

**Estate Planning Documents In Virginia Among Adults**

**50 And Over With At Least One Adult Child**

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Dissertation submitted to the faculty of the Virginia Polytechnic Institute and State University in partial fulfillment of the requirements for the degree of

Doctor of Philosophy  
in  
Apparel, Housing, and Resource Management

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February 6, 2009  
Blacksburg, Virginia

Keywords: Estate planning, Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction, Living Will, Durable Power of Attorney for Health Care, The Theory of Reasoned Action

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# Estate Planning Documents In Virginia Among Adults 50 And Over

## With At Least One Adult Child

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### (ABSTRACT)

This study examined the relationship between demographics, attitudes, and subjective norms (influences) on Virginia adults over 50 with at least one adult child and the presence of estate planning documents. The Theory of Reasoned Action (Azjen & Fishbein, 1980) was applied using a secondary data set of 189 participants. Regression analyses examined paths from *external variables* (demographics), *attitudes toward the behavior*, and *subjective norms* to the *intention and behavior*. *Intention and behavior* were defined as the *possession, intention to possess, and non-intention to possess* estate planning documents. Asset-focused documents included Will, Living Trust, Durable Power of Attorney for Financial Issues, and the Letter of Instruction. Health care-focused documents included Living Will and the Durable Power of Attorney for Health Care. An analysis was also conducted on the *possession* of a complete set of estate planning documents.

Older persons were more likely to *possess* all documents except the Letter of Instruction. Respondents with higher assets were more likely to *possess* a Will. Respondents who were more educated were more inclined to *possess* a Living Will. Respondents that had informally promised property to their children were more likely to *possess* a Living Trust.

Younger respondents were more likely to *intend to possess* a Will, the Durable Power of Attorney for Health Care, and the Living Will. Persons with lower assets were more likely to *intend to possess* a Will, and those with a goal for privacy in financial affairs and who believed they should help their adult

children financially were more likely to *intend to possess* a Living Trust.

Participants who intended to possess a Letter of Instruction were more educated, male, owned homes, and had a goal for privacy in financial affairs. Age (younger) was an indirect influence to the Letter of Instruction, mediated through the goal to leave family financial security.

Participants with lower assets and in good emotional health did *not have intention to possess* a Living Trust. Male gender and owning a home were influences on *not intending to possess* a Durable Power of Attorney for Financial Issues. Males were less likely to have a Letter of Instruction. Respondents with the goal to leave an inheritance were more likely to have *non-intention to possess* the Durable Power of Attorney for Health Care and Durable Power of Attorney for Financial Issues. More education, lower income, and residing with a relative were mediated influences to the Durable Powers of Attorney for Health Care and for Financial Issues through the goal to leave inheritance.

Respondents that were older, had more assets, owned homes, had a goal to leave an inheritance, and that had informally promised their property were more likely to *possess* more estate documents. Indirect paths to *having a set of* estate planning documents were more education, lower income, and residing with a relative, which were mediated through the goal to leave inheritance.

The low number of estate planning documents respondents had and the lack of intention to obtain estate planning documents indicate a need for further education in the areas of estate planning. The occurrence of older age as an influence, particularly with health care-focused documents, indicates a need for more awareness in younger adults of their vulnerability, at any age, to illness or injury and that medical directives should be in place.

## Acknowledgements

The completion of this research and of my academic accomplishments would not have been possible without the support and encouragement from many individuals. I appreciate my outstanding committee members who were committed to the process of completing this project. Dr. Celia Hayhoe and Dr. Julia Beamish, my co-chairs, were instrumental in this achievement. I thank Dr. Hayhoe for accepting this challenge. I would like to thank Dr. Celia Hayhoe and Dr. Julia Beamish for their support, commitment, guidance, and expertise.

I would like to express my gratitude to Dr. Sophia Anong for her encouragement and support over the years and her research and statistics advice throughout my time as a student. I thank Dr. Alex White for his steadfastness, patience, and his real world approach. I enjoyed having both on my committee.

I also thank Dr. Irene Leech for her help through my graduate studies. Special thanks are extended to the following: Donna Eccles, Meghann Abell Cefaratti, Pearl Evans, Dianna Martin, Richard and Sally Horkey, my friends, and my fellow graduate students. The fellowship from the American Association of Family and Consumer Sciences was a valuable contribution to this project.

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# CHAPTER I

## INTRODUCTION

### Background

Comprehensive estate planning requires individuals to put the time and energy into preparing for the possibility of their own death, as well as their own incapacity, and for facing difficult decisions on the distribution of their assets and their choices for medical care. Individuals who have completed these steps have established a less complicated legacy for their heirs and families. Because estate planning is of such importance to families, understanding the characteristics of people who are willing to prepare in advance, or who are planning to make future arrangements, provides insight into what motivates individuals to engage in the process of comprehensive estate planning. With many estates transferring to family members, understanding the attitudes individuals possess towards family and about money can also provide meaningful information about their motivation to complete estate arrangements.

Mistakenly, many Americans may feel that estate planning is only for the wealthy. If a person wants to bequeath personal property, such as Aunt Martha's favorite jade earrings, or real estate, such as titled lakefront property great-great grandfather Thomas obtained before the Civil War, he or she should have the proper estate planning documents in place. Estate planning documents help convey real property, such as land and real estate, and personal property such as bank accounts, stocks, bonds, money market accounts, mutual funds, insurance policies, pension funds, vehicles, patents, art, copyrights, Social Security benefits, and business interests

(American Bar Association, 2004; Distenfield & Distenfield, 2005; Ho, Perdue, & Robinson, 1999; Spinale, 1999).

Between 2005-2007, the number of Americans aged 50 and over was reported at 8.9 million people or 30% of the population (U.S. Census Bureau, 2007a), and 20% of this population will be over 65 by 2030 (Kurlowicz, 2005). The shift in wealth from one generation to the next has already begun and is a result of the continued increase of an aging population (Kurlowicz). Havens and Schervish (2003) predict \$41 trillion as a low estimate in wealth transfers for the time period from 1998 through 2052. Of this amount, \$1.6 trillion is predicted to be paid in “total estate fees,” and \$8.5 trillion to be paid in “total estate taxes” (Havens & Schervish, p. 5). Trying to protect estates from high taxation, combined with goals of leaving a legacy for the next generation, should be a motivation for advance planning. The need for estate planning in protecting assets will increase over the next several years (Havens & Schervish; Kurlowicz) and understanding the characteristics and attitudes of individuals who have followed through with estate planning is essential for development of these educational programs.

Aside from dealing with real and personal property, estate planning also includes planning for health care. Eighty percent of adults over 65 have a chronic health condition. In adults 65 and over in Virginia (2005-2007), 39% of people were found to have a disability (U.S. Census Bureau, 2007b). As older adults age they face problems with hearing and sight (Agingstats.gov, 2008) and may have some of the most frequent chronic conditions reported for 2004-2005: hypertension, arthritis, heart disease, cancer,

and diabetes (U.S. Department of Health and Human Services Administration on Aging, 2007a). Compounding the health problems with an increase in an aging populace is a projected 25% increase in national health care spending, which translates to higher health care costs for all Americans (U.S. Department of Health and Human Services Centers for Disease Control and Prevention and The Merck Company Foundation, 2007).

Health care costs rise with age, even for those with federal and private insurance. In 2000, out-of-pocket health care costs were approximately \$2,700 for persons aged 50 to 74, but rose to approximately \$5,500 for those 75 and older (Medical Payment Advisory Commission, 2003). End-of-life health care costs are another reason to plan ahead. The Dartmouth Institute for Health Policy and Clinical Practice (n. d.) collects data on health care expenditures by Medicare, the federal health care program for the elderly. In the United States, total Medicare spending for adults over 65 between 2001 and 2005 was \$46,412 for the last two years of life. In Virginia, that cost was \$38,735. Good estate planning includes provisions for health care costs and for assigning an agent to administer financial matters during incapacity, and after death.

Family and friends will provide much of the support to aging adults with medical problems, but care giving needs will also rise to accommodate this aging population. In Virginia alone, the state where this research is focused, the economic value of care giving for 2006 was reported at \$9.9 million annually; and for the entire United States, the total is approximately \$350 million annually (AARP, 2007). Estate planning must consider not only material assets, but also individual health issues. The

benefit for older adults of having health-care focused legal documents, such as a Living Will, is to ensure their wishes are carried out for life support and for other vital end-of-life issues, and also to ease the burden of health care costs and to preserve the estate as much as possible for heirs.

The purposes of estate planning are to help protect the individual and family in case of incapacity, to provide for minor children and loved ones, to have an individual’s wishes carried out, and to keep the estate liquid to help with distribution and taxes (Ho, et al., 1999). “Estate planning is a process that ensures your assets are distributed in accordance with your wishes for the maximum benefit of your heirs” (Ho et al., p. 413). Primary reasons for estate planning include planning for one’s own funeral (which is more cost effective and makes sure one’s wishes are followed), determining the gifts one chooses to give to his/her family, planning charitable gifts to organizations, taking care of joint property, decreasing the time and aggravation of locating documents, and minimizing taxation (Ho, et al.). To ensure these actions, legal documents provide protection. Legal documents can address the distribution and management of assets or the decisions related to health care. In this research study, six legal estate planning documents are considered:

Asset-Focused Documents

- Will
- Living Trust
- Durable Power of Attorney for Financial Issues
- Letter of Instruction

Health Care-Focused Documents

- Durable Power of Attorney for Health Care
- Living Will

These documents all work together to form a plan that encompasses peoples' goals and wishes. The Durable Power of Attorney for Health Care and the Living Will are also called by a more general term, advance directives, because they concern individuals' advance medical decisions (American Bar Association, 2004).

These six estate planning documents, focusing on assets and health care, may seem excessive or even intimidating. However, these documents work together to create detailed protection. In fact, to understand how these documents can provide extensive protection, one can examine estate planning from a different perspective than above. Estate planning encompasses three phases: 1) during lifetime, 2) in case of incapacity, and 3) after death (Super Living Trust Plan Inc., 1984). During lifetime, Living Trusts are helpful for controlling assets and distribution. In case of incapacity during the lifetime of an estate owner, he or she can employ a Durable Power of Attorney for Financial Issues to designate an agent to help manage financial affairs. During incapacity, a Living Will holds one's medical decisions, and a Durable Power of Attorney for Health Care allows designation of someone to help carry out those decisions in case of incapacity. Lastly, the primary estate documents after death are the Will, the Living Trust, and the Letter of Instruction. The Will helps with the distribution and assignment of property and assets, while the Letter of Instruction holds distribution instructions for some of the non-titled property (such as family heirlooms) and also includes funeral instructions. The Living Trust avoids probate and keeps the distribution of assets private and can control the management of assets after death if it is specifically written to do so (American Bar Association, 2004). Notably, each of the six

documents serves an important distinctive purpose covering a comprehensive approach to estate planning.

### *Estate Planning And Taxation*

Taxation on wealth transfer can occur in different forms. An inheritance tax is a tax levied on assets and property being transferred to heirs, as opposed to federal estate tax, which is a tax levied on the value of an estate (Distenfield & Distenfield, 2005; Spinale, 1999). To validate and settle a Will, a popular and highly useful estate planning document, taxation must be determined and then the estate may have to go through a court process. This process is called probate, and the process varies in each state (American Bar Association, 2004). Ho, et al. (1999) note that estate planning can help with taxation because taxes on estates are not indexed for inflation. The amount of an estate that is taxed is the net amount, or the amount left after paying debts, fees, charitable gifts, and funeral expenses (Ho, et al.; Distenfield & Distenfield). Existing statutes provide that the federal exemption moves up to \$3.5 million in 2009; in 2010 the estate tax should be abolished. However, in 2011, the exemption may drop down to \$1 million (Internal Revenue Service 2008a; Distenfield & Distenfield). With the upcoming changes in Congress and a new president taking office in January 2009, these exemption laws could change at any time (Distenfield & Distenfield). Although estates below the federal exemption are not always taxed under federal regulation, state taxes may also be in effect, providing an incentive to prepare one's estate early to assess how the estate will be affected (Internal Revenue Service, 2007a; Spinale).

State taxation for estates is different depending on the state in which the deceased lived. Virginia, the state in which the participants in this study reside, also follows the Federal Estate Tax (Virginia Department of Taxation, 2008). Some states have estate taxes which tax the deceased's estate, while others have inheritance taxes, which tax the persons or entities that inherit the estate (Distenfield & Distenfield, 2005). Virginia is one of the states without burdensome estate taxes. In Virginia, citizens are fortunate that taxes/ fees for probate with a Will is 10¢ for every \$100 of estate value, plus any city, county taxes, and recording and transfer fees (Fairfax County, Virginia, 2008). For example, if Melinda died, and her estate was worth \$200,000, then her Virginia probate fee would be \$200. In addition, state income tax and property tax must be filed and paid for the year the individual dies. Lastly, federal estate and income taxes must be paid, and in Virginia, an estate tax return should be filed (Virginia Court Clerks' Association, 2005).

Advance estate planning can help people make accommodations for fees and expenses. A Living Trust might be considered by people to help alleviate taxes. A Will may be constructed to also help mitigate taxes (Distenfield & Distenfield, 2005). Working with legal documents and setting up an estate plan in advance can help moderate the following types of expenses: estate taxes, income taxes, gift taxes, statutory fees, appraiser fees, and accounting fees (Super Living Trust Plan, Inc., 1984). As well, estate planning provides that an individual can keep control of such family assets as a vacation home, family farm, or homestead (Ho, et. al, 1999).

## Statement Of The Problem

In order to plan for the distribution of an estate, one has to directly face his/her own mortality as well as other life vulnerabilities, such as incapacity, which can be a hindrance to estate planning. People like to live their lives thinking in terms of hope, and not in terms of mortality as “hope is the frame within which they construct their future” (Tulsky, 2005, p. 362). Thinking about an immortal future counteracts the incentive to make advance estate arrangements. Kahn (1979) notes two reasons people avoid estate planning. First, people do not want to face their own death, and second, people are “overwhelmed” and “baffled” by the process and legal terms they do not understand or recognize. Most individuals do not engage in processes that they perceive as complicated because they do not know how to take action without a lawyer, or do not know how to find a reputable lawyer (Distenfield & Distenfield, 2005). Good succession plans are essential. Although people may think that their estates are fine because they know to whom they want to leave their property, life’s unexpected circumstances can lead to an order of death that may be surprising, leaving property to be distributed to individuals the deceased would never have expected (Kahn). No laws govern how one can divide his/her estate. Individuals can choose to leave their property to anyone or any entity they want, and to dictate the timing in which their heirs will receive it (Distenfield & Distenfield).

One of the strongest motives for having an estate plan is for people to carry out their own wishes. If an individual dies without a Will, the individual has lost the opportunity to have his/her wishes or desires carried out in relation to his/her titled or

non-titled property. Situations differ depending on circumstances, but generally, if the person dies without a Will (intestate) the property may carry on to a spouse, close relatives, or any relatives in succession (Kahn, 1979). Depending on which state, and the type of ownership employed by the state (whether community property or not), the order of succession may be different. Dying without a Will leaves one's property up for distribution in a manner that may not have been agreeable to the person if he or she were alive. This should be an excellent incentive for estate planning, but unfortunately, many individuals do not realize the consequences of not planning in advance.

Death and incapacity are highly emotional issues which affect estate planning. Family values and belief systems play an influential role in essential decisions. Gifts can be viewed as assistance or obligations (Angel, 2008). Perhaps adults 50 and over with at least one adult child who believe it is their responsibility to aid their children financially, are more likely to have legal documents leaving their estates to their children. The influence of feelings of obligation and responsibility to aid children financially, and attitudes about money in general, may play an important role in the decision made in the estate distribution: who is designated to manage affairs? The influence may even be reflected in medical directive decisions which are all a part of a comprehensive estate plan. Past research has not addressed how the complexity of holding these values, combined with how they affect one's goals, may impact an individual's possession of estate planning documents.

An additional reason for estate planning is to make decisions in advance, decisions which may be unpopular with survivors. Disharmony and sibling rivalry can

occur between survivors when one, two, or even a group are left to make decisions for the deceased. A family's emotional history, which can be powerful, can be reflected by differences in gift giving which, at times, may net negative consequences if left unexplained (Angel, 2008). Assets may be distributed in an unequal manner between children, based on how the parents view each child (Angel) or the child's financial needs. Family members can be placed in difficult positions, making end-of-life decisions which are even more difficult when not all the family members agree (Angel). However, individuals planning in advance can help avoid the disharmony or lessen the long term emotional effects by leaving instructions and explanations as to what decisions they have made in the event of their death or incapacity and why those decisions were made.

Understanding more about individuals who have estate planning documents can help educators ultimately achieve greater success by increasing the number of persons with end of life arrangements, easing disharmony within the family, reducing the burdens on medical personnel, and also reducing the time and money spent in probate courts, all of which benefit society in general.

