



It's Summer...

Are You Ready?

By Roger Ward

Of course you're ready to enjoy the lazy summer days, the cookouts, playing with the kids or the grandkids at the beach or the lake. Heading to Disney. Going to see the Grand Canyon or the Queen. Summer is the time to being out and about and having fun. But are you ready for something to go wrong?

Summer is the time to make sure that from a financial planner's perspective you have your emergency plans in place. It's also hurricane and late afternoon thunderstorm season. There are many people who wish that twelve months ago they had appropriately addressed these issues.

We propose you think about how well prepared you are in three areas:

Disaster Preparedness

The key thing about disaster preparedness is access to records and documents. There are certain records and documents that if you have access to them in times of emergency will make your life much easier.

Here are some of the documents to which you may need access:

- Checkbooks - at a minimum, keep a few blank checks in your emergency papers.
- List of investment account numbers, passwords, and phone numbers
- Insurance policies

- Social Security card
- Passports
- Medical records – including prescription information.
- List of retirement account information and the contact information at your employer or financial advisor who knows about these plans.
- Estate documents – will, health care powers of attorney, financial powers of attorney, and living will. (Note: if you don't have these documents, see about getting them now.)
- Cash to cover one to two weeks' emergency expenses
- Home inventory record - preferably this is a detailed list with copies of the receipts for the higher priced items. For a quick and easy way to address this item, take a digital camera or video camera and walk through your house (including the garage, attic, and basement) and take a digital inventory of what you have.

You will also want to have a list of key contacts, which may include the following:

- Family cell-phone numbers and e-mail addresses
- Police, fire, and ambulance phone numbers
- [Red Cross](http://www.redcross.org/where/chapts.asp) local phone number – see <http://www.redcross.org/where/chapts.asp>
- Local emergency response center phone number
- Your company's human resources department phone number

Keep these important papers in a plastic bag in your home safe or safe deposit box so that you can grab them quickly if you need to leave your home in a hurry.

These recommendations are related to the paper in your life. To be fully disaster prepared, it's also smart to prepare in the non financial areas of your life. One of the best free comprehensive sources of disaster preparedness is FEMA's *Are You Ready?* guide. You can find it at www.fema.gov/areyouready/.

Health Insurance While Traveling

Although some health insurance companies may pay "customary and reasonable" hospital costs abroad, very few will pay for medical evacuation back to the United States. Medical evacuation can easily cost \$10,000 or more, depending on your location and medical condition. Even if your regular insurance policy covers emergencies abroad, you may want to consider purchasing supplemental insurance to cover medical evacuation. It's also important too know that Medicare does not cover expenses incurred outside the United States.

The U.S. State Department's web site includes a link (http://travel.state.gov/travel/tips/health/health_1185.html) to firms which can provide medical evacuation and links to providers of health insurance designed for overseas travelers. A traveler going abroad with any pre-existing medical problems should carry a letter from the attending physician, describing the medical condition and any prescription medications, including the generic name of prescribed drugs. Any medications being carried overseas should be left in their original containers and be clearly labeled. Travelers should check with the foreign embassy of the country they are visiting to make sure any required medications are not considered to be illegal narcotics.

Organizing State of Affairs Information for Those Left Behind

Before going out of town or particularly before going overseas for an extended period of time, prepare a "State of Affairs" list to leave with a trusted person at home. This state of affairs list should include an inventory of everything you own and where it is located. The list should also include the name of the attorney or trusted advisor who has a copy of your will and who to call to collect on life insurance policies. These precautions will probably never be needed. But, if something were to happen it will make life much easier for those left behind.

If you are going to be gone for an extended period of time, it may also be wise to leave a financial power of attorney with this trusted person. This document would allow that person to make financial decisions on your behalf. For example when Roger and his wife were traveling in Asia for an extended period of time, they left Roger's parent's a power of attorney which allowed them to pay any recurring bills and move money between bank accounts.

Next Action Steps

At a minimum, this summer, go through the emergency record list above and collect those documents. You can make more detailed plans later. But at least you'll be able to go through the summer with a base level of readiness.

By the way, if you really don't have anything to worry about, how about the bird flu? Check out the government's website on the bird flu at www.pandemicflu.gov.

A final note on the markets. We have seen a tremendous amount of volatility in various sectors of the markets this year. If your wondering what to think about these change or how to react with your portfolios, check out [TUFA views](#)

(www.tufaviews.com) in July when we will discuss the mid year market landscape.