

## **First Clearing**

**Moderator: Toni Ashby**  
**September 28, 2020**  
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**OPERATOR:** Guiding Clients Through the Perfect.

**Toni Ashby:** Hi. This is Toni Ashby, and I'll serve as your event moderator today.

**Female:** (We will begin in) five, four, three, two.

**Toni Ashby:** Please feel free to submit questions anytime during the presentation. You can do this by clicking the green Q&A icon and then type your question in the open area and click submit. We'll address your questions after the presentation.

This webcast is being recorded so you'll be able to access it after the event. We'll also provide some follow up information and you can download that content by clicking the blue files content button in the lower left of your screen.

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It is now my pleasure to turn today's program over to Bill Coppel, Chief Growth Officer at First Clearing and host of The Next Frontier podcast. Bill?

Bill Coppel: Thanks, Toni, and thanks all of you for joining our webcast – Guiding Clients Through the Perfect Storm.

So, to kick us off, let me set some context. I would argue that we're in the midst of the most disruptive period we faced as a country since the aftermath of the Great Depression and World War II.

Think about it. The impact of this global pandemic has affected just about everything; our way of life, how we work, how we learn, and of course the economy. And in many cases, this economic shift has hit home affecting job certainty, finding its way into our personal finances.

This reality coupled with the current social unrest we're witnessing and the political environment we're experiencing on the eve of a presidential election, we have what could be characterized as the ultimate formula for chronic uncertainty, uncertainty that extends past the here and now and well into the future. And this uncertainty is directly undermining our overall sense of wellbeing.

Further fueling this reality is the daily buffet of conflicting information intrusively served up just about anywhere you may click or view. Times like these underscore the value of advice and guidance, advice and guidance shared authentically with insight and empathy.

So, how can you, as an adviser, help provide a sense of calm for your clients during the chaos? That's the question our guest, Sherry Snelling, corporate gerontologist and expert on aging and caregiving will explore with us on this webcast. Sherry is the founder and CEO of Caregiving Club, a strategic consulting firm and a frequent contributor to The Next Frontier.

A quick reminder, we'll be back at the end of her presentation with a Q&A session. And with that, I'll turn it over to Sherry. Thanks for joining us today, Sherry.

Sherry Snelling: So, thank you, Bill, and thank you to everyone who's joining us today. We've been learning a lot of lessons I think through this COVID-19 pandemic that

we've all been living through. And now, we've even been facing some other things.

And I came across a quote that I thought was really pertinent to kind of our conversation today, and I wanted to share it with you. It's from William Arthur Ward. And the quote is this – the pessimist complains about the wind; the optimist expects the wind to change, and the realist adjusts the sails.

And what I love about this quote, because we have our theme of the perfect storm is that the advisers role I think now is really to be the person who helps guide clients on how do you adjust your sales, how do we adapt and address all of these different things that we have going on. So, with that, let's talk about this perfect storm.

So, I mentioned COVID-19, which we actually also talked about in our last webinar. But now, we have more than COVID-19. We have the side effect of the pandemic, which of course is the economic recession that many of us are feeling very strongly right now. But we also have civil disorder in many of our cities. And of course, we're heading into a polarizing election period.

And so, all of these things are kind of coming together, if you will, and it's giving us a bit of a collective malaise. I think a lot of people are struggling. Originally, we thought we might come through this in a couple or three months. But now, it's looking like this is – we're heading into this whole new world that we had to be adapting to constantly. And it's really given us kind of a cascade and a turmoil.

So again, I think the advisor will become so much more important in this world of uncertainty, and who do we trust, and all of these other things that I know are certainly conversations we're having with our families and with our colleagues and with ourselves.

So, couple of things that we wanted to share with you. First of all, this particular slide is very interesting. I was actually in a conference. And somebody was sharing this information. So, I thought I would adapt it and share it with you.

But Jeff Cole who is the Executive Director at the USC Center for the Digital Future, he had talked a little bit about all of these things that are kind of coming together, that are forming this perfect storm. And I thought his quote was so significant because he said, the biggest change in American society since World War II is happening right now, and I think that's a pretty profound statement if you think about it.

And as you look at the dates there on the left, whether it's a pandemic or recession or protest or a really intense election, we really, over the last 100 years, not had all four come together as they are this year.

So again, I think that it's really giving us pause. It's making us evaluate and look at a lot of different things. And it's also making us think about – well, moving forward, what really is important, what's valuable, what do I need to think about, what do I need to protect.

All of the things that I think advisers – it really becomes a very important role to be part of those conversations with your clients and to become that guide on what's going to happen now for the future across their lives and not just their financial portfolios.

So, as we talked about in the past, we've given you a lot of different statistics about aging and getting older, this is just another one that we thought that we would share with you. This is a little different from what we've talked about, but it's all part of the same kind of message which is we're all living longer.

And one of the things that's really interesting about this particular slide is that as you can see from the graph, the fastest growing demographic group in our society right now are those 85 plus, and that includes a lot of our centenarian, people who are 100 years old. We talked about the possibility or probability of ourselves or our children living to the age of 100.