#### Purpose Statement

The purpose of this study is to examine the relationships between demographics, attitudes, and subjective norms (influences of others) of adults 50 and over with at least one adult child, and the possession of estate planning documents. The theoretical model, the Theory of Reasoned Action (Ajzen & Fishbein, 1980), is applied in designing this research study. The Theory of Reasoned Action proposes that *attitudes toward a*

*behavior* and the *subjective norms* can be predictors of *intention*, or *behavior*. This theory fits with the focus of this study to examine attitudes, beliefs, and demographics of individuals and their effect on estate planning. The objectives are specifically:

1. For adults 50 and over with at least one adult child, determine the relationship between demographics, attitudes, and beliefs, and *possession*, *intention to possess*, and *non-intention to possess* four asset-focused estate planning documents: Will, Living Trust, Durable Power of Attorney for Financial Issues, and Letter of Instruction.
2. For adults 50 and over with at least one adult child, determine the relationship between demographics, attitudes, and beliefs, and *possession*, *intention to possess*, and *non-intention to possess* two health-care focused estate planning documents: Living Will and Durable Power of Attorney for Health Care.
3. For adults 50 and over with at least one adult child, determine the relationship between demographics, attitudes, and beliefs, and the *possession* of a set of estate planning documents.

### Justification

In 2004, the total gross assets of taxable estates (over \$1.5 million) in the United States totaled \$186 billion. This accounted for 42,239 people who had assets at this level (Internal Revenue Service, 2008b). In 2004 in Virginia alone, the state where the research for this paper was conducted, there were 1,149 returns filed for a total of \$4.1 billion (Internal Revenue Service, 2007b). When evaluating the tax complications of working with these large sums, estate planning is worthwhile in the U. S. As previously noted by Kahn (1979), individuals do not want to face their own mortality and they do not

understand legal estate documents. People recognize the importance of estate planning, but may know less about it than other areas of personal finance (Volpe, Chen, & Liu, 2006). If practitioners and researchers can develop profiles of adults 50 and over with at least one adult child without a complete estate plan, this profile will help target which groups, or types of individuals, need education about the legal documents they should have to efficiently leave an estate for their heirs, and to prevent placing loved ones in positions of having to make end-of-life decisions. Educational programs for older adults can help overcome this group's confusion with legal terminology and help promote clarity, creating a higher willingness for older adults to participate in succession planning. Estate planning should not be a process carried out only by older adults. By starting with an over 50 age group and developing profiles for people who have and have not made estate plans, the next logical step will be for researchers to develop profiles of younger groups to promote estate planning for all eligible members of society.

Life events have been previously examined as to their affect on possessing wills and trusts (Palmer, Bhargava, & Hong, 2006). However, little research has been conducted on the attitudes and characteristics of individuals who have implemented estate planning; this study will contribute to filling that gap. Adults 50 and over with at least one adult child may believe that they should aid their children and this belief may carry through to their having comprehensive estate plans. Additionally, adults 50 and over with at least one adult child may feel that due to illness, they need to discuss their financial affairs with their children, and to then create a comprehensive estate plan.

Perhaps these same adults may be influenced in creating estate plans by the pressure of relatives living with them. What types of determinants will prompt these adults to carry out proper estate planning? Considering an aging populace, higher than ever wealth transfers, and a lack of estate planning knowledge, this study will be beneficial on many levels, including helping to create educational programs, to raise awareness, and to increase knowledge in the United States population.

### Limitations And Assumptions

Because the data used in this study are from a secondary data set and include only individuals in Virginia, this may make it more difficult to generalize findings to a different population. The survey was focused on intergenerational transfers, estate planning, and communication between adults 50 and over with at least one adult child regarding financial matters. The researcher is limited to being able to draw data from the existing questions asked on the survey. The small sample size of 189 also limits capabilities of certain statistical analyses.

The researcher assumes the survey was filled out accurately and honestly by the participants. Surveys can challenge participants if they find the wording confusing or leading, and because participants are an older population, there may be a higher amount of confusion. Accuracy in self-reporting is a limitation to surveys which may reflect bias and make generalizability a challenge, particularly when surveying only in a smaller regional area (Mitchell & Jolley, 1996).

## Definitions

The following definitions were used for this study.

**Administrator:** The person assigned by the court to manage and administer an estate when the deceased did not leave a will or assigned someone not qualified to be an executor (Kahn, 1979).

**Advance Directives:** General term used to describe documents used for advance medical decisions. These documents include the Living Will and the Durable Power of Attorney for Health Care (American Bar Association, 2004).

**Attitudes Toward the Behavior:** Terminology developed by Ajzen and Fishbein (1980) in the Theory of Reasoned Action to describe the attitudes toward the behavior of possession, intent to possess, and non-intention to possess estate planning documents. In this study, these variables include the following: goal to leave inheritance, goal to leave children and grandchildren financial security, goal to have privacy in financial affairs, informally promised non-titled/titled property, often use money to persuade others.

**Beneficiary:** The person or entity who is designated to benefit by receiving property and assets from a trust or a will (American Bar Association, 2004; Distenfield & Distenfield, 2005; Spinale, 1999).

**Common Law:** Laws that regulate how property is owned. Under common law, ownership of property stays with the name on the title, regardless of marriage. Virginia is a common law state. However, there are laws that entitle a spouse to a share of the

deceased's estate if they are left out of the Will or Trust completely (Distenfield & Distenfield, 2005; Spinale, 1999).

**Community Property:** Laws that regulate how property is owned in marriage. Under community property, all items and property acquired after the marriage ceremony are considered owned one half interest by each person. Property acquired before the marriage holds the ownership it had before the marriage. Only nine states in the United States have community property laws, and Virginia is not a community property state. Each member of the couple can dispose of his/her half as he/she wishes (Distenfield & Distenfield, 2005; Spinale, 1999; Stephenson & Wiggins, 1973).

**Set of Estate Planning Documents:** For this research study, the set of estate planning documents is defined as the possession of one or more of the following: Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction, Living Will and Durable Power of Attorney for Health Care.

**Durable Power of Attorney:** Document that appoints someone to legally act on one's behalf in business and personal affairs. Durable refers to the document only being applicable while the principal is alive, and also is effective when a person becomes incapacitated. At death, the appointment ceases (American Bar Association, 2004; Distenfield & Distenfield, 2005).

**Executor:** The person identified to carry out the deceased's wishes as to distribution of assets in a Will (Distenfield & Distenfield, 2005; Spinale, 1999).

**External Variables:** Terminology developed by Ajzen and Fishbein (1980) in the Theory of Reasoned Action for variables that they consider external to the model. Their

definition includes demographics. For this study, external variables will be: age, education, gender, ethnicity, marital status, income, assets, debt, home ownership, emotional health, physical health, and resides with a relative.

**Fee Simple:** In land ownership, this is outright ownership of land giving the owner absolute control and right to transfer (Kahn, 1979; Stephenson & Wiggins, 1973).

**Incapacity:** The stage in a person's life when they can no longer manage their own affairs due to some type of mental or physical health disability (Distenfield & Distenfield, 2005).

**Intention and Behavior:** Terminology developed by Ajzen and Fishbein (1980) in the Theory of Reasoned Action. In this study, intention and behavior will be the possession, intent to possess, or the non-intention to possess the following estate planning documents: Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction, Living Will, and Durable Power of Attorney for Health Care.

**Intestate:** When an individual dies without leaving a valid Will or Trust (Distenfield & Distenfield, 2005; Stephenson & Wiggins, 1973).

**Irrevocable:** Not able to be changed or terminated; used in trusts (American Bar Association, 2004).

**Joint Tenancy:** A type of ownership. When property is held in joint tenancy of two or more owners, upon death, the property automatically transfers ownership to the other surviving joint tenants, regardless of wills or trusts (Spinale, 1999; Stephenson & Wiggins, 1973).

**Letter of Instruction:** A document left behind by the deceased that lists his/her wishes for distribution of non-titled property, where items, such as the will, are located, and funeral instructions. This document can be opened and read immediately following death (Distenfield & Distenfield, 2005).

**Living Trust:** The assets of an individual are placed during his/her lifetime in a trust, which then holds the assets. The trust manager can be the person whose trust it is or someone else assigned to do so. One advantage of a living trust is that it generally does not go through probate (Distenfield & Distenfield, 2005).

**Living Will:** A legal document that allows an individual to specify their medical directives in case of incapacity (Distenfield & Distenfield, 2005).

**Probate:** Upon death, estates are reviewed by the court to identify ownership of assets for the sake of paying taxes (and other fees), paying of debts, and distributing property not assigned by title (Spinale, 1999).

**Revocable:** Able to be changed or terminated at any time. Used with living trusts (American Bar Association, 2004; Distenfield & Distenfield, 2005; Kahn, 1979).

**Subjective Norms:** The influence of people around an individual on their intentions and behavior (Ajzen & Fishbein, 1980). In this study subjective norms are items that may result in an influence on a person having an estate planning document. These items include discussing financial information with adult children in case of cancer, Alzheimer's, and incapacitation, beliefs one should financially assist adult children and grandchildren, and belief one should give adult children money based on need.

**Successor Trustee:** The person, company, or institution designated to manage the trust on behalf of another person after the death, incapacity, or resignation of the original trustee (American Bar Association, 2004; Distenfield & Distenfield, 2005).

**Tenancy in Common:** A type of ownership. With tenancy in common, property can be held in shares. The owner of each share has the right to pass on his/her share to whomever she wants (American Bar Association; 2004; Kahn, 1979; Stephenson & Wiggins, 1973).

**Tenancy by the Entirety:** A type of ownership. Tenancy by the entirety applies only to married couples in some states. With this type of ownership, property can only be passed on or transferred to the spouse (Distenfield & Distenfield, 2005; Stephenson & Wiggins, 1973).

**Trustee:** The person, company, or institution assigned to manage the assets in a trust (American Bar Association, 2004; Distenfield & Distenfield, 2005).

**Will:** A legal declaration through which an individual designates someone to manage his or her estate according to his or her wishes, including distribution of property, and designates the deceased's wishes for guardianship of minor children (American Bar Association, 2004; Distenfield & Distenfield, 2005; Stephenson & Wiggins, 1973).

## CHAPTER II

### REVIEW OF LITERATURE

The purpose of this study is to examine the relationships between demographics, attitudes, and subjective norms (influences of others) of adults 50 and over with at least one adult child, and the possession of estate planning documents. This chapter begins with an explanation of the theory used as a framework for this study and will then build on the framework to create hypotheses and models based on the theory. Previous studies in estate planning are reviewed and additional background on estate planning is discussed, followed by a detailed explanation of each dependent variable, and the six estate planning documents. Independent variables follow and the chapter finishes with the proposed conceptual models.

#### Theoretical Framework

In the 1970s and 1980s, Ajzen and Fishbein (1980) published the Theory of Reasoned Action which proposes that beliefs and attitudes are factors in whether a person engages in a behavior. Their theory, based on social psychology ideals, helps explain human behavior in respect to people's motives and intentions. The theory posits that two constructs lead to *intention* and *behavior*: *attitudes toward the behavior* and *subjective norms* (the influence of others attitudes). The principle of the theory is that a person is more likely to perform a behavior if they have encouraging attitudes and intentions towards performing the behavior. Then, as Ajzen and Fishbein propose, by understanding a person's *attitudes toward the behavior* and *subjective norms*, *intended* or *planned* behavior can be predicted.

Figure 1 depicts a simplified conceptual model of this Theory of Reasoned Action (Ajzen & Fishbein, 1980). The two constructs of the theory, *attitudes toward the behavior* and *subjective norms*, together influence a person’s *intention* to perform a behavior. The outcome, or result, is that the behavior has been accomplished. The two constructs are not weighted equally in this model as indicated by the concept of *relative importance* in the model.

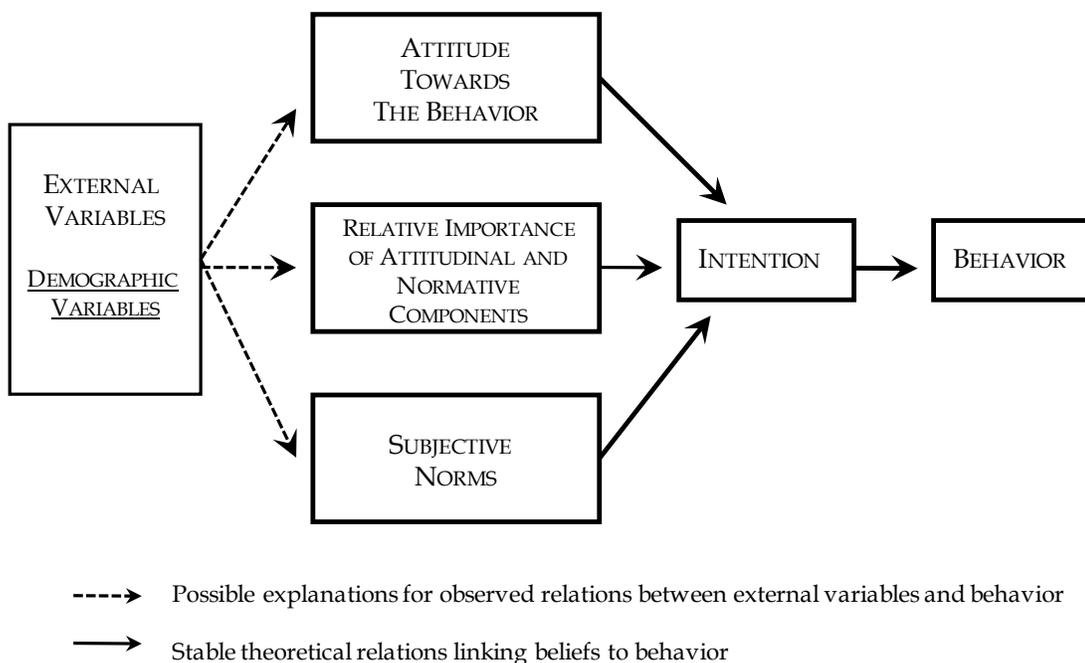


Figure 1. Modified Model Of The Theory of Reasoned Action Including *External Variables*. Adapted From *Understanding and Predicting Social Behavior* by Ajzen and Fishbein, 1980, p. 84. Copyright 1980 Prentice-Hall.

The *attitudes toward the behavior* can affect a person’s motivation to perform the behavior. If Edward, an older adult, has an attitude that having a Living Trust is an accomplishment for himself and his family, he will be more likely to engage in the

behavior to obtain a Living Trust. Edward's positive belief about the outcome of his action (behavior) in obtaining a Living Trust is an influence on whether he performs the task.

*Subjective norms* are the second construct. In the theory, *norms* are the influential attitudes of others around a person, or their beliefs. If the people around an individual approve or disapprove of a task or item, then the theory posits that their attitudes and beliefs also become an influence on whether the behavior is performed. Thus, in the example above, if Edward feels having a Living Trust is a positive accomplishment, he may be influenced by his friends and family if their attitudes towards this task are that it is a worthless task. This may not net a positive outcome, which would be accomplished without their peer pressure. Family and friends' attitudes may be influential in whether Edward intends to obtain a Living Trust, and actually performs the behavior to acquire one.

*Relative importance of attitudinal and normative components* is the combined relationship of the two constructs *attitudes toward the behavior* and *subjective norms* as they move towards *intention* (see *Figure 1*). The importance of *attitudes toward the behavior* and *subjective norms* are not equal. In any one circumstance, one construct may be of more importance than the other.

The Theory of Reasoned Action helps researchers understand that the action of performing a task in human behavior is dependent on the individual's *attitude towards the behavior*, combined with the *subjective norms* of family and friends (Ajzen & Fishbein, 1980). In our example, Edward's intention to obtain a Living Trust will be much higher

if his personal attitudes are positive towards the behavior, and if the social influences of his friends and family are also positive.

*Intention* is a key element in the Theory of Reasoned Action because intention is the point where a choice is made to perform a behavior, and that choice is made based on *subjective norms* and *attitudes toward the behavior*. The Theory of Reasoned Action is the pre-cursor to an altered model, the Theory of Planned Behavior (Ajzen, 1991). This theory has an additional construct of perceived control, or rather the amount of volitional control a person has. Because the secondary data utilized for this study does not have measures that fit this construct, the Theory of Reasoned Action was deemed to be more appropriate for this study (Ajzen & Fishbein, 1980).

The purpose of this study is to examine the relationships between demographics, attitudes, and subjective norms (influences of others) of adults 50 and over with at least one adult child, and the possession of estate planning documents. *Attitudes toward the behavior* and *subjective norms* were identified for use in this model and were analyzed for relationships and influences on *possession, intention to possess, and non-intention to possess, estate planning documents*. Because this study is not a longitudinal study, there is no method to measure that intention leads to the behavior of acquiring estate planning documents. Since respondents were asked whether they implemented the behavior, planned intention to have, or did not plan to have these documents, a person could only be in one stage in this study.

Another consideration for this theoretical framework is that the Theory of Reasoned Action does not directly account for demographic variables, which according

to Ajzen and Fishbein (1980), are considered *external variables*. They believe *external variables* can only indirectly affect behavior, not directly, because these effects are not consistent. They see items, such as education, mediated by *attitudes toward the behavior* or *subjective norms*. Demographics, as identified by Ajzen and Fishbein (1980) include: age, sex, occupation, socioeconomic status, religion, and education.

