



**MS Learn Online
Feature Presentation**

**Financial Planning
Featuring: Silvia Stazio, CFP**

Marsha Baumann: MS has impacted our financial future.

Tracey Barnes: We do a lot more savings. We do a lot more -- we've always looked toward the future, but probably not as seriously as we do now. When you get a disease like MS or any other disease that is very expensive, that requires a tremendous amount of meds; that even though you only have to pay deductibles or co-pays, it's very expensive, it requires a different way of thinking about money, and it requires a different way of thinking about savings.

Martin Boone: You've got to make sure you've got some kind of plan to cover those kind of medications and hospital visits and the rest. So, you just put a little money aside and you think forward.

Mike O'Brien: We have a financial advisor and we've gone back and done some estate planning and trust planning, and different things like that.

>>Tracey Kimball: Hello, I'm Tracey Kimball and welcome to MS Learn Online. It's never too early to begin planning financially for the future. This is especially true if you are living with MS. Evaluating your income, assets, debts, benefits and other resources is essential for being well prepared for your future. Joining us to discuss financial planning for people with MS is Silvia Stazio. Silvia is a certified financial planner and serves as chair of the Financial Education Partners Program for the Washington DC Chapter of the Society of Financial Professionals. They work with

the National MS Society to provide pro bono counseling to chapters of the National MS Society. Thank you for joining us on MS Learn Online.

>>**Silvia Stazio:** Thank you for having me.

>>**Tracey Kimball:** Silvia, what does it mean to be financially healthy?

>>**Silvia Stazio:** At its most basic level financial health can be summed up as having sufficient resources to meet our living expenses throughout our entire life. Now, that can mean different things to different people, depending on the stage of life that they're in. For those that are just beginning their careers they may be thinking about saving for a down payment for a new home. They may be thinking about putting away funds for college expenses for their children. As we age and get later in life, we're thinking more about retirement and needing to have accumulated sufficient assets to last for our retirement years. So we need to determine always where we are today but keeping an eye out for the future as we determine what our objectives are, for our entire lifetime to determine what it is that we need to be doing today to help us in the future.

>>**Tracey Kimball:** What are some practical approaches people can use to get their finances in order?

>>**Silvia Stazio:** That's a great question. And the thing that I believe is most important for people is really to take an inventory of their finances, and that's all aspects of it, meaning they literally list their assets and put information about their account numbers, and really combine all the information regarding their resources, their income, all their various accounts, and do a beneficiary audit of all their beneficiary property, such as their retirement plans or their life insurance, who have they designed as a primary beneficiary, who they have designated as a contingent beneficiary. Simply taking an inventory of all their financial assets is really going to give them a great start.

>>**Tracey Kimball:** So if options are available from an employee based health care plan, what's a good approach in making that decision?

>>**Silvia Stazio:** You really should sit down and talk with someone at your employer to determine the scope of the plans that are offered to you. It may not be a bad idea to look at your expenses for the past year and see how much you would have actually had to pay in each of the various plans that are offered. If you're married, your spouse may have other opportunities, have other plans that are available to them. So,

you might want to really list out all the expenses that you had to pay out-of-pocket in your current health plan and determine whether or not another option is actually going to be more beneficial for you and your family.

>>**Tracey Kimball:** What other kinds of employer-based benefits should people be aware of?

>>**Silvia Stazio:** Employers can provide a wide variety of benefits to their employees, such as health insurance. That is clearly one of the most important for many people. Also, they may have pension plans that are available, retirement plans of various types. There also may be some ancillary benefits -- short-term, long-term disability, as well as potentially even long-term care benefits, and maybe some education assistance, or different, various types of ancillary benefits that may be available. You really need to sit down with your human resources professional to just explore all the options that are available for you.

>>**Tracey Kimball:** Would you please talk to us about estate planning, trusts and other legal plans that are important to have in place.

>>**Silvia Stazio:** Some of the estate planning documents that people may find of benefit to them is having current wills in place, as well as durable powers of attorney for healthcare and financial matters. It may be necessary for some people to explore the use of trusts in their situation. Trusts can be of service in determining how to manage property should they become incapacitated, and they can also be used to distribute property should someone pass away.

>>**Tracey Kimball:** Why is it important to begin planning early in one's life?

>>**Silvia Stazio:** The importance of beginning a financial plan early in life is critical. Only when you have sufficient time can you make some changes to your plan, your current course of action, to meet your objectives later on. If you wait until a crisis situation, it may be too late to make changes to actually redirect and re- -- put you on the right track to meeting those objectives.

>>**Tracey Kimball:** Silvia, how is financial planning different for a person with MS?

>>**Silvia Stazio:** Financial planning for people with MS is going to really be critical particularly with -- in starting early. What we need to determine is the amount of income that would be available for the person with MS should they become disabled and are unable to work later on in life. We also need to carefully look at expenses and

understand that expenses, particularly medical expenses, will go up should they have some medical needs later on. So, there's a real balance between understanding what our income resources are and our exposure to the expenses that they are going to have later on in life.

In discussing financial planning with any individual, we talk about what-if scenarios. What if I am unable to work later on in life? What if something happens to me and I lose my job? What sorts of contingent plans do we have in place? For the person with MS, it is critical that we explore those things, because it's more likely that that what-if scenario does come true for them, rather than have the normal progression of a work experience until normal retirement age.

>>**Tracey Kimball:** You know most of us live on limited incomes. What are some practical financial steps we can all take?

>>**Silvia Stazio:** What I encourage people to do is not so much to put themselves on a tight budget. I don't mean for people to not go and get a cup of coffee somewhere with their friends, or go and rent movies, or what-have-you. What I want people to do is to really be mindful of their expenses. Tracking expenses alone is going to give people a much greater sense of what they are using their income on and determine what is a critical expense and what is a more negotiable expense.

So, in the cases where they may have a reduced income later on, they know, okay, this is my bottom line of what I need to bring in, and they understand that these may be some items that take a back seat and go on the back burner for a while. And they have a greater understanding of what it is that they need to have in their -- as an income stream later on.

>>**Tracey Kimball:** Finally would you please explain the resources of the National MS Society has available for financial planning?

>>**Silvia Stazio:** The MS Society and the Society for Financial Services Professionals have created an alliance to provide financial counseling services to those folks with MS. This is a tremendous resource for people to turn to, that they can have one-on-one guidance and understand their particular situation, and they can make a plan for the future that will benefit themselves and their family. The key is to start early and talk to a counselor as soon as possible so you can really understand your own personal financial situation and the resources that you have available that benefit you in the best way possible.

>>**Tracey Kimball:** Thank you Silvia for joining us.

>>**Silvia Stazio:** You're so welcome. Thank you very much for having me.

>>**Tracey Kimball:** If you would like to get more information on financial planning go to NationalMSSociety.org. This is Tracey Kimball for MS Learn Online. Thanks for watching.