When we talk about this 85 plus group, in 1900s, there are 122,000 people in the country that were 85 or over. And that has grown about 34 times to about 4.3 million (inaudible). Between 2030 and 2050, that number is going to double again.

And as we said, I think one of our last statistics was that (50) percent of 10-year-olds in the country today will have a life expectancy of living to 104.

So, this really starts to shift, I think, the focus particularly for financial advisement into the future and what we at least used to call retirement savings. We're going to have a lot of these bonus years that we're going to have to look at.

And while we know a lot more about our own health and about preventing certain diseases and being able to have that quality of life in terms of a physical body, there may also be more years now spent dealing and managing chronic illness and other types of disabilities. And all of these things really have to be (inaudible) together when we start to look at – how do we make sure that our financial picture and our life picture is secure moving forward.

Now, why does this matter to you? Well, we're going to take you through a few slides now that hopefully will start to resonate with why all of this great information that we've been throwing your way really makes sense in terms of your business and your practice right now and how really you should be thinking about shifting, if you haven't already, that relationship that you do have with your clients.

And one of the things I think we've touched on in the past is with Maslow's pyramid which the hierarchy of needs or hierarchy of motivation. Many of us have seen this. If we've been in certain businesses or industries, there's a lot of talk and a lot of applications of this.

But what's really interesting I think as we look at this is the pyramid is an ascending pyramid. We start with the basics in life; shelter, security, food, loving and belonging. And then, we start to build on that so that ultimately when we start to get to the top of that pyramid where we're looking at that self transcendence and altruism and giving back and all of these other things, it becomes interesting that with the perfect storm that we're in right now we're starting to go back to the basic foundation of this pyramid.

I mean, when you look at this, things like shelter, where will we live and how will we live, and safety and security particularly when we're thinking about

our health now. I think there's been so many different surveys that have come out since COVID-19 showing us that issues around health vulnerabilities are front and center for many of our discussions and decisions that we're making.

And then, there's also kind of a return, if you will, to family. And it isn't to say that we were moving away necessarily from family life. It was just different. Now, we're starting to cocoon. We're coming back together. We're even having multiple generations living under the same roof. And there's this renewed sense of the importance and the value of family.

These are all trends and things that I think are really important to advisers in the conversations that you're going to be having with your clients over the next few months.

So, let's start this topic about shelter. What's really interesting as we look at the different statistics now on the screen is that we were starting to see a trend with the older demographic that shows that some folks were downsizing. They maybe had a large home but the kids have moved out, moved on, starting their own life. They want to downsize, make life a little bit easier.

And they were starting to look at urban areas that certainly are on renewal. There's been a whole kind of livable community movement that's been going across the country that's looking to attract people back into the cities and it's culture and entertainment. But it's making things accessible so that you don't have to necessarily drive. You can walk to things like movie theaters or concert halls or get your groceries or whatever it happens to be.

Well, what's happened since COVID is there's been a reversal in that and more people now are saying, I'm going to stay in my home and there's certainly a lot of reasons for that.

The other thing that as we talked about this aging demographic is that we now know that (some of the nursing) homes now have someone over the age of (inaudible). So again, we're staying in our homes, living longer, and that's now going to start a lot more conversations about how do we make that work for us. What do we sure – to make sure that that home is livable?

As I mentioned also, multi-generation now in the same household under the same roof. And it's about one in six. And this is before the COVID pandemic because since then, what we've seen is about 22 percent of people have changed their residency and moved back in with parents.

And this is happening, I think, primarily for our Gen Z, our youngest demographic out there, our high schoolers and early college years, and our millennials who maybe have had job loss or college dorms are closing and sending everyone home or just the financial strain.

So, we're seeing families come back together and when (inaudible) back it's unprecedented because this multi-generational increase we're seeing a percentage that it's higher now than what we saw in the pre World War II era when we're probably seeing that there were a lot more families living together in that era. Well now, we're surpassing that.

And even some of the larger home builders like Toll Brothers and (Inaudible) come to mind, they're actually now building communities that are made for multi-generations. So, the homes have a little single apartment, and that can be either for a mom or dad as they age or maybe it's for, again, a child who's gone out into the world and maybe lost a job or is trying to save money for their own. So, there's a lot of these trends that are happening.

And then certainly, I think there's been a huge focus on long-term care community whether it's senior living, assisted living, and certainly nursing home. I think all of the tragic stories that we've heard about that have come about because of the death in our senior population in nursing homes because of COVID has really given everyone a pause.

And right now in the country, there's about 2 million or so people who live in a nursing home setting. But there's about 12 million people who are still living at home. And that's been on the rise and on the trend – the trend increase, if you will, since before COVID.

More and more people do want to stay in their home and they want to have whatever health needs they have. They want it delivered in the home. And so now, with the advent of COVID and the conversations around – well, are

nursing home safe. Or I don't want to be barred from seeing my loved one. I want that access and the only way to ensure I get it is if my loved one is at home or with me or whatever it is.