The Theory of Reasoned Action (Ajzen & Fishbein, 1980) has been used in consumer purchasing and other fields. Few studies have been conducted applying this theoretical framework to financial issues, although Stum (2006) did use the Theory of Planned Behavior (Ajzen, 1991) in identifying intentions and behaviors in long term care decisions in a qualitative study. Stum found the theory consistent in finding that financial goals were motivators for long term care decisions. Van Hooft, Taris, Born, & Van der Flier (2006) applied this theory using *external variables* in examining ethnic and gender differences in job applications and found that when analyzing job application (*attitude toward the behavior*) and social pressure (*subjective norm*) the entire model was a good predictor, but that *attitudes toward the behavior* and *subjective norms* were inadequate as predictors alone. Crosby and Muehling (1983) examined the Theory of Reasoned Action in a consumer behavior study using *external variables* and found that these variables had direct impacts on *intention*, and in some cases, were mediators. Based on these findings, this research study examined *external variables*, and determined any mediating effects through the *attitudes of the behavior* and *subjective norms*, and if the *external variables* directly affected *intention/behavior*.

## Previous Studies

Prior research has been limited on the subject of estate planning documents, particularly when examining attitudes and influences in estate planning. Also lacking, is literature on individuals' possession of a set of estate planning documents focused on assets and health care. This study will contribute to existing literature in the field by adding a new perspective in estate planning.

In 1991, Edwards used a random sample of 145 participants in Utah (with more than half of the participants having adult children) to research asset transfer planning. She found that men and women were close to equal in possession of Wills, with men at 35% and women at 37%. The research was based on respondents filling out a test on their knowledge of estate planning. Using chi-square analysis, Edwards did not find any significant relationships between estate planning knowledge and eight demographic variables, and concluded that more education, more income, etc. did not increase the understanding of the technicalities of estate planning. Noting the popularity of Wills in her sample, Edwards conjectures that "attorneys may be recommending a simplistic solution to clients" (p. 67), which supports the concept that individuals need to have proper education to understand that one document alone is not a comprehensive estate plan.

The AARP (2000) commissioned a study of individuals, over age 50, with three of the estate planning documents employed in this study: Wills, Living Trusts, and Durable Power of Attorney for Financial Issues. Age, gender, marital status, income, race, and education were examined in relation to possession of one of these documents.

With a sample of 1,028, the most popular estate planning document that individuals possessed was a Will, and this was only in 60% of the sample. Thirty percent of the sample had a Living Trust, and 45% possessed a Durable Power of Attorney for Financial Issues. Only 17% of the population had all three documents. Significant relationships were found between the possession of a Will and age and income. Older participants or those with more income had an increased chance of having a Will. Income was also found to have a positive relationship with the possession of a Living Trust. Significant relationships were found between age and education in the possession of a Durable Power of Attorney for Financial Issues. Older participants or those with more education had an increased chance of having a Durable Power of Attorney for Financial Issues.

Goetting and Martin (2001) conducted a study of the characteristics of individuals with only one estate planning document: the Will. With a sample of 501 respondents over age 70 from the Study of Aging and Health Dynamics, and applying 17 variables to possession of a Will, they found significant relationships between individuals with Wills and certain characteristics. Persons that were white with higher levels of education were more likely to have a Will. Higher net worth increased the likelihood of having a Will. When participants thought they had a financial bequest to leave, they had slightly higher odds of having a Will. In summary, race, education, net worth, and financial bequest assessment were the variables found to be predictors of having a Will.

Horkey and Hayhoe (2007) conducted a preliminary study with the same data used in this research study to examine selected demographic characteristics and the possession of estate planning documents. Age and assets were positive significant influences on possession of a Will and age and being married were positive significant influences on possession of a Living Will. Participants with higher debt were less likely to have a Letter of Instruction and participants with the goal to leave an inheritance were less likely to have a Living Trust, Durable Power of Attorney for Health Care and a Durable Power of Attorney for Financial Issues.

The relationship between life events and the adoption of a Will or trust were previously examined in an empirical study. Palmer, et al. (2006) conducted research using the Health Retirement Study to determine if life events motivated individuals to draw up a Will or Living Trust. The researchers utilized data from 1996 and then identified if a Will or a Trust was added in 2000. Demographic variables such as marital status and retirement were also included in the data analysis. People who were widowed were 1.5 times more likely to add a Will than those who were married, and people who were diagnosed with cancer were 1.87 times more likely to add a Will. In summary, four life events were found as motivators to possessing estate planning documents: cancer diagnosis, retirement, death of a spouse, and an increase in assets.

In a review of previous literature, to the best of the author's knowledge, there are no previous studies examining the possession of a set of estate planning documents as defined in this study: Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction, Living Will, and Durable Power of Attorney for Health

Care (see Table 1). This research study stipulates that an estate plan includes documents to take care of assets, provide guardianship for children, designate persons to manage affairs in case of incapacity, and establish medical wishes. Although the AARP (2000) study covered three of the six documents, the documents were all asset-focused and did not cover health care issues. Examining a comprehensive perspective in estate planning in this research study will be an important contribution to the field for further study.

Table 1. *Previous Research Studies Including Estate Planning Documents*

Researchers	Will	Living Trust	Durable Power of Attorney for Financial
Palmer, L., Bhargava, V., & Hong, G.	X	X	
Edwards	X	X	
AARP (2000)	X	X	X
Goetting and Martin	X		

### Intention And Behavior

In the Theory of Reasoned Action (Ajzen & Fishbein, 1980), the constructs of *intention* and *behavior* must be defined. In this research study, *intention* and *behavior* will be the *possession*, *intention to possess*, or *non-intention to possess* one of six estate planning documents, and the *possession* of a set of estate planning documents. The documents (Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction, Living Wills, and Durable Power of Attorney for Health Care) will be discussed here in that order.

### *Estate Planning And Ownership*

According to one guide on estate planning (Spinale, 1999), there are four factors that affect estate planning: marriage, debt, how title to property is held, and whether or not the adult lives in a community property state. Property ownership can be a determining factor in how an estate is distributed. Marital status and how a property title is held, as well as the choice of who should receive the property, are items that, if not considered properly as part of an estate plan, can net serious consequences.

Ownership is a critical consideration in estate planning, whether holding assets in your name alone, in joint tenancy, or tenancy in common (Kahn, 1979).

Joint tenancy with right of survivorship can be a choice of ownership. When a property is held in joint tenancy with right of survivorship, when one owner dies the asset or property automatically transfers ownership to the surviving joint tenant(s). Joint tenancy is often between spouses. Individuals can hold assets together with any other individual in a joint tenancy (Palmer, et al., 2006). Between spouses, joint tenancy avoids probate on the first to die, but is not recommended as an estate plan because it also might create different tax problems for the surviving tenant(s) (Super Living Trust Plan, Inc., 1984; Ho et al., 1999). In addition, the surviving tenant of the joint tenancy may be a poor money manager or may not carry out the deceased tenant's wishes (Super Living Trust Plan, Inc.). For example, Mark and Lydia are married and Mark has children from a previous marriage. When Mark dies, his part of the estate now goes to Lydia as the surviving joint tenant. If Lydia then dies, nothing is left to Mark's children

unless that is how her Will reads. Blended families complicate inheritance rights, underscoring the need for proper estate planning in all stages of life.

Joint tenancy should not be confused with tenants in common or tenants in entirety. With joint tenancy assets are held jointly as an individual share of the whole, but either joint tenant may sell or give away his/her share of the property without the consent of the other (Farlex, Inc. 2009). With tenants in common, an asset can be held in shared capacity. This does not always have to be an equal share and may have multiple shares owned by different individuals. The shares can be passed on through a will or trust to whomever the shareholder chooses, as ownership does not revert back to other owners (American Bar Association, 2004; Kahn, 1979). Tenants by the entirety applies only to married couples in common law and means the couple owns the property as an individual whole (Farlex, Inc.). This type of ownership allows transfer of property only to the other spouse (Distenfield & Distenfield, 2005; Stephenson & Wiggins, 1973). In addition, neither spouse can sell or give away the property without the consent of the other. Only creditors of the couple can attach or sell the property (Farlex, Inc.; Toolkit Media Group, 2009). Virginia is one of the fifteen states that have tenancy by entirety ownership (Toolkit Media Group).

Ownership in land can also be considered fee simple. When an individual owns land as fee simple, the ownership of the property is recognized as being owned outright forever. This is the “most nearly absolute ownership” available (Kahn, 1979; Stephenson & Wiggins, 1973). Fee simple is referred to as “sole and separate property” in community property states when one spouse owns the property by his/herself, as in

the case of a bequest, or property owned before the marriage. For example, Mark, a married man, may own property as his “sole and separate property” if he received it as a gift from his parents (Dictionary.com, 2009).

Nine of the fifty states in the United States are community property states. Community property applies to how assets are owned within a marriage. In a community property state, both entities in the marriage own one half of all items acquired after the marriage ceremony, regardless of how property is titled (Distenfield & Distenfield, 2005; Spinale, 1999). Thus, if Mark and Lydia were in a community property state and purchase a car after they are married, but the title is only in Mark’s name, the car is still owned equally by both of them. Mark can leave his share of the community property to whomever he wishes; Lydia, his children, a charity or even a complete stranger. However, if Mark and Lydia lived in a state that specifically had laws for “community property with right of survivorship,” Mark’s portion would transfer to Lydia (Distenfield & Distenfield, p. 42).

Common law has another effect on estate planning. If a state is not a community property state, then it is considered a common law state. Thus, the remaining 41 states are common law states in the United States and Virginia is one of those states (Spinale, 1999). Under common law, ownership of property stays with the name on the title, however, there are laws that protect a surviving spouse (Distenfield & Distenfield, 2005). Thus, in general, if Mark and Lydia live in a common law state, the items they brought into the marriage stays with each owner, and the property is not owned equally by both. Also, the car that is titled in Mark’s name only that was purchased after

their marriage is not equally owned by both and may be considered separate property of Mark (Spinale).

### *Dying Intestate In Virginia*

The participants in this research study reside in Virginia, thus, reviewing applicable Virginia laws should be helpful and may provide insight to any findings.

“...Virginia intestacy law provides a course of succeeding descendants as follows (after payment of funeral expenses, debts and cost of administration):

- a) all to the surviving spouse, unless there are children (or their descendants) of someone other than the surviving spouse in which case, one-third goes to the surviving spouse and the remaining two-thirds is divided among all children,
- b) if no surviving spouse, all passes to the children and their descendants,
- c) if none, then all goes to the deceased’s father and mother or their survivors,
- d) if none, then all passes to the deceased’s brothers and sisters and their descendants,
- e) there are further contingent beneficiaries set out in Virginia statutes” (Virginia Court Clerk’s Association, 2005, ¶4) and,
- f) if heirs are not found, the estate goes to the Commonwealth of Virginia (Virginia Bar Association, 2005 ).

The line of succession when dying without a Will, is laid out very clearly by Virginia law. If an individual dies without a Will, then his/her unwritten wishes may not be carried out as the estate is distributed according to the law.

## *Will*

Although proper estate planning is not comprised of only one document, the Will serves a vital purpose because it is the document arranging for guardianship of minor children (Spinale, 1999). The Will also ensures that an individual's estate is distributed according to his/her wishes (Ho, et al., 1999). More importantly, a Will is a way to disinherit people, even though we do not commonly think about that as a purpose. By having a Will and assigning one's heirs, other potential heirs may be omitted from any distribution (Super Living Trust Plan, Inc., 1984). The Will is the most popular estate document (AARP, 2000; Edwards, 1991), but a Will alone is not a comprehensive succession plan. Proper estate planning should include strategies for minimizing taxation, for avoiding or limiting time in probate, for making advance decisions for medical issues, and for designating agents or trustees to carry out these plans (Ho et al.; Spinale; Super Living Trust Plan, Inc.).

These concerns cannot be accomplished with only one legal document such as the Will, but require a series of legal documents to cover each facet of a comprehensive plan. If a person dies without a Will, or intestate, the court will create a plan for his/her property through probate (Kahn, 1979; Spinale, 1999; Super Living Trust Plan, Inc., 1984; Virginia Court Clerks' Association, 2005). Probate is “. . .the process by which a deceased person's assets are inventoried, debts and taxes are paid, and property is distributed to the beneficiaries provided in the Will or, if the person has died without a Will, to the heirs [by law]” (Kahn, p. 21). Although people may feel that they do not have a notable amount of property to bequeath, the timely process of probate can be

costly and detrimental to the heirs of any type of property the individual leaves (Spinale).

Probate, if needed, will be in the state where property is located, or if none, in the state where the individual died (Virginia Court Clerks' Association, 2005). Thus, probate may be necessary in more than one state if the person has property in more than one state, or dies in one state and has property in another, adding costs to the settlement of the estate. As Distenfield and Distenfield (2005) note, although people might think their assets are minimal, the value of their assets, post-aggregation, can be surprising. Having a Will does not eliminate the need for probate, because an executor named in a Will to manage the estate must have court approval through the probate system before distribution can be made (Virginia Bar Association, 2005).

One of the primary duties of the Will is to assign the executor of the estate. An executor of a Will is a person the adult designates to carry out his/her wishes, and to distribute the estate after debts and taxes are paid (Spinale, 1999), although Virginia law does not formally require an executor be appointed (Virginia Court Clerk's Association, 2005). An executor also finds and determines the worth of assets and is the person who communicates information about the estate to the beneficiaries (Distenfield & Distenfield, 2005). In addition to assigning the executor, the Will guides the property distribution of the estate and is the only legal document that provides for guardianship of minor children (Spinale; Kahn, 1979). If an individual dies without a Will, the state assigns someone as administrator of an estate (Stephenson & Wiggins, 1973), and specifically in Virginia, if the Will does not name an executor, a beneficiary is then

named as executor by the probate court (Virginia Court Clerk's Association). A Will can be revoked at any time while the originator is still alive (Distenfield & Distenfield; Ho, et al., 1999). Because most states require a lawyer to help an estate through the probate courts, some money may be distributed to probate lawyers, therefore never reaching the heirs (Spinale). The average time frame to get through probate is nine to eighteen months (Distenfield & Distenfield).

Previous research studies related to Wills have examined the possession of a Will. Among those 50 and over, AARP (2000) reported 60% have a Will. Goetting and Martin (2001) found that 66% of their sample had a Will. Rutgers Cooperative Extension (O'Neill, 2008) used an online self-assessment tool, called the Financial Fitness Quiz, to help consumers assess their financial situation. From 2001 to 2003 participants ranked the statement "I have a current Will" at 20, the consistently lowest score among 20 questions about financial goals such as paying credit cards, and having insurance, etc. This research reflecting individuals' self assessment of their own financial circumstances helps researchers to assess the need for financial education in the area of estate planning and estate planning documents.

### *Living Trust*

Two types of trusts can be established. A trust can be either *testamentary* or *inter vivos*. Testamentary means the trust was arranged through a Will (Kahn, 1979). A testamentary trust only becomes effective after death and the Will has been probated. An *inter vivos* trust is a trust that is in effect during a person's lifetime. A Living Trust is another name for an *inter vivos* trust and the type of trust examined in this study. An

*inter vivos* trust is created during a lifetime, but may extend past death if written into the trust (Ho, et al., 1999).

A Living Trust is a financial tool that helps with taxation, probate, property transfer, and control of property. Some of the reasons for having a Living Trust are: to make proper financial arrangements for minor children or dependents, to provide for charitable interests, to prevent the estate from going into probate, to help maintain privacy in estate decisions, to help decrease taxation for the remaining family or heirs, and to minimize incompetency hearings (Ho, et al., 1999; Kahn, 1979). And, if heirs dispute the deceased's wishes for distribution of assets, a Living Trust is harder to contest in court (Kahn).

The items in the trust must have their titles transferred to name the trust as the owner; thus the individual no longer owns the assets, the trust does (Spinale, 1999; Super Living Trust Plan, Inc., 1984). A trustee is named to oversee and manage the trust. The trustee may be the estate owner or another person. Thus, by naming himself/herself trustee, the estate owner can keep control of their assets while living (Kahn, 1979). An estate owner may also have a Living Trust written in such a way that the trust carries on after his/her death (Distenfield & Distenfield, 2005).

After the death of the first trustee, who may be the estate owner, a successor trustee is designated. However, it may not be recommended to name a person as a successor trustee who is also a beneficiary of the estate (Kahn, 1979). The trustee can face conflict when he/she has accessibility to the assets, and this may tempt him/her to use the assets for his/her own gain (Spinale, 1999). A Trust is a good way for an

individual to maintain some control, as the trust can specify whether the trustee has limited or broad powers, or even have restrictions, such as not being able to invest money in a certain venture (Hook & Begley, 2002; Super Living Trust Plan, Inc., 1984). For example, Melinda can specify in her trust that her daughter, Natalie, be restricted to using the trust money only for educational expenses.

