative, your

attorney, or the person you have selected to administer your estate. You can use this letter to send important messages to your survivors as well. This could be the place to tell them something you never got around to saying.

Be sure to make several copies of this Letter of Last Instruction, and provide one to your spouse. Do not put it in your safe deposit box, since this cannot be accessed until your will is admitted to probate, which can be days, or even weeks, following your death.

Your survivors will appreciate your thoughtfulness and foresight in preparing this Letter of Last Instruction. It will ease their stress during this difficult time, make sure that nothing is overlooked, that your practice and other business interests are properly managed and sold, and provide peace of mind that your wishes are carried out.

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