And so I think what we're going to do is we're going to see that home care and that staying in our homes is going to increase. And some surveys are just saying it's anywhere between 20 and 50 percent above that 12 million, again, as we start to age. We're not looking necessarily to move into some of these living communities even though they have been on the growth trend.

So, the other thing, of course, that we know is happening in the realm of safety and security. And I think what's really happening is that our financial security and our financial resiliency is now very closely tied with our health security. It's almost like we can't untwine them.

And so, there have been a couple of surveys that have been done. This particular one I think came from Genworth Financial group. But what we're seeing is that about 7 and 10 people are saying, I'm not really starting to think a lot more intensely about long-term care both for myself but also if I have older loved ones; parents or in-laws or other family members. And it's all because, again, we have these unforeseen health vulnerabilities and we don't want to be taken down financially when something happens and there's either a crisis event or just living longer issues and the costs associated with that.

So, we're seeing people say, yes, I really want more guidance. I want to plan better financially. I want to understand the long-term care costs.

Now, one of the things I've heard over and over is many of us, and particularly people who are younger who are in the 30's and 40's, it's really very far in the future for them to be thinking about long-term care. But what does it cost? And what do we expect in terms of those costs escalating? And I'm going to touch on some of those costs in a minute. And then just being prepared.

And the other thing that's happened, because I follow a lot of the 50 plus demographic, is that we know that there's been an increase of unemployment again with a lot of the loss that we've seen through the COVID pandemic that that unemployment rate among 55 plus is almost tripled since March.



Now, it's still somewhat low. It's 9.7, certainly not a number we want to see, but there's only 3.3 before COVID hit, and this of course putting a real financial impact on that demographic because you have less years now to make that for the loss in Social Security benefits that you've been accumulating, Medicare benefits, and all these other things. And so, it's really a pause for people who are in that older demographic on what are we going to do and how do we look forward coming out of this pandemic.

And so then, we turn to family. And so much of our family life is also our work life balance. And we're seeing a lot of really (inaudible). Obviously, the whole work-from-home (trend) has been on the rise.

And I think as we start to return to more traditional office-type setting or get back to work, if you will, I think we're going to start to see a blend. And this is probably primarily in what we would consider more of the white collar jobs, the office settings, where there's going to be flexibility.

Maybe, we're going to have staggered office where you come in only a couple of days a week. Maybe, there's more flexibility. I can tell you one thing that is a little bit of a silver lining in COVID is that, particularly for family caregivers who are working, that flexibility of being able to work from home and show that you're still productive, because I think that's what we've seen out of all of these. That was the myth is that we can't be productive if we're working from home.

I think we kind of busted that myth. And I think that that will be actually a nice benefit for family caregivers to look forward to from their employers.

And then of course, there's the home schooling. I know this has been really, really taxing particularly on the sandwich generation. So, you're trying to do your work from home. You're trying to figure out how to home school your kids and get a classroom set up. We've got about 50 million children who are in K through 12. So, that's a huge impact on our society overall.

And then, what we're seeing is – as I said, we're kind of seeing this refocus on family time. Before, it was maybe everybody didn't even eat dinner together. Well now, we're eating all our meals together. We're spending a lot of time.

And it's really interesting to watch these trends because we're seeing reports from like Hulu and Netflix that are showing that co-viewing – what we call co-viewing, which is where multiple people get together to stream a movie or to watch different content or whatever it happens to be – is really on the increase. In fact, it's increased about 54 percent since March.

So, these are all actually good trends. But again, it's a refocus on the family and the family needs and the family security.

The other thing that have of course though has also been a side effect I think of now having been into – what are we in the seven or almost eight months here of sheltering in place and working from home and social distancing – is the negative impact to mental health.

And in fact, the Kaiser Family Foundation found that about 45 percent of American adults are reporting that they are negatively affected when it comes to their mental health. And we do also know that drug overdoses and suicides are on the upswing along with things like domestic abuse and child abuse.

So, there are going to be some repercussions I think that we have to really be thoughtful about that we may be dealing with for many, many months after we are successful coming to this pandemic.

One of the things that I think is really interesting in terms of this whole mental health discussion is this – when we have the 9/11 attacks, which by the way, of course, many of us know which is a couple of weeks ago we had our 19th anniversary of 9/11.

But what we saw in the country was a – what we call the pulling together effect. And that is where Americans came together to support each other and to really get through it and show a collective resiliency.

We're not necessarily seeing that. And there's a lot of – there's a lot of reasons for that. I think that goes back to some of the civil unrest that we're seeing and the polarizing presidential election. But we're not seeing that pulling together effect. And we know that that will also then have impact on this mental health issue that we're seeing.

The other thing I think is really interesting to note is that – and this is actually not necessarily related to COVID. It's actually been studied in science for a long time. But there is a U-shape in terms of our life course as adults and how we feel stressed and how we feel anxiety and how we feel depression and how we feel a negative impact, if you will, to our emotional health.

And so, when we're in our early 20's and life is bright and you've got your whole future ahead of you, that's a time where we see real hopefulness, real optimism. And you're probably at the high end, if you will, of your emotional health.