After the owner of the Trust's death, and after appraising the value of the property, the successor trustee can distribute the property or hold the property and only distribute the income according to the terms of the trust. One of the advantages of having a Living Trust is that trusts do not have to go through a lengthy and complicated court probate (Distenfield & Distenfield, 2005; Spinale, 1999; Super Living Trust Plan, Inc., 1984). The terms of a Living Trust are not public record, as a Will is, thus keeping the individual's directions, wishes, and the values of assets confidential (Spinale).

Real property, such as real estate, owned in states other than the state where the person who owns the property resides is subject to probate in both the state of the owner, and the state where the property is located. With a Living Trust, the trust owns the property so there is no probate in any state as the trust does not die, which is another benefit of the Living Trust (Super Living Trust Plan, Inc., 1984).

Living Trusts fall into two categories: *revocable* and *irrevocable* (or nonrevocable). A person would have to be very confident of their decisions to place their assets into an *irrevocable* trust, because an *irrevocable* trust cannot be changed after completion; but it may have certain estate tax advantages. However, because items that are transferred

into an *irrevocable* trust are permanent, they are subject to gift taxes on the value of the item at time of transfer (Internal Revenue Service, 2008c). The *revocable* trust is more flexible and allows the individual to make changes during their lifetime (Spinale, 1999). When someone sets up a testamentary *revocable* trust for their own benefit, gift taxes are not applied since the property can be withdrawn from the trust (Internal Revenue Service).

The disadvantage of any Trust is that, because it is a more complex document, the legal costs for preparation are typically higher than for a Will without a trust, and extra effort must be made to transfer all assets into the Trust (Kahn, 1979). A Living Trust can help mitigate taxation depending upon the circumstances (Distenfield & Distenfield, 2005).

In a previous study, Edwards (1991) found that most respondents had limited knowledge of their own involvement in trusts, and were not able to specify what types of trusts they had, or in which they were beneficiaries. Only 23% of adults aged 50 and over had a Living Trust (AARP, 2000).

#### *Durable Power Of Attorney For Financial Issues*

Durable powers of attorney "... are alive when you are alive, and they are dead when you are dead" (Distenfield & Distenfield, 2005, p. 108). The durable power of attorney is written so that the document stays valid when an individual becomes incapacitated or disabled. This document should be individually customized, and is used to designate someone as an agent to handle financial affairs for an incapacitated person. The agent can perform duties such as these: changing designated beneficiaries

to items such as life insurance, IRA's, annuities, etc., paying bills, changing mail addresses, applying for public benefits such as Medicaid and Social Security, locating and paying caregivers, disposing of personal property, making advance funeral arrangements, and funding property into a Living Trust (Hook & Begley, 2002; Super Living Trust Plan Inc., 1984).

Approximately 45% of adults aged 50 and over have a Durable Power of Attorney for Financial Issues. Higher income and higher levels of education increase the likelihood of having this document (AARP, 2000).

#### *Letter Of Instruction*

Although not as popular as the other estate planning documents, and not technically always considered a legal document, the Letter of Instruction serves an important purpose. This document contains information on the distribution of non-titled property. It may also include instructions on where to find the other legal documents, information on assets such as insurance and retirement savings, information on debts owed, or even funeral instructions (Distenfield & Distenfield, 2005; Spinale, 1999). Non-titled property, in particular, can often be overlooked by a Will and some items may hold vastly different financial and emotional value to family members. The transfer of these items may not be formal and alternative venues to estate planning documents have included such methods as taping one's name on the item, verbal assurances of transfer, throwing items away, or even having auctions within the family unit (Stum, 2000). The Letter of Instruction can help avoid these alternative methods and may include the estate owners' wishes of how they want their personal

property items, such as jewelry, furniture, and electronics, to be distributed (Spinale). As well, the Letter of Instruction can include the instructions for donations of body organs (Distenfield & Distenfield).

A Letter of Instruction is not normally legally binding, but does accompany a Will or Living Trust, and is a very important document to include in a set of estate planning documents. The Letter of Instruction is considered a private document and does not go into any public record, which makes it an excellent document in which to leave personal messages (Distenfield & Distenfield, 2005).

Because the Letter of Instruction is not technically a legal document, it may be read immediately after death, and does not need to wait for the reading of a Will or to go through any court procedures. Due to the available immediacy of this document, many items such as where the Will is, what computer passwords are, where the utility information is, where the location of financial items are, who the deceased wishes to be a pallbearer, what the funeral instructions are, who gets the family pet; even private messages can be contained in this document. Because this document can be read immediately, copies can be given to the executor and can be kept in the home for accessibility (Distenfield & Distenfield, 2005).

### *Living Will*

The Living Will is the document in which a person declares his/her wishes, for end-of-life medical care if the originator contracts a terminal illness or enters into a permanent vegetative state (Distenfield & Distenfield, 2005; Spinale, 1999). Living Wills are effective only while the maker is still alive. They are allowed in all states except

Massachusetts, Michigan, and New York. Different states have varying names for Living Wills, but they all have the same purpose (Distenfield & Distenfield). Examples of such different names are Medical Directive, Designation of Health Care Surrogate, or Directive to Physicians (Spinale). This document must be established when an individual is healthy and mentally competent (Distenfield & Distenfield). Through the Living Will, an individual's wishes can be carried out when he/she is not mentally cognizant (Distenfield & Distenfield; Spinale).

Every person has the right to determine what they feel is quality of life for themselves (Distenfield & Distenfield, 2005). The Living Will may direct whether to refuse treatments that extend life, under what circumstances, and/or if pain medications are to be used (Pozzuolo, Lassoff, & Valentine, 2005; Spinale, 1999). An area still under consideration by the law is the power over "administration of antibiotics, nutrition and hydration" (Pozzuolo, et al., p. 77). An individual can specify that he/she does not want to be force fed or given IV's. These decisions, made in advance, can greatly reduce the stress on friends and families because wise decisions cannot always be made under emotional distress (Tulsky, 2005). Adults may not want to leave these types of decisions to loved ones, and physicians are usually not allowed to take on this role (Distenfield & Distenfield). The conditions that must be met for the Living Will to become effective vary from state to state, and can be revoked at any time, but, again, the criteria to revoke varies in each state (Pozzuolo, et al.).

If an individual does not have a Durable Power of Attorney for Health Care or a Living Will, state laws have statutes that assign a priority of surrogates which may be

based on familial relationships, or possibly include the patient's doctor. Decisions will be based on what they may think the patient would have wanted, or what is in the best interest of the patient (Pozzuolo, et al., 2005).

#### *Durable Power Of Attorney For Health Care*

The Durable Power of Attorney for Health Care is the legal document the estate owner uses to appoint someone to make sure their health care decisions are carried out, or to make medical decisions on their behalf when the person is incapacitated (Pozzuolo, et al., 2005; Spinale, 1999). Another type of durable power of attorney can be used for finances, as discussed earlier. The decisions covered in the Durable Power of Attorney for Health Care may include discontinuance of life support (right to die), or even a Do Not Resuscitate order (Distenfield & Distenfield, 2005; Pozzuolo, et al.). They may also include life prolonging measures if the person wishes. It gives the person appointed the ability to deal with doctors, hospitals, and others that affect the issuer's care.

Quality of life is a subjective term; one may consider living assisted by machines to be an acceptable quality of life, while another person may not. An individual should clearly inform his/her designated agent as to his/her desires for medical care to alleviate the difficulty of this extraordinary weight of decision making. The power of attorney assigns someone to "do the thinking and decision making for you" (Distenfield & Distenfield, 2005, p. 108), and is especially important for single people who do not have a spouse to make decisions for them in case of incapacity. The parents and children of someone who is ill cannot legally make decisions for emergency treatment

for them without a Living Will or Durable Power of Attorney for Health Care. Durable powers of attorney can be revoked at any time (Ho, et al., 1999).

The difference between Living Wills and Durable Powers of Attorney for Health Care is that the durable powers of attorney for health care assign someone to make end-of-life decisions, but in the Living Will people list their own wishes for their own treatment (Distenfield & Distenfield, 2005). The durable power of attorney also allows for a broader range of care decisions. In Virginia, a merged document, the Virginia Advance Medical Directive, has become available since passage of the 2006 Virginia Health Care Decision Act . This document contains information for both the Living Will and the Durable Health Care Power of Attorney in one document (Virginia State Bar, 2006).

### External Variables

In Ajzen and Fishbein's Theory of Reasoned Action (1980), items such as demographics are considered external to the model and affect intention and behavior only indirectly. Thus, these are termed external variables in this study. Crosby and Muehling (1983) have questioned that this influence is only indirect and contend that external variables have a direct influence. This research also includes an examination of direct and indirect paths affecting intention and behavior. This section will discuss external variables (age, education, gender, ethnicity, marital status, income, assets, debt, home ownership, emotional health, physical health, and resides with at relative) that are employed in this study.

### *Age*

In the United States between 2005 to 2007, approximately 9 million people (or 30%) were 50 and over (U.S. Census Bureau, 2007a). If age is an influence on estate planning, then the next decade of adults entering their older years should exhibit a major increase in document preparation for their future, prompting the need for educational programs in estate planning. The sample from this study are residents of the state of Virginia. In Virginia, 11.6% of the population is over 65 as compared to a national average of 12.4% (U.S. Census Bureau, 2008).

Palmer, et al. (2006) did not find age to be an influence and, in fact, questioned that perhaps it is life experience, not age, that influences Will and trust adoption. Prior research by AARP (2000) found older adults aged 65 to 74 more likely to have a Will than those aged 50 to 64. With people aged 80 and over, the percent who possessed a Will was 85%. Age was also found to be a predictor for having a Living Trust and a Durable Power of Attorney for Financial Issues.

### *Education*

Education was found to be an influence on having a Will and having a Living Trust (AARP, 2000; Palmer, et al., 2006). Of respondents with a college degree or higher, 80% had a Will. Education can also be related to income, which in turn, can influence estate planning (AARP).

### *Gender*

In the United States between 2005 to 2007, approximately 46% of the population (4.09 million) aged 50 and over was male, and 54% (4.84 million) was female (U.S.

Census Bureau, 2007a). In 2006 in Virginia, 50.8% of the population in general was female, and 49.2% male (U. S. Census Bureau, 2008). Edwards (1991) found that, although scores were low for both genders, women seemed to have a slight edge over men on estate planning knowledge. Previous research by AARP (2000) found that women were less likely to have a Living Trust than men.

### *Ethnicity*

The U. S. Census Bureau (2008) reported that in 2006 that 80.1% of the United States was White, and 73.3% of the Virginian population was White. Blacks were 12.8% of the national population, and 19.9% of the Virginian population. Other minorities were 5.2% in Virginia. Both Palmer, et al. (2006) and AARP (2000) found Whites were more likely to have the more common estate planning documents of Wills and Living Trusts than other ethnic groups.

Also, ethnicity may be a dynamic in the type and amount of assets a person has and this may be a predictor of the possession of estate planning documents. In comparing assets of Black and White families, research found that Black families were less likely to own homes and had fewer assets in investments and retirement accounts than White families (DeVaney, Anong, & Yang, 2007).

### *Marital Status*

According to the U.S. Census Bureau (2007a) between the years 2005 to 2007 for persons aged 55 and above, 72% of men and 49.5% of women were married. Over age 55, 8.3% of men and 29% of women were widowed, and 6% of men and 5.5% of women never married. In reflecting on the average elder law client, Hook and Begley (2002)

note that typically the client is a widow or widower. If not a widow or widower, then the more able spouse of the two, who still has the capacity to make arrangements is then the client. Divorce and marriage are events that highly affect estate planning (Scroggin, 2005). When one divorces and remarries, the complications of former spouses, new spouses, natural children, stepchildren, and the new children of a blended family, can pose strong challenges to decisions that must be made when arranging for asset distribution and health care decisions (Scroggin). Having children can also affect plans for one's estate, particularly having a special needs child, and these life events should prompt reviews of future estate arrangements (Spinale, 1999).

The death of a male spouse was found to be one of the stressful life events that prompted Will adoption, with the likelihood of a female surviving spouse adopting a Will 1.5 times as likely as people who were married. As well, people who are married are not as motivated to possess a Will as a female surviving spouse is. Marriage does have an effect on Trusts, with married older adults more likely to have Trusts. Being single may also prompt succession planning, as single individuals can hold property as joint tenants or tenants in common with any other individual (Palmer, et al., 2006).

#### *Income*

The 2004 median family income for households with persons aged 50 and over was \$35,199. The AARP uses 200% of the poverty rate as a more accurate measurement of poverty, and found 71.7% of households with persons aged 50 and over, were above the 200% rate of poverty. This leaves 28.3% of households living in evident poverty (AARP, 2006). Specifically in Virginia in 2004, 9.5% of people were living below the

poverty level as compared to 12.7% nationally (U.S. Census Bureau, 2008). In households over 62, the sources of income besides Social Security accounted for one half or more of the total income (AARP). Prior research has found that when income rises, the likelihood of having a Will and a Living Trust also rise (AARP, 2000).

### *Assets*

Median financial assets for households over 50 in America for 2004 was broken into three age groups. For those in households with the head in the 50-64 age range, the median assets was approximately \$54,579. In households with the head of household in the 65 to 74 age range, the median assets increased to approximately \$58,173. Median assets decreased to \$41,470 in households with persons aged 75+ as heads. These numbers do not reflect real estate property or vehicles (AARP, 2006). An increase in assets was found to be a motivator of Will adoption (Palmer, et al., 2006).

Net worth has been found to be an influence on possession of a Will (Goetting & Martin, 2001). However, the secondary data set used with this study did not include net worth information, so this study was unable to examine net worth in respect to the influence on estate planning documents.

### *Debt*

In 2004, American families with heads of households aged 55 and over had an average debt of \$51,791, which was an increase from the reported debt of \$29,039 in 1992. The median debt of all Americans was \$32,000 in 2004. American families with heads of households 75 and older were reported holding a debt of \$20,234, with debt decreasing as the head of household ages. Seventy-six percent of families with heads of

households 55 and older had debt, while only 40% for those families with heads of household over 75 had debt. In households with the head of household 55 and over, debt payments in relation to family income were reported at 10.3%, with non-housing debt accounting for 3.6% (Employee Benefit Research Institute, 2006). No prior research was found associating debt with the preparation of estate planning documents. Debt was included in this study since there was no measure of net worth which is assets minus debt.

### *Home Ownership*

In 2005, 71.2% of all Virginians owned a home as compared to 68.9% for the national average (U. S. Census Bureau, 2006). Between 2005 and 2007, 67% of homeowners were 45 and over, and in Virginia 66% of homeowners were 45 and over (U.S. Census Bureau, 2007a). Homeownership rates increase with age. For 2005, only 43% of Americans less than 35 years of age owned a home as compared to the 80.9% age 55 and over who owned a home (U. S. Census Bureau, 2007a). The median value for homes between 2005 and 2007 was \$181,800 nationally, and \$238,600 for Virginia (U. S. Census Bureau, 2007a). However, for older adults 65 and over, the median home value was \$165,344 for 2005 (U.S. Department of Health and Human Services Administration on Aging, 2007a).

In 2004, 36% of homeowners with heads of households aged 55 and over reported housing debt for the home they owned, with a median debt amount of \$60,000 (Employee Benefit Research Institute, 2006). Approximately 65% of homeowners in this age bracket owned their homes clear without debt in 2005 (U. S. Department of Health

and Human Services Administration on Aging, 2007a). Owning a home was found in previous research to be an influence for having a Living Trust, but not for a Will (Palmer, et al., 2006). Goetting and Martin (2001) reported net worth as a significant predictor in having a Will, and that net worth included home ownership.

### *Emotional Health*

Emotional health is required when establishing estate planning documents. Approximately 20% of adults aged 55 and over experience mental health disorders. These disorders are not always a part of normal aging processes and may include anxiety, mood disorders, schizophrenia, personality disorders, depression, and anorexia. Older adults who lose a spouse may also suffer from bereavement grief (U.S. Department of Health and Human Services, Office of the Surgeon General, 1999). Of adults aged 50 and over, 85% report they did not have depression (AARP, 2006).

The most feared mental disease for older adults is Alzheimer's disease. The Alzheimer's Association (2008) predicts that in the United States, 10 million baby boomers will be diagnosed with Alzheimer's disease, with women at much higher rates than men (17.9% for women and 9% for men). In 2004, Alzheimer's disease was the 5<sup>th</sup> leading cause of death among Americans 65 and older (Agingstats.gov, 2008). With 5.2 million people in the United States with Alzheimer's and 70% of Alzheimer's sufferers living with friends and family, the estimate for unpaid care alone was \$89 billion in 2007 (Alzheimer's Association, 2008). Dementia and other diseases can also cause cognitive impairment and affect a "person's ability to use words, identify objects, make decisions, and communicate with loved ones" (Gerberding, 2007, ¶10). Previous

research has not been identified that examines self-reported emotional health and the possession of estate planning documents.

