

The Guardian

Estate and Gift Planning Ideas • Spring 2012

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The Guardian Society

Member Spotlight

I included Children's National in my living trust. Later I also set up a charitable gift annuity and now receive fixed payments for the rest of my life. The remainder will help fund safety-net programs that serve children and families. Since most charities use the same payment rates, I was able to focus on the charity I care about most.

Beverly Y. Walcoff

Guardian Society member

Children's National Pioneers Life-Saving Heart Screening

Under the leadership of Dr. Gerard Martin, the Children's National Heart Institute pioneered the use of pulse oximetry screening to detect congenital heart disease, one of the most common types of birth defects, affecting 8 of every 1,000 newborns. Without detection and treatment, a baby can suffer organ damage or death soon after birth. "This is a disease we can do something about. The problem is not all babies are identified," Dr. Martin said.

On the recommendation of U.S. Secretary of Health and Human Services, Kathleen Sebelius, a federal advisory panel has proposed testing of newborns using pulse oximetry as a national standard of care. New Jersey and Maryland have already passed laws requiring this and similar bills are being considered in other states.

Pulse oximetry testing could diagnose an estimated 2,000 babies per year. Children's National's toolkit to guide screening implementation is being used at hospitals across the United States and internationally. This is another example of the wide ranging impact our expertise has on pediatric health care.



A simple, low-cost, pain-free, and non-invasive test is saving children's lives.



Everyone Should Have a Plan

Estate planning presents unique opportunities and planning possibilities for everyone. It's important to know that you don't have to be a Rockefeller to create an estate plan. The purpose of an estate plan is to arrange the orderly and intentional disposition of your personal property.

The foundation for any estate plan is a will or a revocable living trust (it is possible to have both in your plan). Without either, the laws of your state distribute your property according to a fixed formula. So, you should have a plan in place to leave your assets to family, friends, and charitable organizations.

How Wills and Revocable Living Trusts Work

A will and a revocable living trust are unique legal documents that enable you to manage the disposition of your

assets. These documents can be changed or terminated at any time and for any reason during life. At death, however, they become final and determine to whom your property will go. Both can be personal documents that reflect your opinions, values, and appreciation of others.

A major difference between a will and a revocable living trust involves probate. When a person dies with a valid will in place, the court accepts it and probate—the administration of estate settlement and the process of disposing of assets—begins. Court

Comparison: Will vs. Revocable Living Trust

WILL	REVOCABLE LIVING TRUST
Advantages	
<ul style="list-style-type: none"> 1) Traditional and familiar. 2) Generally less expensive than a living trust. 3) Allows for the appointment of a guardian for dependent children. 4) No need to re-title assets during life. 	<ul style="list-style-type: none"> 1) Allows for holding and control of the asset in the trust even after death. 2) May avoid probate. 3) Not a public document, so it provides privacy in the distribution of the assets. 4) Takes effect during the lifetime of the maker. 5) May provide for an agent to act if the maker is incapacitated. 6) More difficult to contest than a will. 7) Can provide for pets.
Disadvantages	
<ul style="list-style-type: none"> 1) Wills are public documents once filed with probate court. 2) No control over assets after distribution to heirs. 3) Wills can easily be, and often are, contested. 4) Does not hold an asset for beneficiaries. 	<ul style="list-style-type: none"> 1) More expensive to create and may have costs to maintain. 2) Requires continued actions by the individual making the trust (called the "grantor") to monitor the trust and transfer new assets into the trust. 3) Does not provide for the appointment of a guardian for minor children. 4) Grantor must identify subsequent trustees to act after the grantor's death.
Who is involved?	
<ul style="list-style-type: none"> 1) Individual making the will (called the testator). 2) Attorney. 	<ul style="list-style-type: none"> 1) Individual making the trust (called the "grantor"). 2) Attorney. 3) Subsequent trustees.

proceedings are a matter of public record so every will is available for public inspection.

By contrast, a valid revocable living trust is not subject to probate and estate administration is private. Privacy is the principal reason people choose a revocable living trust as the primary governing document and a will as the secondary.

Other Useful Tools

A living will, sometimes called an advance directive, is different from a will and a revocable living trust. A living will specifies your instructions about medical treatment and life-prolonging measures should you become incapacitated.

A living will is typically accompanied by a medical power of attorney that identifies who can make health care decisions on your behalf. End-of-life health issues can be complex, controversial, and emotionally draining. Your loved ones, care givers, and advisors all benefit when you provide clear instructions regarding your personal wishes.

The Next Step

If you do not have a will or a revocable living trust, please contact us or return the enclosed reply card to request our helpful brochure, *Steps to an Effective Will or Living Trust*. Second, you should enlist the help of an attorney in preparing or changing these documents because they must meet specific state requirements to be valid. Third, meet with your attorney to get the planning process under way.

Once you have a plan in place, it is important to review it periodically as

your circumstances and estate change, for example, with regard to marriage; divorce; children and grandchildren; individuals named in your plan passing away; moving to a different state; or wishing to add or change a charity named in your plan.

Three Reasons to Have an Estate Plan

Clear Intent—A plan assures your wishes about the distribution of your property are known and ultimately will be fulfilled. These decisions are made by you—not the state, the court, or a distant relative. You also decrease the potential for disagreements among family members.

Provide for Whom and What You Care About—With a well thought-out plan, you can provide for your family and friends. Your plan can also name the charities you care about and provide important funding for their programs and services.

Consider Your Loved Ones—Your plan is also a thoughtful gift to your family and friends. Because your decisions are documented, you relieve loved ones of the heavy, complex, and often difficult task of determining how you would have wanted your property distributed.





The Guardian Society

recognizes the very special people who have included Children's Hospital Foundation in their wills and other estate gifts. Through their forethought and generosity, they will help to ensure world-class care, advocacy, research, and education at Children's National through a lasting legacy.

To learn more about making a legacy gift and how to become a member of The Guardian Society, please visit our website or contact Rita Corwin.

Our Tax ID is #52-1640402.



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Amber's Story

"Fifteen years ago, my daughter Amber was born with sickle cell disease, a genetic blood disorder where sickle cells can block small blood vessels and damage body tissue.

"When she was just 2 years old, doctors removed Amber's spleen. At age 8, she lost her gallbladder. At age 10, doctors removed a mass on her breast. Then, when she was 11 years old, my baby suffered a stroke and lost all feeling on her left side. She was immediately airlifted to Children's National, where she spent two weeks in intensive care. During the next three years, she endured monthly blood transfusions and constant trips to the emergency room.

"But the doctors at Children's National never gave up. Physician leader Dr. Naynesh Kamani approached me about a bone marrow transplant. It took months, but they found a perfect match and Amber was given a new life.

"Today, Amber is an honor roll student and star athlete on her school's field hockey team. Her treatment at Children's National transformed her life."



Amber's mom, Rota

Leaving a Legacy through Charitable Giving

As you work with your advisors to review or create your estate plan, consider the personal legacy you can leave through a charitable gift. Naming Children's National in your will or revocable living trust is an ideal way to leave a legacy and make a statement about your values. For more information about creating a will or revocable living trust, please visit www.childrensnational.org/giftplanning or contact us. If you have already included us in your estate plan, please let us know so we may thank you and welcome you to **The Guardian Society!**