But as we start to take on a lot more responsibilities; now we have mortgage, now we have a more responsible job, we're starting our families, we're concerned about them, we start to see a dip. And the people who are actually at the bottom of that kind of mental health, if you will, curve, are people who are typically in late 30's, definitely 40's, and early 50's.

And then, after about 55 plus, we see an upswing. We start to see people go back up and climb up. And that's where we get the U effect. And what I think it's really interesting is that the COVID surveys that have been done on mental health are showing exactly that. So, it's staying consistent.

We are seeing the older demographic, the people who are, for instance, over the age of 65, they are showing less negative impact from the pandemic and the other issues that we're facing as a society. They have more optimism.

And I think that's something really important as you're dealing with your clients to really realize at what point are they on that U shape and be, again, be empathetic and show emotional intelligence in terms of how they might be coping and now they might be feeling.

So, what do you need to do next? Well, this is a great question we always love to answer.

Obviously, we've been hammering home this message of needing to really take a holistic view of your client's life. And while we know that you're managing their portfolios and financial products and services that are important that they should be considering, it's really more than that.

That almost becomes a byproduct of the bigger relationship that you should be building with your clients, which is more about really becoming a guide on life choices, and it's keeping them on track, right?

There's a lot of things that can derail us. And we know that. We want that help. We're looking for guidance. And I think that this is such an important time for advisers.

This is when we want to hear from advisers. This is where we want to feel secure. We want to have that trust because we don't have a lot of trust to some of our other institutions and other things that are happening.

And so, we focus a lot around this understanding a bit of psychology and behavior. And we talked in other webinars. But I think that word trust is one of the most important words that we can infuse into these relationship that we have because that is a missing ingredient for a lot of people in their lives. And so, it becomes a really essential element, if you will, to building on your client relationships.

Now, I want to go back a little bit because one of the things that we said we would focus on in this webinar is really – how and where we're going to live as we age and what that looks like. And again, I think since COVID-19 this has changed even more. The conversations, they're shifting a little bit and the plans are shifting.

But what we thought would be interesting is to share with you a couple of thoughts around living in our homes longer, making sure that our homes are working for us. And there's something that we talked about in gerontology

when it comes to our homes and our dwellings and that is that the majority of homes out there are what we call Peter Pan homes – Peter Pan housing.

And what that means is that our homes were built for people who will never grow old. And this is not going to hold, right? We just show that 7 out of 10 homes have at least one 80-year-old in it. So, there are a lot of things that we should be thinking about.

And as you look at this slide – and I'm not going to go through this in depth; you can access this later and also it's in our backgrounder that we wrote for you with a lot of detail – but there are a lot of things within that home that we need to look at and say, is this really working for me. Are the stairs really going to be safe? Are the doorways wheelchair accessible?

And even smaller things, things like no step entry into showers or walk-in tubs or sliding shelves or something simple like not having a knob that you have to twist, which becomes a lot tougher as you age, maybe you have arthritis, but it's a lever handle.

And so, these are all small, little things that we can be doing to adapt our homes to make them work for us as we age and also be thinking about, again, as we said, if we made a decision that we don't want a loved one to have to go into a nursing home or have to go into an assisted living, does the home work for them that we want to keep them in.

And all of these things are going to have to be addressed and looked at. And the good news is there's this whole growing sector, if you will, of jobs out there. And there's a lot of people who have been in construction and who have worked in home design and other things that are – they're now going through a certification to become what we call a CAPS expert, which is a Certified Aging-in-Place Specialist. There's also a similar certification called the Senior Home Safety Specialist.

But what the specialists do is they look at the home and they start to make a plan for you. And so, what we found, there was study done out of the Notre Dame School of Architecture, and they said, starting at age 50, you really should have these kind of 10-year incremental plans on all of these updates

and improvements that you're going to make to your home to make sure it works for you as you age.

And so, there's a lot of statistics. We know that 50 percent of 75-year-olds right now are modifying their homes for aging. Fifty percent, that's huge.

We also know that a lot of 55-year-olds who have either helped older parents to make some of these adaptations in their parents or in-laws' homes. They're coming back home and looking and saying, maybe we should do a few of those things here.

And I think, again, COVID has (inaudible) shelter in place. I know we're all looking at our walls and looking at our kitchens and saying, hmm, might be time for that kitchen remodel. I mean, if we have to really be here all the time, we want to make it the best place that it can be.

So, there's a lot of conversation going on, I think, around this. And I think it's really important for advisers to understand this and to know that this could now be built into some of the desires and wishes and should be part of the plan for living longer and being able to have that conversation and guide them on – there's some experts out there that could help you with this. I think that makes you a really valued guide for people.

But the other thing is, we talked about maybe more people are going to stay at home. But we know that there's a lot of people who actually will choose either a senior living community or it becomes a necessity.

One of the downsides, I think, of aging particularly as we see the increase in Alzheimer's cases is there comes a point in the Alzheimer's disease progression where it almost becomes impossible to keep a loved one at home. They have to be overseen 24/7 by professionals who are trained in dementia care and that's becomes a very agonizing decision for families, but it's one that's really best for the loved one with Alzheimer's.