### *Physical Health*

In respect to seeking legal help with powers of attorney, “the typical elder law client is over 70 years old, has some impairments, and is partially or totally dependent upon others for assistance” (Hook & Begley, 2002, p. 539) which may mean that ailing health could have an effect on seeking legal assistance. In 2006, 48% of men over 65 in the United States had trouble hearing, and 35% of women had trouble hearing and in 2004, 16% of men and 18% of women over 65 had difficulty with sight (Agingstats.gov, 2008).

In 2004, 47% of adults aged 50 and over reported their health as “excellent” or “very good” and 92.6% reported not needing help from others due to functional limitations (AARP, 2006). However, the longer one lives, the more likely one is to develop some physical health conditions. The U.S. Census Bureau (2007a) reports from 2005 to 2007, 40.9% of Americans over the age of 65 had some type of disability. Specifically in Virginia for 2005-2007, 39% of non-institutionalized persons aged 65 and over had some form of disability (U.S. Census Bureau, 2007b).

In 2004, the leading causes of death among Americans 65 and older were (in order): heart disease, cancer, stroke, respiratory illnesses, Alzheimer’s, and diabetes (Agingstats.gov, 2008). Receiving a diagnosis of cancer is a motivator for wills and trusts, particularly for wills. Interestingly, stroke or heart disease was not found to be a motivator (Palmer, et al., 2006).

### *Resides With A Relative*

Persons who live with a relative may be influenced in their estate decisions by their relative's wishes. Hook and Begley (2002) reflect that the average elder law customer seeking help with a power of attorney is usually accompanied by children or friends. If these children or friends were the ones living with the adult, then the pressures for asset transfer can be great. These children or relatives may influence an elderly individual when determining asset distribution near the end of life and they may also affect medical decisions.

Older adults may have their grandchildren living with them and that may be an influence on their estate planning. In the United States, 1.78 million adults 65 and over had grandchildren living in the household with them; 450,000 of these had primary care of the grandchildren (U.S. Department of Health and Human Services Administration on Aging, 2007). Specifically in Virginia for 2005-2007, approximately 5% of people were primary caregivers to grandchildren living with them (U. S Census Bureau, 2007b). And, in 2005-2007 in Virginia, 6.1% of households had a relative living with them other than a spouse or child (U.S. Census Bureau).

### *Attitudes Toward The Behavior*

The attitudes a person has toward a behavior can help identify his/her intention to perform the behavior (Ajzen & Fishbein, 1980). Some of these can be due to values and beliefs. For example, if an adult over 50 with one adult child promises his/her child titled or non-titled property, this may signal that the adult is exhibiting an attitude that he/she plans on leaving a legacy to that child. In her essay "*Do Parents Owe Their*

*Children a Legacy,*” Brakman (1996) maintains that children are not entitled to an inheritance unless the parent has promised an inheritance, or if they are leaving a child with special needs. Parents only have an obligation to leave a child a legacy if they have promised to do so, or if the child has helped them with care giving behavior.

Some adults over 50 with adult children may believe in spending their money on health care rather than being a burden to their children; while others may prefer to have their children take care of them and maintain their goal of leaving money to their children (Angel, 2008; Brakman, 1996). Each family has their own belief and value systems and this translates to fiscal ideals and traditions that may transfer from generation to generation (Angel).

Parents help their children mainly before their children reach their 40s, and do not usually help their children afterwards unless there is a need. Most parents want to leave their legacy to their children equally. After death, when a parent gives more support to a child whose siblings do not agree is in need, strong resentments can arise. “Issues of fairness color most decisions of inheritance” (Angel, 2008, p. 85). Goals to leave family in a financially secure position may be on the mind of some adults. Helping children with financial gifts while they are still alive makes parents feel good (Angel). Perhaps this feeling of altruism is in the minds of parents when they have the goal to leave an inheritance or want to leave financial security for their children and grandchildren.

The concept of dividing property equally may also be applied when naming agents in powers of attorney documents. Globally naming children equally as agents is

not always a wise decision, as each child has different strengths and knowledge. Furthermore, parents may use money or the promise of future money or property as a means to hold some control or power over their children (Angel, 2008).

Another ideal that may affect midlife and older adults is that the adult may believe in privacy from their children when it comes to their estate planning. A beneficial aspect of advance estate planning is using the right document for confidentiality. Advance estate planning can offer individuals a sense of control, where individuals can directly arrange how property will be disbursed, and may do so confidentially, without influence or pressure from friends and family (Ho, et al., 1999). An older adult with a concern about privacy may be more inclined to establish estate planning documents such as a Living Trust, in advance, so that they can keep their wishes private.

### Subjective Norms

Ajzen and Fishbein (1980) define subjective norms as a person's "perception that most people who are important to him think he should or should not perform the behavior in question" (p. 57). This implies that behavior may be acted upon because the people think someone important to them thinks they should do so, or in reverse, to perform a behavior because someone close to them thinks they should not do so. In estate planning, decisions as to possession of estate documents may be influenced by the people around one, and any action taken in respect to possession of estate documents may be influenced (positively or negatively) by those around one.

The emotional aspects in estate planning may be one of the overwhelming deterrents to adults completing the estate planning process. Gift giving from older adults includes complex aspects of resources and values. Angel (2008) depicts constraints as resources, because resources such as money are constrained by quantity; but she also sees these as structural factors to gift giving. Attitudes towards money are created during childhood through how much money the family has, and the beliefs of the parents towards money. Although parents may believe in leaving bequests to their children, they may be constrained by resources. This concept of constraints on resources also relates to this research.

Angel (2008) discusses the concept of filial piety in respect to inheritances and gift giving. Filial piety, or values and obligations, is the attitude and behavior of how children act toward their parents which, ultimately, ends up as a part of how the parent views the child. This can be an influence on gift giving and bequests. If adult children have a good relationship with their parents, their parents may, in turn, give more to them, out of love and obligation. However, if a parent lacks moral authority, then a child's behavior may not reflect a good loving relationship, as exhibited by not visiting or keeping in contact. This would, in turn, result in a parent's diminished feelings of responsibility as to give gifts to his/her adult child (Angel).

Whether the parent and child have a good relationship or not, a sense of obligation and gift giving can be constrained by resources such as finances and health (Angel, 2008; Brakman, 1996). Economics, alone, are not the only reason parents give gifts, obligation and values also affect bequests. For example, if one of their children are

in need, parents are more inclined to help monetarily, than if they were not in need (Angel). These concepts by Angel may help explain this study, as this study is examining the influence of the *external variables* (resources) and the attitudes and beliefs of older adults over 50 with at least one adult child and their possession of estate planning documents. In an attempt to leave some sort of financial security to children, parents may make advance choices in giving gifts to their children while they are still alive. Those choices may be due to obligation, the child's need, or purely as a gift.

The concept of obligation is noteworthy when it comes to parents leaving their children a legacy. Do parents owe an inheritance to their children? Leaving a legacy may be a moral claim, an obligation, or purely a gift out of love. Determining if parental motives toward leaving an inheritance are part of a social pressure or purely out of love, can be difficult to measure but pose interesting questions (Brakman, 1996). Angel (2008) observes that inheritance, which she equates with gift giving, reflects on the relationship between both parties, be it within the family or outside the family. These choices in gift giving, and the reasons behind them, can be seen in estate planning. Although middle aged and older adults may have their own ideas on how the estate should be divided, resentment may arise when family members do not feel they received a satisfactory bequest in the estate (Spinale, 1999). Receiving an inheritance can change family relationships forever. Many scenarios can cause resentment, such as one sibling taking on the care giving responsibilities of a parent, and that sibling subsequently feeling resentment when property is divided equally (Angel). These occurrences can divide extended as well as immediate family. Documenting why

decisions were made, as well as listening to those involved, can help to dispel the unpleasantness that may arise after death when an estate is being distributed (Spinale). Confidentiality can be advantageous for parents who do not want to risk discussing their plans with their children in advance if they feel their children may not agree with their decisions (Angel).

Subjective norms can have an effect on estate planning. Having a child accompany an older adult to the elder law attorney may pressure the older adult to arrange the distribution of their assets in a way he/she may not have intended. The pressure parents feel from friends, family, and societal trends can affect how older adults arrange for their affairs. Attitudes towards money, not having much in the way of resources, or views on leaving an inheritance are all complicated issues that are part of estate planning decision making.

#### Conceptual Models Based On Theoretical Framework

After reviewing previous literature, and constructs in reference to the Theory of Reasoned Action (Ajzen & Fishbein, 1980) the researcher created three models that were used in this study. The first model was for predicting the relationship between *external variables, attitudes toward behavior and subjective norms on possession, intention to possess, or non-intention to possess* asset-focused estate documents, which relate to asset management and dissemination; the second model was for predicting the relationship between *external variables, attitudes toward behavior and subjective norms on possession, intention to possess or non-intention to possess* health care-focused estate documents; and

the third model was for predicting the relationship between *external variables, attitudes toward behavior* and *subjective norms on possession* of a set of estate planning documents.

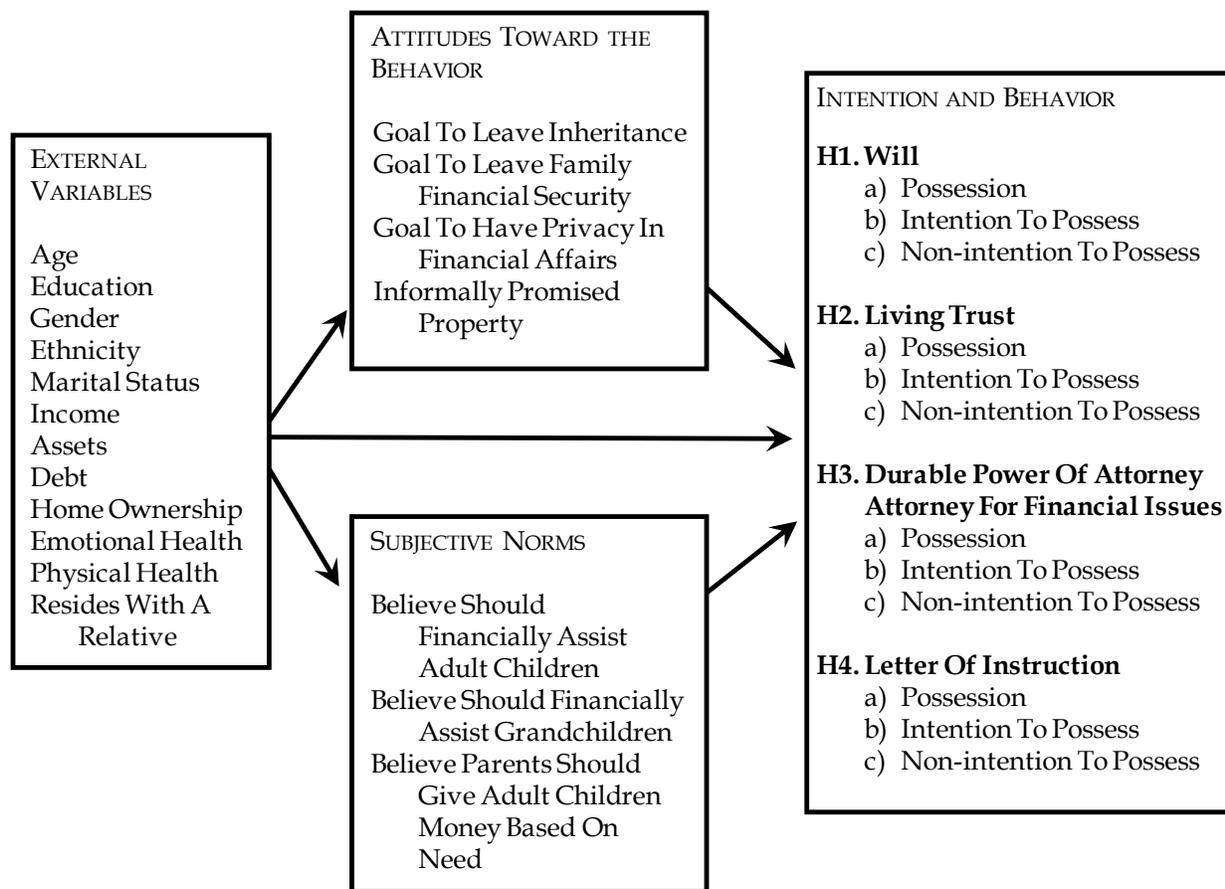
See *Figures 2, 3, and 4* for all conceptual models. In the models created for this study, demographics, such as age, assets, income, etc., were *external variables* as defined by Ajzen and Fishbein (1980). Their effect on *intention* and *behavior*, as to the *possession, intention to possess, or non-intention to possess* separate estate planning documents, or a set of estate planning documents, can be direct, or mediated through the *attitudes toward the behavior* and the *subjective norms*.

*Attitudes toward the behavior* were items that could affect the *intention or behavior* such as having goals, or promising property. If an adult over 50 with at least one adult child promises property to a child, this promise may affect their behavior as to whether or not they have acquired an estate planning document. *Attitudes toward the behavior* included goals and intentional behavior of the adult over 50 with at least one adult child in respect to *possession, intention to possess, and non-intention to possess* estate documents. In each model, goals and attitudes were different reflecting the focus of the model. For example, goals to leave financial security to children and grandchildren were attitudes that might have been possible precursors to asset-focused estate planning but not to health focused estate planning.

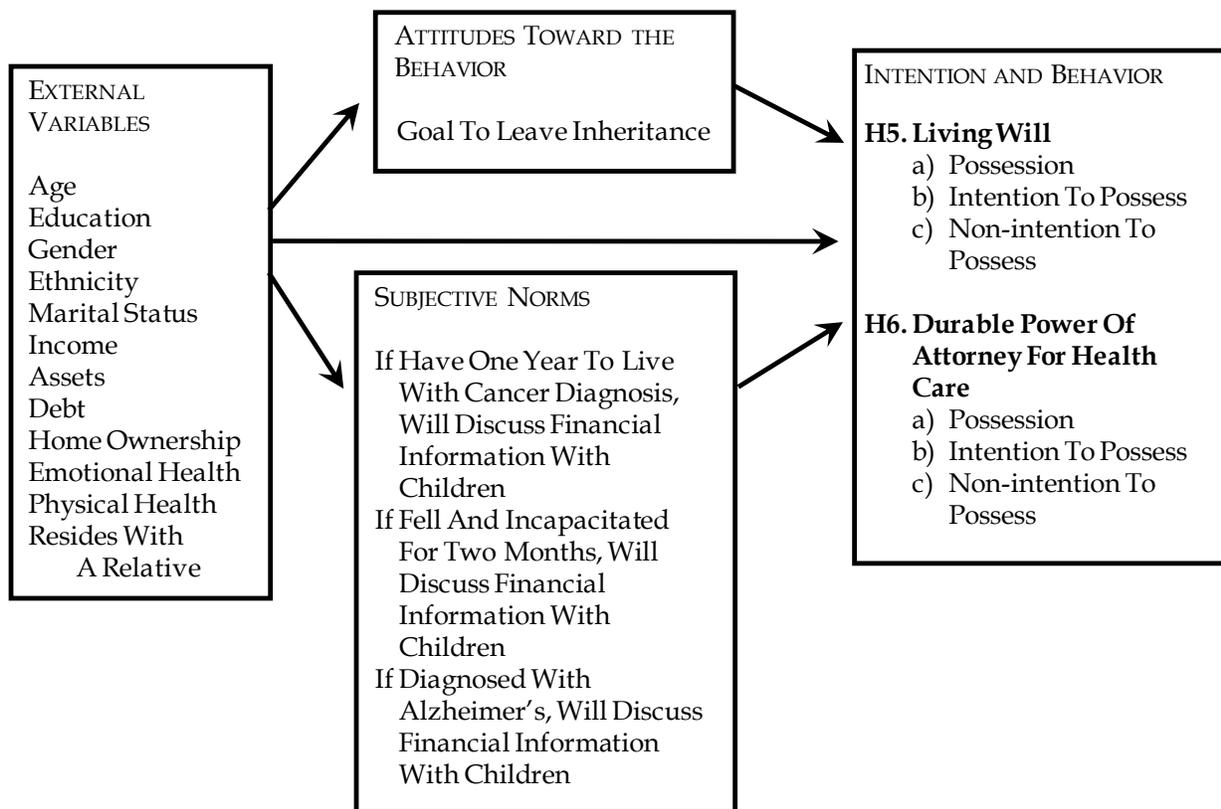
In these models, *subjective norms* were the influences that surround a person that could be based on societal pressure or types of beliefs such as believing that because one is ill, he/she must discuss their financial affairs with a child. These beliefs may be the result of society's ideals or the influences of those around the person. For example,

in the asset-focused model, a belief of helping children financially could be an obligation in a parent's mind, or a belief derived from pressure from children, and may have an influence on behavior.

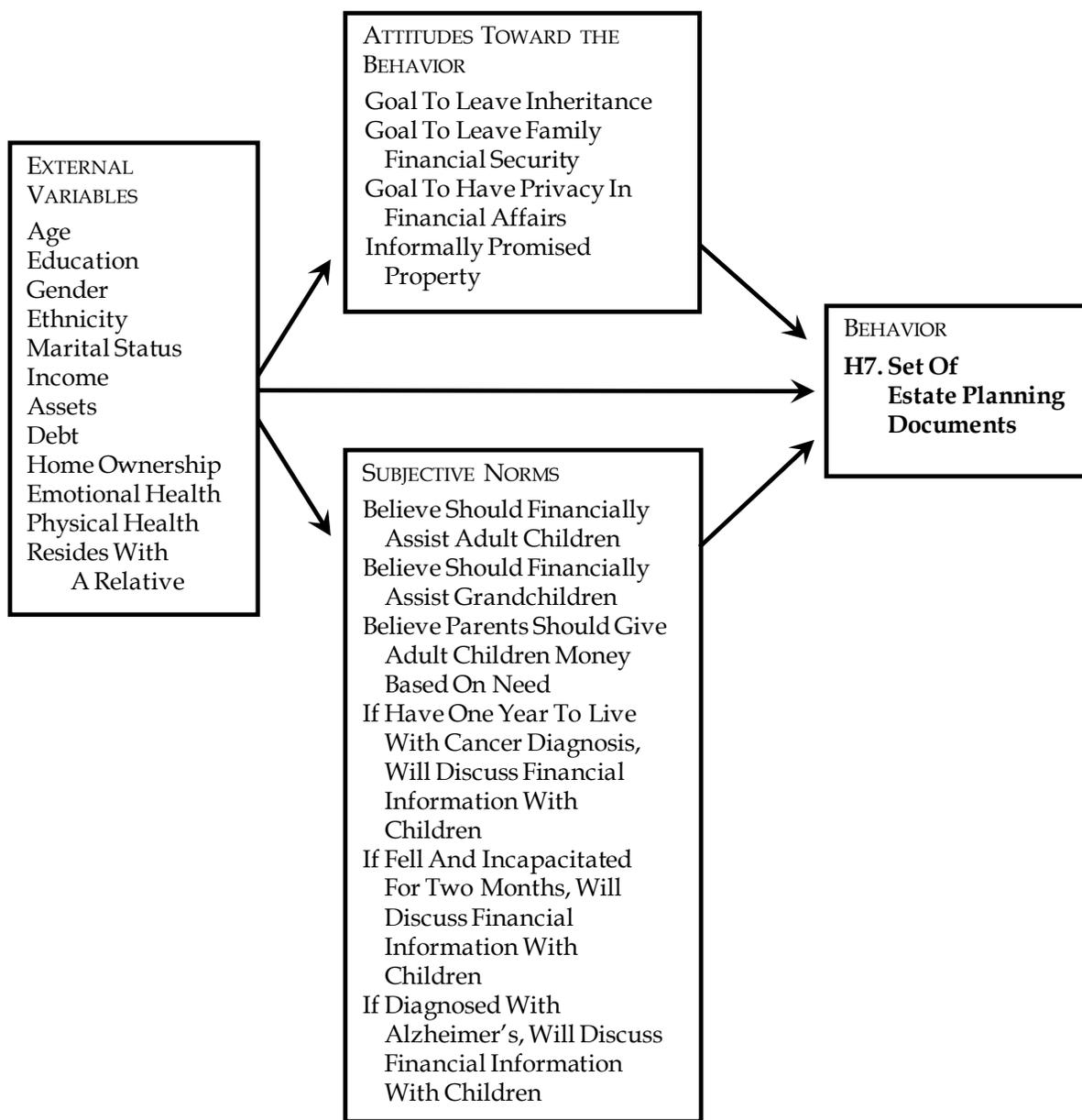
*External variables* were included in all models and relationships between external variables and the two constructs of *attitudes toward the behavior* and *subjective norms* were explored first and reported in Appendix A. Also, *attitudes toward the behavior* and *subjective norms* were explored for relationships to estate documents. Performing these analyses helped to determine if *external variables* were mediated by *attitudes toward the behavior* and *subjective norms* to estate documents, if they were direct influences, or both. Estate documents were analyzed individually in each model, but collectively in the set of estate planning documents model. The hypotheses for all models are included in Chapter 3.



*Figure 2.* Asset-focused theoretical model adapted from the Theory of Reasoned Action (Ajzen & Fishbein, 1980).



*Figure 3.* Health care-focused theoretical model adapted from the Theory of Reasoned Action (Ajzen & Fishbein, 1980).



*Figure 4.* Model of a Set of Estate Planning Documents adapted from the Theory of Reasoned Action (Ajzen & Fishbein, 1980).

## CHAPTER III

### METHODS

This chapter presents the hypotheses in this study and the methods of analysis. An introduction to the variables in the study and their measurements are also included. Applying the Theory of Reasoned Action (Ajzen & Fishbein, 1980), the study examined the relationships between *external variables* (demographics), *attitudes*, and *subjective norms* (influences of others), and their *possession*, *intention to possess*, or *non-intention to possess* six estate planning documents individually, and as a set, by adults 50 and over with at least one adult child and

#### Hypotheses

To the best of the author's knowledge, little research has been completed examining attitudes and influences of individuals in their estate planning. Given this gap, directional hypotheses are not practical. However, because Creswell (2003) indicates that a hypothesis encompasses "predictions made about a variable" (p. 108), and indicates that an alternative hypothesis is non-directional, and can be created when there is a lack of literature, the author chose to use hypotheses for this study rather than research questions. Following Creswell's example for Standard Use of Language in Hypotheses designating the listing of the independent variables first, the hypotheses were created. Utilizing the Theory of Reasoned Action (Ajzen & Fishbein, 1980), *attitudes toward the behavior*, and *subjective norms* were operationalized as predicting the behavior of *possession*, *intention to possess*, or *non-intention to possess* estate planning

documents, or a set of estate planning documents. See *Figures 2, 3, and 4* in Chapter 2 for the conceptual models to better illustrate the hypotheses.

*External variables* in this study included Age, Education, Gender, Ethnicity, Marital Status, Income, Assets, Debt, Home Ownership, Emotional Health, Physical Health, and Resides With A Relative. *Attitudes toward the behavior* and *subjective norms* were different for each model and are specifically described in each hypothesis. In hypotheses for this study, *intention and behavior* were defined as *possession, intention to possess, or non-intention to possess* an estate planning document, or *possession* of a set of documents.

#### *Hypotheses For Asset-Focused Documents*

H1. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security, goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need), on the:

- a) *Possession* of a Will,
- b) *Intention to Possess* a Will,
- c) *Non-intention to Possess* a Will.

H2. For adults 50 and over with at least one adult child, *external variables* will have relationships directly or indirectly, through *attitudes toward the behavior*

(goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need) on the:

- a) *Possession* of a Living Trust,
- b) *Intention to Possess* a Living Trust,
- c) *Non-intention to Possess* a Living Trust.

H3. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need) on the:

- a) *Possession* of a Durable Power of Attorney for Financial Issues,
- b) *Intention to Possess* a Durable Power of Attorney for Financial Issues,
- c) *Non-intention to Possess* a Durable Power of Attorney for Financial Issues.

H4. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have

privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need) on the:

- a) *Possession* of a Letter of Instruction,
- b) *Intention to Possess* a Letter of Instruction,
- c) *Non-intention to Possess* a Letter of Instruction.

#### *Hypotheses For Health Care-Focused Documents*

H5. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance) and *subjective norms* (if have one year to live with cancer diagnosis, will discuss financial information with children; if fell and incapacitated for two months, will discuss financial information with children; and if diagnosed with Alzheimer's, will discuss financial information with children) on the:

- a) *Possession* of a Living Will,
- b) *Intention to Possess* a Living Will,
- c) *Non-intention to Possess* a Living Will.

H6. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance) and *subjective norms* (if have one year to live with cancer diagnosis, will discuss financial information with children; if fell and

incapacitated for two months, will discuss financial information with children; and if diagnosed with Alzheimer's, will discuss financial information with children) on the:

- a) *Possession* of a Durable Power of Attorney for Health Care,
- b) *Intention to Possess* a Durable Power of Attorney for Health Care,
- c) *Non-intention to Possess* a Durable Power of Attorney for Health Care.

#### *Hypothesis For Set Of Estate Planning Documents*

H7. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need; if have one year to live with cancer diagnosis, will discuss financial information with children; if fell and incapacitated for two months, will discuss financial information with children; and if diagnosed with Alzheimer's, will discuss financial information with children) and the possession of a Set of Estate Planning Documents.

#### Survey And Sample

The purpose of this study is to examine the relationships between demographics, attitudes, and subjective norms (influences of others) of adults 50 and over with at least one adult child, and the possession of estate planning documents. The researcher used a

secondary data set, confining the analysis to only those questions asked in the original survey. Institutional approval was received for the research study (see Appendix B).

The original survey, titled “Assistance to Adult Children by Older Parents” asked older parents in Virginia to self report what type of financial help they would give their children. Questions regarding attitudes about money, financial planning, and discussing money with children were also asked. The survey was created and conducted in 2005 by Dr. Celia Hayhoe of Virginia Cooperative Extension and Dr. Michelle Stevenson of the Department of Human Development at Virginia Polytechnic Institute and State University. The investigators purchased a list of names of persons living in Virginia over the age of 50 with at least one child over the age of 18, from a marketing company. The people on the list were telephoned and asked if they were willing to participate in the survey. The original random sample target size of 300 was obtained, and the willing participants were mailed surveys. Of the 300 people contacted, ten surveys were returned for incorrect addresses. Respondents were sent a follow up postcard two weeks later if the survey was not returned. Of the 290 surveys delivered, 200 were returned, but only 189 were usable. A \$10 gift card was sent to each person who returned the survey.

The survey contained a total of 110 questions. Questions on the survey were in a variety of formats: multiple choice, Likert-type scale, rankings, and fill in answers. A copy of the survey is found in Appendix C. Respondents did not always answer each question, and left some questions blank. In survey research, when asking personal questions, respondents may choose not to answer questions on income (or financial

affairs) or may simply lack motivation (Meyers, Gamst, & Guarino, 2006). The sections of the survey included: demographic information, family information, and financial planning information. Answers from the survey were entered into a Microsoft Excel spreadsheet. A coding table is attached as Appendix D illustrating the coding for variables for this study.

## Dependent Variables

### *Intention And Behavior*

Because this study examined estate planning documents, the dependent variables were the *possession, intention to possess, and the non-intention to possess*: Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction, Living Will, and Durable Power of Attorney for Health Care. Questions in the survey pertaining to these documents were on a five point scale: “have done”, “plan to do before the end of the year”, “plan to do next year or later”, “I know what it is but do not plan to do it”, and “I don’t know what it is.”

The analysis was not run on the category “I don’t know what it is” because this does not fit with the Theory of Reasoned Action (Ajzen & Fishbein, 1980). This theory is based on motivations for social behavior, in particular, *intention and behavior*. When a respondent knew what something was, they were making a conscious decision to either *possess, intend to possess, or had non-intention to possess* an estate planning document. Ignorance of the existence of a document would not comprise any type of motivation or behavior because if one did not know about it, he/she could not make a decision to

*possess, intend to possess, or non-intend to possess* an estate planning document. (Also, the number of observations in these categories was too low to run statistical analyses.)

Due to the sample size, the researcher was unable to use multinomial logistic regression for data analysis for the asset-focused and health care-focused models. Binary logistic regressions are components of multinomial regression (Allison, 1999). Thus, to achieve the same manner of results, three binomial categories were used to classify the dependent variables:

*Possession* = Have done

*Intention to Possess* = Plan to do before the end of the year  
Plan to do next year and later

*Non-intention to Possess* = I know what it is but do not plan to do it

All models were analyzed using separate binary logistic regressions for dependent variables.

For the analysis of the Set of Estate Planning documents, a total score was computed from all six questions for “have done”. Each observation coded 1=Have Done was added together for a maximum total of six and a minimum total of zero. The higher the score, the more estate planning documents an individual has, which is interpreted in this study, as meaning that the individual has a more complete estate plan.

#### Independent Variables

##### *External Variables*

*External variables* were demographic and socioeconomic variables in this study.

AARP (2000) employed race, gender, income, education, and marital status when

looking at estate planning documents and Goetting and Martin (2001) used demographic, socioeconomic, health, and psychological variables. Edwards (1991) used income, estate size, savings, age, marital status, geographic location, education, employment, and occupation. Variables for this study were chosen based on the previous studies.

### *Age*

Age was computed by calculating the difference between the birth year and 2005, the year the survey was administered.

### *Education*

The survey choices for education were coded 0 to 6 with 0 representing “not completing high school” to 6 representing “attained a graduate degree,” thus education was run as a continuous variable.

### *Gender*

Gender was coded as 0=Female and 1=Male.

### *Ethnicity*

Ethnicity had the choices “White”, “Black or African/American”, “Hispanic or Latino”, “Asian or Pacific Islander”, and “Other”. This variable was coded 0=White and 1=Non-White due to low frequencies in the Non-White responses.

### *Marital Status*

The survey choices for marital status were “single”, “married”, “widowed and not remarried”, “widowed remarried”, “divorced and not remarried”, “divorced remarried”, and “separated”. Marital status can be a determining factor in how asset

ownership is evaluated in estate planning, so coding was accomplished using the criteria of married or not currently married, 0=Not Married and 1=Married, due to lower frequencies in the other answer categories. Those who were currently remarried were included in the married category.

### *Income*

Income was coded in categorical answers from 1 to 15 in unequal increments on the survey. The categories were recoded 1=\$0 to 29,999, 2=\$30,000 to \$49,999, 3=\$50,000 to \$79,999, and 4=\$80,000+ for data analysis.

### *Assets*

Assets, which include home value in this survey, were categorized into 17 groups starting at less than \$25,000 to \$400,000. The categories were recoded as 1=\$0 to \$149,999, 2= \$150,000 to \$274,999, 3=\$275,000 to \$399,999, and 4=\$400,000+.

### *Debt*

Respondents were asked to respond to the estimated amount they owed including "car loans, credit cards, finance company loans, etc." These debts were similarly categorized into 15 groups starting at less than \$10,000 to more than \$140,000. These were recoded to 1=\$0 to \$9,999, 2=\$10,000 to \$39,999, 3=\$40,000 to \$99,999, and 4=\$100,000+. These variables were run as continuous.

### *Home Ownership*

The question on the survey regarding home ownership included answers for owning a home, types of renting, living in a retirement home, and others. Because of

high home ownership rates, the home ownerships variable was coded, 1="Own Home" or 0= "Do Not Own Home".

#### *Physical Health And Emotional Health*

Physical and emotional health both had four item scales from Excellent (3) to Poor (0) and were run as continuous variables.

#### *Resides With A Relative*

The survey question regarding who resides with the participant had response choices encompassing living alone, with spouse, daughter, grandchild, parents, siblings or friends. Only daughter, son, grandchild, and sibling were included in this variable. This variable was coded to 0=Does Not Reside With A Relative and 1=Resides With A Relative. The presence of a child or grandchild in a home may influence motivations for estate planning and this variable can be used to reveal influences in respect to estate planning.

#### *Attitudes Toward The Behavior*

For the *attitudes toward the behavior* variables, questions on the survey regarding goals were used. This section of the survey requested the respondent to indicate whether or not specified financial planning items were a primary or secondary goal. Items with a code of 1 were primary goals. Coding was 0=Not a Primary Goal and 1=Primary Goal. Variables "Informally Promised Non-titled Property" and "Informally Promised Titled Property" both had the same type of five point scale as in other survey questions ranging from "have done" to "I don't know what it is." To assist in examining behavior, the coding for the variable was 0=Have Not Informally Promised Non-titled

Property, and 1=Have Informally Promised Non-titled property and the same for titled property. Finally, the variable “Often Use Money to Persuade Others” provided the participant the choice of a 5 point scale ranging from “strongly disagree to strongly agree”. “Agree” and “strongly agree” were coded 1=Agree, and the remaining categories were coded 0=Do Not Agree.

### *Subjective Norms*

The *subjective norms* in the financial model were general beliefs regarding adults financially assisting children. In the survey, respondents were asked to respond Yes, No, or Depends to seven listed items as to whether parents think they should assist their adult children. A composite score was derived from adding the answers to the questions about beliefs in financially assisting adult children with the following items: large purchase, unexpected expenses, education, and spending money and the coding of 1=Yes and 0=No. The answers were summed to a scale of 0-4, with the higher score meaning the stronger the belief that parents should financially assist an adult child.

The similar items and score were created for assisting grandchildren. In the survey, respondents were asked to respond Yes, No, or Depends to eight listed items as to whether they think they should financially help their grandchildren.

The final variable in *subjective norms* was a direct question “I believe parents should give money to their adult children based on their need” and the respondent was given a choice of a five point scale ranging from “strongly disagree to strongly agree”. “Agree” and “strongly agree” were recoded 1=Agree, and the remaining categories were coded 0=Do Not Agree.