And so, in those instances, we're going to start to see, obviously, there's decisions that have to be made. But there's a lot of things happening out there. I bet you think right now that there's only three options; stay at home, go into

assisted living or if you're really, really sick and you really need a lot of more hands-on medical care, you're going into a nursing home.

Well, the reality is there are a multitude of choices out there. I mean, if you want to stay in your home but you need help, there's something happening called the village-to-village network for instance where we see pockets of communities where there's older home owners and they're gathering together and they're saying, let's form an association called The Village and it's the village movement.

And they get a concierge. And they have an annual fee. And then, that concierge not only sets up things like handyman and plumbing and maybe gardening help or whatever your needs are, but also some social activities.

And these are in – these are in just regular city, residential streets. This is in an association-type communities that's built for that. They're just forming organically.

The other thing is I mentioned ago are multi-generational homes. But we're also seeing what we call granny pods. A lot of people are putting these almost pop-up little solo apartments either in the backyard if they've got space or they're cleaning out the garage and converting the garage to that mom or dad or having a child come back from college can live there and feel a little bit more freedom and independent.

And then, when we get into the assisted living and some of the, what we would call long-term care settings, I mean, you'd probably be surprised to know that, for instance, there's a community called Latitude Margaritaville.

For anybody out there listening who's a Jimmy Buffet fan, this is all based around the Jimmy Buffet lifestyle. And in fact, he's one of the original partners in this. But it's an entire community that has hamburger houses and some other places. There's a Tiki huts and they have dances and it's an active senior community but built around that lifestyle.

We're going to see more and more of that because people are really embracing that. They want to stay social. They want to stay engaged. And they also want to have fun.

I think part of aging is not decline and disease and disability. It's really about – how do I keep my passion, my purpose, and my interest in life, and my engagement in life going.

And then, we also see things like the Green House Project, which is really great. It's all built around, obviously, environmental and technology. They have different cultures in most assisted living. There's a lot more if you would call it dignity for older people.

I mentioned dementia care, which is all about memory care and Alzheimer's and those are certainly growing because we have more and more numbers of people who are going to be affected by Alzheimer's while we still look for a cure and treatments for that.

And then, there's things like the Four Seasons and the Ritz Carlton on the very high end. They're starting to get into senior living community. And then ultimately, we still do have our nursing homes and our hospices and palliative care, which are really important and part of the more of the end-of-life discussions that we are starting to have with our family.

And so, I mentioned I would share with you a little bit about the cost. I think this is so important because one of the things that we've heard and we're seeing it now of resonating in so many of the different studies and surveys that are coming out on long-term care costs is – what does it really cost? I mean, we keep talking about costs around (inaudible).

So, this is a little quick snapshot. And this is based on 2018 data. But it gives you a sense of where we're at today, what the monthly or annual costs might be for something like home care or if you're living in an assisted living and you want a private room versus a semi private room.

But you start to see how expensive it is. And one of the things that I think really shocks most people particularly people who are younger, who haven't



really had the need to pay too much attention to this, is Medicare does not cover long-term care.

This is not going to be something that will be handled. It's all going to come out of whatever you're saving now. It's going to come out of your personal savings, that retirement savings that you've been building. It's going to come out of any pensions that you have.

So, if you had a 401 (k) at work and you rolled that over now into an IRA or whatever, it's going to come out of that, a little bit maybe also of Social Security, although there's a lot of conversations right now about Social Security.

And then, long-term care insurance, which, of course, only about 11 percent of people over the age of 65 have long-term care insurance. So, that – it's not, first of all, always a panacea and also many, many, many people don't have it.

And then, other financial resources, this is going to either be family health. So, this is where we see a lot of family caregivers digging into their own pocket to help cover the cost for mom or dad or the in-laws. Or maybe if you retired, you're looking to do some what we call the gig economy, have a little project on the side or things that you do on the side or maybe even have an encore career.

So, I know that those are things that we're all thinking about. And certainly, dementia care is the most expensive. It's typically about 10 to 25 percent higher than some of the costs that you're seeing on the screen. But it's just really good to educate yourself around what this means.

And the reality is this, we know that for the most part, we know that the boomers haven't really saved enough. About 45 percent of boomers have not personal savings. That's not good. But we also know that if you look at this and if you think about the fact that on average, 20 percent of people over the age of 65 are going to need some kind of long-term care for about five years. That's a total (nut) of about \$500,000 on the high end. That's \$500,000. That's a lot of money. That's a lot of savings that has to be done. And so again, it's just really, really important to educate ourselves about these costs.

So, I know that we're looking at some of the slides. I'm hoping that you can see the slide that I'm on now where we're talking about Medicare and Medicaid. And again, as I said, long-term care, so nursing home, for the most part, there's a slight bit of nursing home cost that can be covered by Medicare, but there's a lot of really details around that. You have to have come out of a hospital and be referred into the nursing home. They only cover about the first 180 days and then it's all on you.

So, understanding Medicare and Medicaid are really also important elements for financial advisers. Hospitalizations are covered under Medicare A. Medicare B is more the physician visits. Now, that Medicare will cover 80 percent of those costs. So, 20 percent is still going to be out-of-pocket for the individual. And Medicare, by the way, you have to be 65 to be eligible to tap into those benefits.

But if you go for something called Medicare C, which are Medicare Advantage Plans, and these are the supplemental plans where independent health insurers. So, for instance, if you're an ARP member, you would have one of these Medicare Advantage, Medicare supplement plans that's actually administered by United Health Care. They take over your Medicare benefits but they also put other benefits into it like maybe vision care or dental care or other things. And then, they manage that and you would work directly with them.

So, it's really – it's important for us to advise our clients to know what their parents or in-laws have or what they have – know what they have and where there's going to be gaps that have to be filled in.

And then just really quickly, Medicare Part D is your prescription drug plan which is separate. So, the prescription for medications are not covered under original Medicare unless you have one of these Medicare Part D plan.

And then Medicaid, of course, is different. It is a federal program but it's also administered by the individual state. So, it's going to vary state by state. You're going to have a difference in what's covered and what's not. But it usually covers people with low income and that includes children, people with

disabilities. And again, it does cover some long-term care costs but it's going to vary state by state.

So just a little quick 101 on Medicaid and Medicare important to know these things and to really understand where those gaps are going to be.

So, the other thing that I think is really important for us as we start to think about where we're going to live and how we're going to live is really staying on top of all of the technology innovation that's going on out there and there's a lot.

And I'm talking about technology innovation that is really focused on aging. So, we call that sector, if you will, the age tech or the gerontechnology sector.

And so, one of the things that we've seen with COVID is this huge increase in telehealth and telemedicine, which is fantastic. I mean, it certainly has saved a lot of having to worry about going to a doctor visit. In fact, it almost becomes a better solution.

It's accelerated the adoption of telehealth and the reimbursements now from Medicare to have these types of visits, which are really a lot healthier for our senior population and also take a little bit of the burden off of our family caregivers because if you're working, you were having to take time off to maybe take mom or dad or an in-law or whomever to a doctor appointment. Now, that can be all done virtually. That's saving a whole lot of time.

The unfortunate, though, conversation that we're having is that, with the rise of telehealth, there's now also this huge disparity for those people who do not have access to broadband or internet, don't have a computer or aren't savvy to use it. And so, we're going to have to really make sure that we not only bridge those gaps but also I think that we make sure that our senior populations are not tech resistant. They just aren't digital native.

So, if they get a little training, what we've seen in many, many research studies that I've been involved in is that people are really open – older people are really open to adopting and adapting to using tech products. They just need more training.

And so, in the past, when you thought maybe getting an iPad for mom or dad was kind of a nice gift that you're thinking about, now, it almost becomes a necessity. We're making sure that their computer is up to date and they've got good internet access.

The other thing too is remote monitoring. This is the safety side of things. So, sensors in the home, they can help alert us. This is becoming important, GPS tracking particularly for dementia caregivers.

If you have a loved one with early stage and they want to stay independent in their home, that can be done with GPS tracking because once they break the geo perimeter that you've set up together, because it's a partnership, then you get an alert and you know you can find them quickly, which has always been a huge issue in our Alzheimer's population.

And then, (lace) first robotics, wearables, hearables. Wearable is interesting, right? I don't know if you've seen any of the commercials for KardiaMobile. But this is where we're headed. Technology and health are colliding at a really fast rate.

And so, KardiaMobile is really interesting. And that's for people who have AFib. So, you put a sensor on your smartphone. And you sync it up with your doctor, usually your cardiologist. And you can also invite in, for instance, your adult son or daughter, whomever.

And then if you feel like maybe you're not – your heart's not beating right, what you do is you put your fingers on the sensor on the phone and it gives you an instant medical-grade EKG. I mean, that's amazing. And there's other things like this for diabetes and other issues. But these whole wearable arena is exploding, the same thing with hearables.

Now, hearing aids usually cost \$5,000 for a set. You'd get them through an audiologist and a lot of people still do. But you can also now walk into Walmart and you can get a quick address where your hearing troubles are. And you can get a set of hearing aids for \$800.

So, things are really changing fast and being able, again, to help understand how it's changing and where to guide family is really great. And of course, many of you are probably more familiar with all the fintech products that are out there which are really rapidly expanding. But this is becoming a huge piece of the financial services and for advisers needing to be on top of all of these different fintech things that are happening, insurance and things like payments.

And I will just tell you this. There's – the big five in tech, which we call FAMGA, which is Facebook, Apple, Microsoft, Google, and Amazon, OK, so that's the FAMGA group, they are rapidly and aggressively expanding into health. And I'll just give you a quick little instance.

Amazon, for instance, we all know that Amazon and Berkshire Hathaway and JPMorgan formed Haven, which is now being run by the really noted Dr. Atul Gawande, who wrote the book, *Being Mortal*, which is a fantastic book by the way on end of life. But anyway, they formed that and they're looking to kind of really disrupt how healthcare is delivered.