The *subjective norms* in the health care-focused model are different due to the subject matter. These variables, concerning communication with adult children regarding financial matters if one were faced with a health care crisis, can assist in identifying choices in living wills and influences on choices as to who will be assigned to manage health care affairs through the Durable Power of Attorney for Health Care. These items were multiple choice questions on the survey regarding discussing financial information with children if one were incapacitated, diagnosed with cancer, or diagnosed with Alzheimer's. Each question provided the following answers: a) no, b) very little, c) general but not specific, d) most but not all, e) all and were run as continuous variables.

#### Missing Values

Missing values were imputed in order to preserve sample sizes and ensure data validity. Series mean substitution was used through SPSS for continuous variables, as this is a more conservative method, and the percentage of missing values were primarily below 5% in the independent variables (Meyers, et al., 2006). Categorical variables were imputed using the mode. Because determining what factors influence the dependent variables is the reason for the research, imputing the dependent variables would not properly help to determine factors, thus they were not imputed (E. Vance, Director for the Laboratory for Interdisciplinary Statistical Analysis, Virginia Tech Department of Statistics, personal communication, October, 1, 2008). Thus, this resulted in reduced sample sizes for some of the dependent variables, as indicated in the tables in Chapter 4.

## Data Analysis And Models

The data file was imported into SPSS from Microsoft Excel and descriptive statistics were generated. A coding table is provided in Appendix D. Measurements and final codings are represented by the descriptive statistics in Chapter 4, Tables 2 through 5.

To determine the goodness-of-fit for each model, the Hosmer-Lemeshow Goodness-of-Fit Test was applied. This test is considered reliable using the SPSS software (Pallant, 2007). The Hosmer-Lemeshow Test groups observed and expected observations and then, using a chi-square analysis, looks for acceptable matches. With this test, a significance level below .05 would denote a significant difference between the observed and expected, which indicates inaccurate predictions. Thus, this statistic should be above .05 to indicate an acceptable fit or match (Meyers, et al., 2006; Pallant).

### *Asset-Focused Model*

Based on previous studies that found *attitudes toward behavior* and *subjective norms* to be inadequate as predictors alone, and noting that *external variables* could have direct or mediated influences on intention in the financial model, *external variables* were initially regressed on the *attitudes toward the behavior* and *subjective norms* (Van Hooft, et al., 2005; Crosby & Muehling, 1983). See Appendix A for these results. Binary logistic regression was run for *Possession*, *Intention To Possess*, and *Non-intention To Possess* on each of the four estate planning documents (Will, Living Trust, Durable Power of Attorney for Financial Issues, Letter of Instruction). Each analysis was performed applying the *attitudes toward the behavior* and *subjective norms*. See Figure 2 in Chapter 2

for the conceptual model. Subsequently, the previous analysis of the *external variables* to the *attitudes toward the behavior* and *subjective norms* was examined to identify if there were any indirect influences.

#### *Health Care-Focused Model*

The health care-focused model followed the same analysis procedures as the financial model. Each model had specific variables relating to health issues. See *Figure 3* in Chapter 2 for the conceptual model.

#### *Set Of Estate Planning Documents Model*

The number of estate planning documents model followed the initial procedure of analyzing the relationships of the *external variables* to the *attitudes toward the behavior* and *subjective norms*. The regression between the *attitudes toward the behavior* and *subjective norms* and the *behavior* was a linear regression as the dependent variable for *behavior* were measured with a score of 0 to 6. This model served to identify attitudes and influences on having multiple estate planning documents, rather than on a singular estate planning document.

#### Preliminary Data Analysis With Correlations And Crosstabs

Before performing each model analysis, crosstabs were run to determine significant relationships and correlations were run on all eligible variables for multicollinearity (Meyers, et al., 2006; Pallant, 2007). See Appendix E and F for the results. Based on these results, the variables Goal to Leave Adult Children Financial Security and Goal to Leave Grandchildren Financial Security were combined into a composite variable Goal to Leave Family Financial Security. Also, the variables

Informally Promised Non-titled Property and Informally Promised Titled Property were combined into a composite variable titled Informally Promised Property. The models and hypotheses were also revised to omit the variable Often Use Money to Persuade Others as the frequencies were skewed with a frequency of 186 for those who do not use money to persuade others and 3 who do. These numbers were not conducive to statistical analyses.

## CHAPTER IV

### RESULTS AND DISCUSSION

The purpose of this study is to examine the relationships between demographics, attitudes, and subjective norms (influences of others) of adults 50 and over with at least one adult child, and the possession of estate planning documents. This study was based on the Theory of Reasoned Action (Ajzen & Fishbein, 1980). This chapter presents the results of analyses and whether the results fulfill the hypotheses presented in Chapter 3. Discussion of these findings is also included.

The regional sample employed in this study was small, but provides a foundation for further work in the field. Although each document serves an important individual contribution to providing for an individual's estate, reviewing separately which documents respondents *possessed*, had an *intention to possess*, or had a *non-intention to possess* are new areas of exploration and can help provide in-depth profiles of individuals with respect to estate planning documents.

#### Sample Characteristics

##### *Descriptive Statistics*

Descriptive statistics were run on all variables included in each of the three models: asset-focused, health care-focused, and set of estate planning documents. The sample size was 189 participants. Due to missing values in the dependent variables the actual sample for the analysis may be reduced (see N on the top of each table).

### *External Variables*

Tables 2 and 3 contain the descriptive characteristics of the external variables. The majority of the sample was female (107 females to 82 males) and married (127 married with 62 not married). The sample was predominantly White (165 participants reporting White and 24 participants reporting Non-White). The majority of the sample owned a home (90.5%). Respondents mainly self-reported their health as “good” or “excellent” for both physical and emotional health.

Age ranged from 52 to 87 with a mean age of 69. A few demographic items can be compared to give a perspective of how this sample represents the over 50 population in Virginia. AARP (n.d.) reports that in Virginia for the years 1999-2001, for adults 50 and over the ratio of women to men is 1.3:1. The sample for this study of older adults 50 and over in Virginia with at least one adult child had the same ratio of 1.3 women to men. In regards to race, White was predominant in this study at 87.2%, which is higher than the AARP report of 77.5% for persons 50 and over (1999 to 2001). In the general population of Virginia for 2006, Whites are 73.3% of the population as compared to the United States general population, which is 80.1% (U.S. Census Bureau, 2008). The percentage of respondents who were married was 67.2%, while in Virginia the average percentage of persons aged 50 and over that are married is 56.1% (AARP). In summary, this sample is higher in married persons and higher in Whites than the average Virginia population of persons aged 50 and over.

Table 2

*Descriptive Statistics Of External Variables*

(N=189)	Frequencies	Valid Percentages
<i>External Variables</i>		
<b>Education</b>		
Did Not Complete High School	14	7.4%
Completed High School or Equivalent	41	21.7%
Completed Technical/Vocational School	7	3.7%
Some College	49	25.9%
College Degree	30	15.9%
Some Graduate School	16	8.5%
Graduate School	32	16.9%
<b>Gender</b>		
Female	107	56.6%
Male	82	43.4%
<b>Ethnicity</b>		
White	165	87.3%
Non-White	24	12.7%
<b>Marital Status</b>		
Not Married	62	32.8%
Married	127	67.2%
<b>Income</b>		
\$0 to \$29,999	34	18.0%
\$30,000 to \$49,999	57	30.2%
\$50,000 to \$79,999	46	24.3%
\$80,000+	52	27.5%
<b>Assets</b>		
\$0 to \$149,000	31	16.4%
\$150,000 to \$274,999	36	19.0%
\$275,000 to \$399,999	29	15.3%
\$400,000+	93	49.2%
<b>Debt</b>		
\$0 to \$9,999	101	53.4%
\$10,000 to \$39,999	42	22.2%
\$40,000 to \$99,999	26	13.8%
\$100,000+	20	10.6%
<b>Home Ownership</b>		
Other	18	9.5%
Own Home	171	90.5%

Table 3

*Descriptive Statistics Of External Variables (continued)*


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Emotional Health		
Poor	1	.5%
Fair	12	6.3%
Good	73	38.6%
Excellent	103	54.5%
Physical Health		
Poor	3	1.6%
Fair	30	15.9%
Good	95	50.3%
Excellent	61	32.3%
Resides With A Relative		
Does Not Reside With A Relative	138	73.0%
Resides With A Relative	51	27.0%

---

In 2004, median U. S. household income was \$50,252 for persons aged 50 to 64. Income decreased with age, as people 65 to 74 had a median income of \$23,899 with a further decrease to \$19,688 for persons aged 75+ (AARP, 2006). For Virginia, median annual household income for 2005 was reported at \$37,503 (Fedstats, 2008). In this sample, 82% had incomes above \$30,000, and 52% had incomes of \$50,000 and above, representing a higher income than the median in Virginia. Home ownership in the sample was very high, at 90.5% while in Virginia the home ownership rate was reported at 71.2% for 2005, and in the United States for all ages was reported at 68.9% (U.S. Census Bureau, 2006). This sample is not only higher in married and white individuals, it is also higher in income and home ownership than the average Virginia population. This study is an exploratory study using an existing data set. For future research,

particularly in Virginia, a sample should be sought that is more representative of a general population in terms of income, home ownership, marital status, and race.

#### *Attitudes Toward The Behavior*

When the *attitudes toward the behaviors* in the asset-focused model were examined, a majority of the respondents had a goal to leave an inheritance (66%), but a smaller portion had a goal to leave their family financial security (20%), and most did not informally promise their property to family and others (70%) (see Table 4). The sample was over 50 with at least one adult child, so these desires to leave an inheritance and financial security could be due to age and older adults wanting to help their children. Privacy was not a primary goal for most of the sample.

#### *Subjective Norms*

For *subjective norms*, questions about what each respondent thought in respect to finances and their adult children were employed. Respondents' answers may reflect their own views as well as views that include influences and expectations of others. Notable in Table 4, is that 81% of the respondents believed that older adults should financially help their children based on their children's need. In respect to pressures in regards to their financial affairs, if a respondent faced with a long term illness or short term incapacitation, the respondents in this sample would be inclined to discuss their financial affairs with their adult children.

Table 4

*Descriptive Statistics Of Attitudes Towards The Behavior And Subjective Norms*

(N=189)	Frequencies	Valid Percentages
<i>Attitudes Toward The Behavior</i>		
<b>Goal to Leave Inheritance</b>		
Not a Primary Goal	64	33.9%
Primary Goal	125	66.1%
<b>Privacy</b>		
Not A Primary Goal	118	62.4%
Primary Goal	71	37.6%
<b>Informally Promised Property</b>		
Did Not Promise	134	70.9%
Promised Some	20	10.6%
Promised Titled and Non-titled Property	35	18.5%
<i>Subjective Norms</i>		
<b>Believes Parents Should Give Adult Children Money Based On Need</b>		
Do Not Agree	153	81.0%
Agree	36	19.0%
<b>If Have One Year to Live With Cancer Diagnosis, Will Discuss Financial Information With Children</b>		
No	5	2.6%
Very Little	9	4.8%
General But Not Specific	14	7.4%
Most But Not All	21	11.1%
All	140	74.1%
<b>If Fell and Incapacitated For Two Months, Will Discuss Financial Information With Children</b>		
No	16	8.5%
Very Little	21	11.1%
General But Not Specific	30	15.9%
Most But Not All	36	19.0%
All	86	45.5%
<b>If Diagnosed With Alzheimer's, Will Discuss Financial Information With Children</b>		
No	5	2.6%
Very Little	7	3.7%
General But Not Specific	12	6.3%
Most But Not All	8	4.2%
All	157	83.1%

*For coding please see Appendix D.*

Table 5 presents characteristics of the variables that had composite scores.

*Attitudes Toward the Behavior* had the goal to leave family financial security with a mean of .70. The goal to leave children financial security and the goal to leave grandchildren financial security were added together to create this variable, the goal to leave family financial security. *Subjective norms* variables that were measured on a 5 point Likert type scale. The beliefs in assisting children and grandchildren represented societal influence, and possibly the child's influence, on the older adults. The means of scores indicated a relatively low level of influence, 1.21 and .84, out of a total score of 4.

Table 5

*Descriptive Statistics Of Composite Attitudes Toward The Behavior And Subjective Norms*

	N	Mean	Range	S.D.
<i>Attitudes Toward the Behavior</i>				
Goal To Leave Family Financial Security	189	.70	0 - 2	.844
<i>Subjective Norms</i>				
Believe Should Financially Assist Adult Children (Composite)	189	1.21	0 - 4	1.137
Believe Should Financially Assist Grandchildren (Composite)	189	.84	0 - 4	1.026

*Asset-Focused Documents*

The frequencies of the *possession*, *intention to possess*, and *non-intention to possess* of the six estate planning documents are included in Tables 6 and 7. Imputation for missing values was not run on dependent variables, thus, the sample size for each document varies. In Table 6 for the asset-focused documents, the Will was the most

popular document people had with 80.6% of the sample reporting having one. The second most popular document was the Durable Power of Attorney for Financial Issues (45%). The document that the smallest number of respondents had was the Letter of Instruction (19%). The Living Trust was the document respondents had the least *intention to possess*, with 52% of the respondents having *non-intention*. Only 19.2% of the sample had a Living Trust, an interesting finding because the sample was predominantly homeowners and respondents had higher reported incomes of over \$30,000, and higher reported assets of \$400,000+. This may indicate that people do not understand the benefits of a Living Trust, or do not choose to set up their assets in this manner for other reasons. For *intention to possess*, the Durable Power of Attorney for Financial Issues and the Letter of Instruction were very similar; 26.2% and 26.7% respectively. The Letter of Instruction was the document 17.5% of respondents did not know what it was, indicating a need for further awareness for this document.

Table 6

*Descriptive Statistics Of Asset-Focused Documents*

	N	Frequencies	Valid Percentages
<i>Will</i>	186		
Possession of a Will		150	80.6%
Other		36	19.4%
Intention to Possess a Will		33	17.7%
Other		153	82.3%
Non-intention to Possess a Will		3	1.6%
Other		183	98.4%
I Do Not Know What it is		0	0%
Other		186	100%
<i>Living Trust</i>	177		
Possession of a Living Trust		34	19.2%
Other		143	80.8%
Intention to Possess a Living Trust		34	19.2%
Other		143	80.8%
Non-intention to Possess a Living Trust		92	52.0%
Other		85	48.0%
I Do Not Know What it is		17	9.0%
Other		160	91.0%
<i>Durable Power Of Attorney For Financial Issues</i>	183		
Possession of a Durable Power of Attorney for Financial Issues		83	45.4%
Other		100	54.6%
Intention to Possess a Durable Power of Attorney for Financial Issues		48	26.2%
Other		135	73.8%
Non-intention to Possess a Durable Power of Attorney for Financial Issues		43	23.5%
Other		140	76.5%
I Do Not Know What it is		9	4.8%
Other		174	95.2%

Table 6 (continued)

*Descriptive Statistics Of Asset-Focused Documents*

	N	Frequencies	Valid Percentages
<i>Letter Of Instruction</i>	176		
Possession of a Letter of Instruction		33	18.8%
Other		143	81.3%
Intention to Possess a Letter of Instruction		47	26.7%
Other		129	73.3%
Non-intention to Possess a Letter of Instruction		63	35.8%
Other		113	64.2%
I Do Not Know What it is		33	17.5%
Other		143	82.5%

*Health Care-Focused Documents*

Table 7 reports descriptive statistics for the health care-focused documents. Over half of the respondents had a Living Will (58%), followed by 50% having a Durable Power of Attorney for Health Care. In the health care-focused documents, the findings were similar for *intention to possess*: 28.6% of respondents had a Living Will, 29.9% reported having a Durable Power of Attorney for Health Care.

Tables 6 and 7 also include information for the last category of choices the respondents had in the 1-5 range. This choice was "I do not know what it is." Analysis was not run on "I don't know what it is" because this does not fit with the concepts of the Theory of Reasoned Action (Ajzen & Fishbein, 1980).

Table 7

*Descriptive Statistics Of Health Care-Focused Documents*

	N	Frequencies	Valid Percentages
<i>Living Will</i>	182		
Possession of a Living Will		106	58.2%
Other		76	41.8%
Intention to Possess a Living Will		52	28.6%
Other		130	71.4%
Non-intention to Possess a Living Will		21	11.5%
Other		161	88.5%
I Do Not Know What it is		3	1.6%
Other		179	98.4%
<i>Durable Power Of Attorney For Health Care</i>	184		
Possession of a Durable Power of Attorney for Health Care		93	50.5%
Other		91	49.5%
Intention to Possess a Durable Power of Attorney for Health Care		55	29.9%
Other		129	70.1%
Non-intention to Possess a Durable Power of Attorney for Health Care		28	15.2%
Other		156	84.8%
I Do Not Know What it is		8	4.2%
Other		176	95.8%

*Composite Score For Estate Planning Documents*

This research study examined six estate planning documents. A composite score of the number of estate planning documents respondents possessed was computed to assess the quantity, or a set, of estate planning documents (see Table 8). In past literature, the possession of multiple documents has not been examined to help

determine if individuals have an estate plan comprised of multiple documents covering both assets and health care. An AARP (2000) study examined three financial documents: the Durable Power of Attorney for Financial Issues, the Will, and the Living Trust. They found that 17% of their sample of adults 50 and over had all three documents, while this study showed only 40.2% had at least three documents, although it is not clear that these are the same as the AARP study. Although not all documents are required for a full estate plan (as some documents may overlap in their coverage) 6.3% had all six documents. However, 13.8% possessed no estate planning documents indicating that some participants did not possess adequate estate planning documents to cover both asset and health care needs.