The other thing that they're doing is they're piloting right now Amazon Care, which is piloting in Washington State. It's all based around telehealth. So, you do a telehealth visit. And then, if you need a prescription, then they put you – they connect you immediately with PillPack, which they bought a couple of years ago. You get your prescriptions then delivered on a daily basis or whatever is needed. And if you need to shop for wellness or other – maybe it's medical devices or other things based on the telehealth visit, again, they connect you right into the Amazon store, pretty smart.

But this is where all of this big tech is going and it's really important to understand how that impacts the clients that we're advising and all those things.

And then, we've done a whole webinar on caregiving. So, I'm not going to spend a whole lot of time focusing on this because you can go back to that, which is giving you a lot of really great in-depth information.

But we do know that this whole link lies in social support portfolio, which is what we call it, is really, really important. And it's important to understand, I think, if there's anything that you get out of this, remember this, and that is that 6 in 10 caregivers, family caregivers want financial advice.

It's one of the biggest things that we're seeing in the employer sector. They're starting to realize that their employees, in general, want more financial guidance and help and assistance but particularly the family caregivers. I mean, it's at the top of their list. Help me understand the cost. Help me understand the choices I should be making both for myself and my older loved ones.

And then, what's really interesting is that the World Economic Forum came out with a report. And what they showed is that over the next 10 to 20 years, 38 percent of global GDP is going to be based on what they're calling the care economy.

Now, this is a blend of traditional caregiving services but it's also personal trainers, it's wellness, it's physical therapy, it's all the adult daycare, also childcares with across the life spectrum. What are the care needs of society? And where are the jobs? And where are the revenue streams? And that is all exploding and growing. And backup care and caregiving is becoming so important. So, caregiving really is in the spotlight right now particularly I think since COVID.

And then (retro tech), I find this really amazing, all of the trends that we're seeing in terms of entertainment. The theaters, unfortunately, are really suffering right now. I think AMC – I think I'm correct in this – that they have announced bankruptcy.

But the theater change is suffering. Hollywood studios are suffering. But what's really interesting is that home streaming and pop-up drive-in theaters, which I find a little funny because I'm of a certain age where drive-in theaters were on the wane when I was in high school. They were starting to be closed everywhere. Now, all of a sudden, it's coming back into vogue. But there's been a lot of purchasing around, again, this cocooning and having your own home

theaters in the backyard or wherever it is, lots of streaming of course with all the services out there.

Shopping is changing. Unfortunately, our malls, the prediction is that malls will go dark. We have 1000 malls in the U.S. and about a third of them are probably going to close by next year. So, there's a lot of conversations around that.

But online ecommerce is certainly growing. And what we're seeing is a lot of different sites are now starting to curate those products for both childcare and elder care. And this is really is fascinating. This is sandwich generation classic stuff.

We're seeing now that they understand that people need both, OK? You might have kids are taking care of. You might have older parents or in-laws you're helping. And we're going to make it easy for you. We're going to have it all in one place. We're going to help use our machine learning and our AI to help guide you on those purchases, so really interesting stuff.

And then, dining, of course, we know, again, we're going back to not dining out but dining in. And it's fixing up our patios and going back to kind of those dinner party kind of era.

And then, tech and touch, this is really important. We talked about the fact that you've got at least four generations that you're really advising now. And you're going to have to really adapt a blend of communication styles because there's going to be different needs and different desires.

You're going to have maybe some younger generations. They want to go all digital. They want push notifications and texts or e-newsletters or whatever it is they want. They want educational webinars, the Next Frontier podcast, hopefully, everybody's listening to. But all of these new digital tools are really, really important.

But you still got a need to have the in-touch experience, the in-person events way that we'll get back to and to really understand – how do I personalize this for my client? What are their needs? Let's just not assume that they're all

going to be adapting and adopting some of this tech. What are some of the more high touch types of services that I need to think about and I need to deliver?

So, it really is going to put more emphasis on that blend of how you deliver that. But again, everything personalized and curated for your client. It's not a one size fits all. And I think that's a really, really important note for everybody to really think about the tools now that we use are so important.

And so, hopefully, what we've given you in these webinars – and this is now the third in our series – is that certainly your original function of financial planning and retirement planning is still a basis of a lot of this. But it's more than that. It's about social support portfolios. It's about that caregiving and those linked lives. And it's about happiness. It's about purpose in life and passion.

And how do we continue to climb that Maslow's pyramid and find that flow and have that generativity that we talked about in the last webinar, which is part of giving back as we get older, being able to share the wisdom that we've accumulated over the years.

So, I think, hopefully, it's all starting to gel and come together. And we're giving you some good thinking in terms of the conversations to start having with clients if you already have it and what to really understand and note is going on in their life so that you can be the best adviser that you can be.

So, with that, I'm going to turn it back to Bill and we're going to take questions from you, our audience. Thanks so much for listening.

Bill Coppel: OK. Great. Thank you, Sherry. Toni, do we have any questions? While we wait for those questions to queue up, Sherry, that was a lot of material.

Sherry Snelling: It's a lot of information, I know. There's so much going on. But I think what it's showing us is that things are ever changing. And as much as we know about living longer and what our desires are, I think that certainly particularly with COVID, we're starting to kind of refocus on some of those fundamental things in life like family and our homes and all those things that it's important,



I think, for advisers to just understand – how does that change over the life course?

Bill Coppel: That's right. I agree. And I also think that what we're going to probably find as we eventually move out of COVID into sort of what the new normal is going to feel like is that many of the habits we developed during the COVID crisis particularly as it relates to leveraging many of the technologies you talked about today are likely to continue.

I know for myself, we have not had to go to the grocery store much at all simply because everything can be delivered. And we're finding that are – the kinds of services we rely on are adapting quickly to this new environment. And my suspicion is that unless you find going to the grocery store some form of entertainment that may change the dynamic permanently.

Sherry Snelling: Yes, I think you're right, Bill. And I think, again, I think we're going to see a blend coming out of this. I think that we've seen that technology can be really efficient and convenient for a lot of us.

But on the other hand, we also know that we're all suffering right now, at least mental health wise, from having to be distanced from each other. And I think that human touch and connection is critical.

So, making sure that we've got that – both sides of that with, I think, what our client needs are is going to be really critical.

Bill Coppel: I agree 100 percent. So, Toni, do we have any questions yet?

Toni Ashby: Yes. We do have another question. They said you mentioned in your presentation that a key ingredient to a successful adviser-client relationship is the foundation of trust. What are the best ways for advisers to ensure their clients feel that we are the trusted resource in their life?

Sherry Snelling: Bill, I'm going to let you take that one. I think you're the guru on that one.

Bill Coppel: Well, what I would say is that the basis for trust is no different than the trust that you develop with people that are close to you. I think it's important to

recognize that particularly now the ability for us to build trust starts with our ability to be vulnerable, to communicate, to listen, to develop our empathy muscle, and to take time to understand the perspective of whoever that is you're trying to build that bridge with.

So, I think that financial advisers in many cases have begun to create these trusting relationships. And I've never been in a situation or a time like the present where this kind of trusting relationship is extraordinarily valued.

And I think people are much more open to sharing with you those things that are very important. And the trick is – are you willing to listen? Have you really worked on that?

So, I'll give you a plug for an upcoming webinar that will be our webcast. It will be out in the fall which is with Julian Treasure around listening. And I would encourage all of you to listen in on that.

But it starts with listening and continuing the focus on building that empathy muscle that in a lot of cases technology has atrophied. So, that's where I'd start, Sherry.

**Sherry Snelling:** Yes, I think that's great. And I think if there's anything that I'm hearing over and over from just about everybody I'm coming into contact with, it is that trust now is becoming the number one quality or value that we're looking for in just about every aspect of life.

**Bill Coppel:** I agree with that. And as I mentioned at the beginning of the webcast, one of the challenges that we're facing, and I think this is a real opportunity for advisers, is that there are so much information and so much misinformation that it's easy to get trapped in sort of a world where you're unable to discern what's real from what's not real.

Having someone to bounce ideas off of and to share thinking is invaluable at this time. And again, we live in a 24/7 media-driven world today. So, to your point – and particularly with older clients, understanding what's important for them to focus on and help them sort through sort of the fact from the fiction is

another factor that will lead to increasing that trust bridge between you and your client.

Toni Ashby: OK. Well, thank you. We have like two minutes and I have one more question here. It says – an adviser wrote in saying, COVID has made us broaden our thinking about our social support portfolio. What can advisers do to capitalize on this momentum and getting clients to look at like long-term care for both older family members and themselves as part of their overall financial picture?

Sherry Snelling: Yes. And I'll just quickly make a comment on that. I think we talked a lot about that during the webinar and that is that if there's one thing that COVID has done is it's made us really look at our families and our children families even. And who do we have in that social support portfolio? Who might be caring for us? Or who are we going to be caring for?

I think it becomes really important to kind of broaden the discussion beyond just your primary clients and find out what are they thinking about, what do you need to help them build financial resiliency for in the future?

Bill, I'm sure you have some stuff to add to that.

Bill Coppel: Well, I think you captured it exactly right. These are what we've been talking about and I would encourage folks to listen to other webcasts that we've done with Sherry to really get a sense of the breadth and depth of the opportunity that's out there to handle it. So, I think you've nailed it.

Toni Ashby: Well, with that, I will tell everyone that we certainly appreciate you joining us today. And we will follow up with e-mails that include the links to the recording and supporting material. And that should help you put this information into action. So, thank you very much.

Operator: Thank you again for joining us today. This concludes today's conference. You can now disconnect.

END

#### Disclosures

This material was written and presented by Sherri Snelling, MAG, Founder and CEO Caregiving Club. It has been prepared and distributed solely for information purposes. The views expressed by Sherri Snelling are her own and do not necessarily reflect the opinion of First Clearing or its affiliates.

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