Table 8

*Composite Scores Of Quantity Of Estate Planning Documents*

Number of Documents (N=189)	Frequencies	Percentage
0 Documents	26	13.8%
1 Documents	35	18.5%
2 Documents	21	11.1%
3 Documents	20	10.6%
4 Documents	28	14.8%
5 Documents	25	13.2%
6 Documents	12	6.3%

Results For Asset-Focused Documents Hypotheses

The focus of this study is on estate planning documents, and if relationships are from *external variables* through *attitudes towards the behavior* and *subjective norms*.

Regression analysis was run between the *external variables* and the *attitudes toward the behavior* and *subjective norms*. Any relevant findings will be reported within each document analysis. Next, each document was examined individually to determine any conclusions that could be derived from the analysis.

All regression analyses were run in SPSS. The  $r^2$  statistic helps determine the fit of a model. This term is used to explain how much of the variance in the dependent variable is explained by the relationship to the independent variables (Pallant, 2007). For the  $r^2$  values in logistic regression the preferred Nagelkerke statistic was used, which SPSS uses for the pseudo  $r^2$  of logistic regression (Meyers et al., 2006; Pallant, 2007). An alpha level of .05 was used for significance. All tables include the regression coefficients (B), the standard error (SE) and the odds ratio (Odds). The Hosmer-Lemeshow Goodness-of-Fit Test was used for the goodness-of-fit statistic which indicates a good match if the statistic is over .05, contrary to the other analyses where significance is indicated by a level below .05 (Meyers et al.; Pallant).

### *Hypothesis 1*

This hypothesis analyzed the Will. The hypothesis for this model was:

H1. For adults 50 and over with at least one adult child, *external variables* (age, education, gender, ethnicity, marital status, income, assets, debt, home ownership, emotional health, physical health, and resides with a relative) will have relationships directly or indirectly, through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security, goal to have privacy in financial affairs; informally promised property) and *subjective norms*

(believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need), on the:

- a) *Possession of a Will,*
- b) *Intention to Possess a Will,*
- c) *Non-intention to Possess a Will.*

A comprehensive table including logistic regression results is included in Table 9. Results will be reported and discussed separately for each sub-hypotheses (a, b, c).

*H1a) Possession Of A Will*

*Results For Possession Of A Will.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=10.370$  ( $p=.240$ ). (The Hosmer-Lemeshow Goodness-of-Fit Test, used in these models is significant above the .05 level.) Overall, 86.6% of the cases were predicted correctly. *Figure 5* is a visual representation of the results. A positive significant relationship was found between Age ( $p=.026$ ) and Possession of a Will, and Assets ( $p=.006$ ) and Possession of a Will. The older the respondent is, the more likely they Possess a Will, increasing the likelihood by 10% for each year of Age. Respondents with more Assets were more likely to Possess a Will.

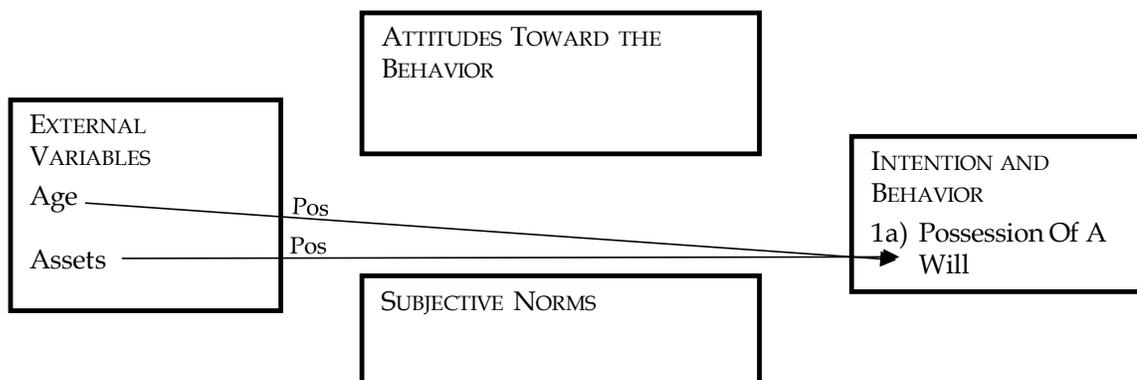


Figure 5. H1a) Model of significant results for Possession of a Will.

*Discussion For Possession Of A Will.* A large percentage (81%) of the respondents had a Will, indicating it was the most popular document of the six estate planning documents. Goetting and Martin (2001), in their study of 70-98 year olds, found that 69% had a Will, and in the AARP (2000) study 60% of the respondents had a Will. This study supported AARP's (2000) finding that age is an influence on possession of a Will. Similar to this research, Palmer, et al. (2006) in a study examining will adoptions in reference to life events, found that an increase in assets was a predictor but did not find age an influence, instead reflecting that perhaps it is life experience and knowledge that influences having a Will.

Table 9

*Hypothesis 1 In Asset-Focused Model. Logistic Regression Results For Will.*

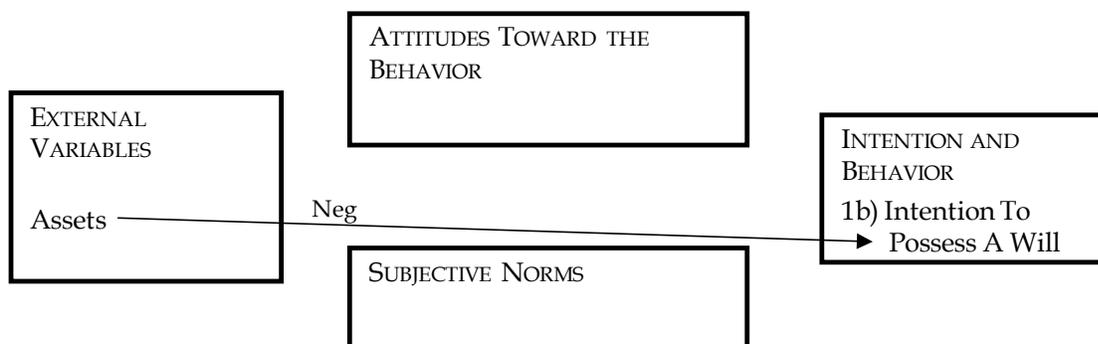
(n=186)	Possession Of A Will			Intention To Possess A Will		
	B	SE	Odds	B	SE	Odds
<i>External Variables</i>						
Age	<b>.094*</b>	.042	1.099	-.072	.042	.930
Education	.246	.149	1.279	-.258	.149	.773
Gender						
Female	Reference					
Male	.287	.531	1.333	-.222	.530	.801
Ethnicity						
White	Reference					
Non-White	.058	.644	1.059	-.118	.636	.889
Marital Status						
Not Married	Reference					
Married	.296	.570	1.345	-.236	.574	.790
Income	-.351	.316	.704	.305	.316	1.357
Assets	<b>.658**</b>	.239	1.931	<b>-.604**</b>	.241	.546
Debt	-.228	.274	.796	.307	.271	1.359
Home Ownership						
Do Not Own Home	Reference					
Own Home	-1.293	.689	.275	.476	.725	1.609
Emotional Health	.151	.405	1.163	-.065	.406	.937
Physical Health	.033	.395	1.033	-.081	.394	.922
Resides With A Relative						
Does Not Live With Relative	Reference					
Lives With Relative	.500	.478	1.649	-.417	.483	.659
<i>Attitudes Toward The Behavior</i>						
Goal To Leave Inheritance						
Not A Primary Goal	Reference					
Primary Goal	-.655	.498	.519	.733	.501	2.081
Goal To Leave Family Financial Security	-.272	.290	.762	.285	.290	1.329
Goal To Have Privacy In Financial Affairs						
Not A Primary Goal	Reference					
Primary Goal	.174	.482	1.190	.128	.491	1.137
Informally Promised Property	-.057	.296	.944	.105	.291	1.110
<i>Subjective Norms</i>						
Believe Should Financially Assist Adult Children	-.111	.239	.895	.192	.236	1.211
Believe Should Financially Assist Grandchildren	.199	.268	1.221	-.162	.263	.851
Believe Parents Should Give Adult Children Money Based On Need						
Do Not Believe	Reference					
Believe	-.171	.592	.842	.383	.618	1.466
Hosmer-Lemeshow Goodness-of-Fit Test		<b>.240<sup>†</sup></b>			<b>.695<sup>†</sup></b>	
		$r^2 = .340$			$r^2 = .288$	

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

<sup>†</sup>p>.05.

### H1b) Intention To Possess A Will

*Results For Intention To Possess A Will.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=10.370$  ( $p=.240$ ). Overall, 84.9% of the cases were predicted correctly. Assets, the only significant variable, had a negative relationship ( $p=.012$ ), with the probability that respondents with fewer Assets were more likely to have *intention to possess* a Will, increasing by a factor of .546 for each decrease in Assets. The relationship was inverse, thus, respondents with fewer assets were more likely to have an Intention to Possess a Will. *Figure 6* is a visual representation of this result.



*Figure 6.* H1b) Model of significant results for Intention to Possess a Will.

*Discussion For Intention To Possess A Will.* In this sample, 81% of respondents already had a Will, leaving 18% planning to obtain a Will. Therefore, the respondents with lower assets may not think they need a Will now, but plan to obtain one in the future, pending an increase in assets. With fewer assets, these participants would not have as strong of a motivation to obtain a Will. Previous studies did not examine intention, thus there is no past literature with which to compare results.

### *H1c) Non-intention To Possess A Will*

The sample included only three respondents with non-intention to possess a Will out of 189. The number was too low and the analyses would not run in SPSS. The hypothesis for *non-intention to possess a Will* could not be tested.

### *Summary Of Theory Results For Hypothesis 1*

The hypothesis for the Will was supported partially with relationships between the *external variables* of Assets and Age and *possession* of a Will and Assets having an inverse relationship on the *intention to possess a Will*. No relationships were found between *external variables* and *attitudes toward the behavior* or *subjective norms* or between *attitudes toward the behavior* or *subjective norms* to *possession, intention to possess, or non-intention to possess a Will*. The analysis for *Non-intention to Possess a Will* could not be run due to the small number of cases.

### *Discussion Hypothesis 1 For Will*

Most of the sample owned a home (90%) and almost half (49.2%) had reported assets of \$400,000 plus (this number included the value of the home) which may also be some of the influential factors to why 81% of the sample had a Will. Goetting and Martin (2001) explored the idea of financial bequest assessment as an influence in having a Will in their 2001 study, but these types of goals were not found significant in this analyses. They had also found that net worth was an influence on possession of a Will, which partially supports finding in this study that assets are an influence. AARP (2000) found increased age to be a predictor of having a Will, and these analyses found the same.

## *Hypothesis 2*

This hypothesis analyzed the Living Trust estate planning document. The hypothesis for this model was:

H2. For adults 50 and over with at least one adult child, *external variables* will have relationships directly or indirectly, through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need) on the:

- a) *Possession* of a Living Trust,
- b) *Intention to Possess* a Living Trust,
- c) *Non-intention to Possess* a Living Trust.

Three separate logistic regressions were run: *possession* of a Living Trust, *intention to possess* a Living Trust, and *non-intention to possess* a Living Trust. A comprehensive table including all sets of logistic regression results is included in Table 10. Results will be reported and discussed separately for each sub-hypotheses (a, b, c).

Table 10

*Hypothesis 2 In Asset-Focused Model. Logistic Regression Results For Living Trust.*

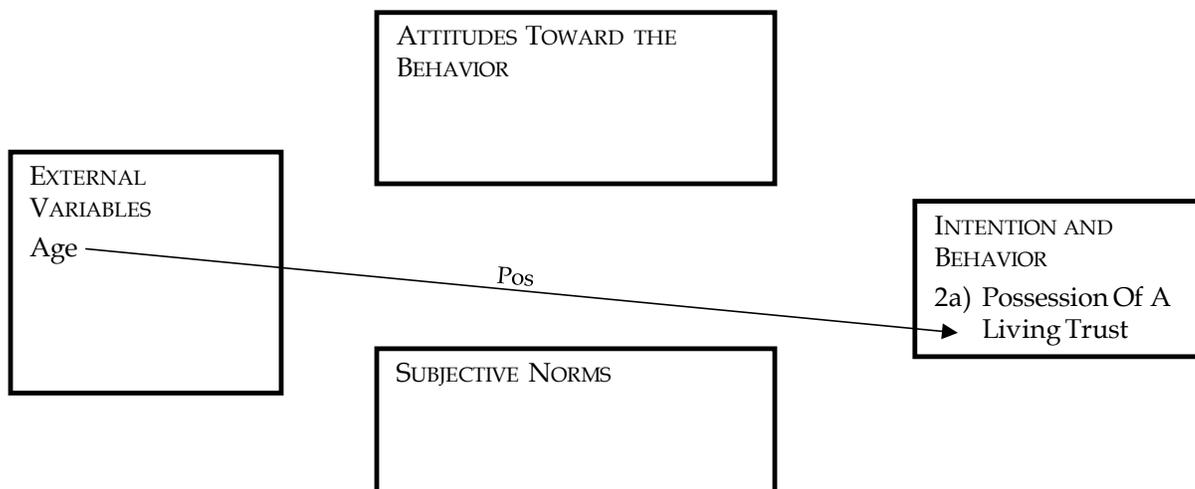
(n=177)	Possession Of A Living Trust			Intention To Possess A Living Trust			Non-intention To Possess A Living Trust			
	B	SE	Odds	B	SE	Odds	B	SE	Odds	
<i>External Variables</i>										
Age	.098*	.042	1.103	-.062	.044	.940	-.001	.031	.999	
Education	.146	.134	1.157	.229	.148	1.257	-.120	.106	.887	
Gender										
	Female	Reference								
	Male	.210	.549	1.234	.549	.532	1.732	-.664	.429	.515
Ethnicity										
	White	Reference								
	Non-White	-.793	.757	.452	-.947	.682	.388	<b>1.503*</b>	.644	4.497
Marital Status										
	Not Married	Reference								
	Married	.924	.592	2.520	-.271	.593	.762	.592	.440	1.807
Income	.394	.326	1.482	.177	.299	1.194	-.202	.238	.817	
Assets	.308	.298	1.361	.197	.260	1.218	<b>-4.68*</b>	.201	.626	
Debt	-.100	.222	.905	-.052	.221	.949	.080	.185	1.083	
Home Ownership										
	Do Not Own Home	Reference								
	Own Home	-1.426	1.237	.240	.558	.820	1.747	.359	.669	1.432
Emotional Health	-.496	.473	.609	.113	.464	1.120	<b>.730*</b>	.356	2.074	
Physical Health	.103	.395	1.109	.277	.404	1.319	-.026	.313	.974	
Resides With A Relative										
	Does Not Live With Relative	Reference								
	Lives With Relative	1.041	.629	2.831	-.180	.491	.836	-.181	.427	.835
<i>Attitudes Toward The Behavior</i>										
Goal to Leave Inheritance										
	Not A Primary Goal	Reference								
	Primary Goal	-.652	.562	.521	1.021	.491	1.021	.322	.393	1.380
Goal To Leave Family Financial Security	.357	.303	1.428	.383	.275	1.467	-.388	.230	.678	
Goal To Have Privacy In Financial Affairs										
	Not A Primary Goal	Reference								
	Primary Goal	.257	.481	1.293	<b>-.931*</b>	.464	.394	.419	.374	1.520
Informally Promised Property	.464	.266	1.591	-.252	.320	.777	.031	.224	1.031	
<i>Subjective Norms</i>										
Believe Should Financially Assist Adult Children	.183	.275	1.200	<b>-.625*</b>	.275	.535	.136	.216	1.146	
Believe Should Financially Assist Grandchildren	.155	.304	1.168	.345	.285	1.412	-.269	.233	.765	
Believe Parents Should Give Adult Children Money Based On Need										
	Do Not Believe	Reference								
	Believe	-.238	.679	.788	.168	.592	1.183	-.140	.469	.869
Hosmer-Lemeshow Goodness-of-Fit Test		<b>.408<sup>†</sup></b>			<b>.661<sup>†</sup></b>			<b>.966<sup>†</sup></b>		
		$r^2 = .281$			$r^2 = .239$			$r^2 = .267$		

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

<sup>†</sup>p>.05.

## H2a) Possession Of A Living Trust

*Results For Possession Of A Living Trust.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=8.264$  ( $p=.408$ ). Overall, 80.8% of the cases were predicted correctly. Age was found to be a significant contributor to the model ( $p=.020$ ). Being older increased the likelihood of Possession of a Living Trust, with the probability increasing by a factor of 1.10 for each year of Age. See *Figure 7* for the conceptual model.

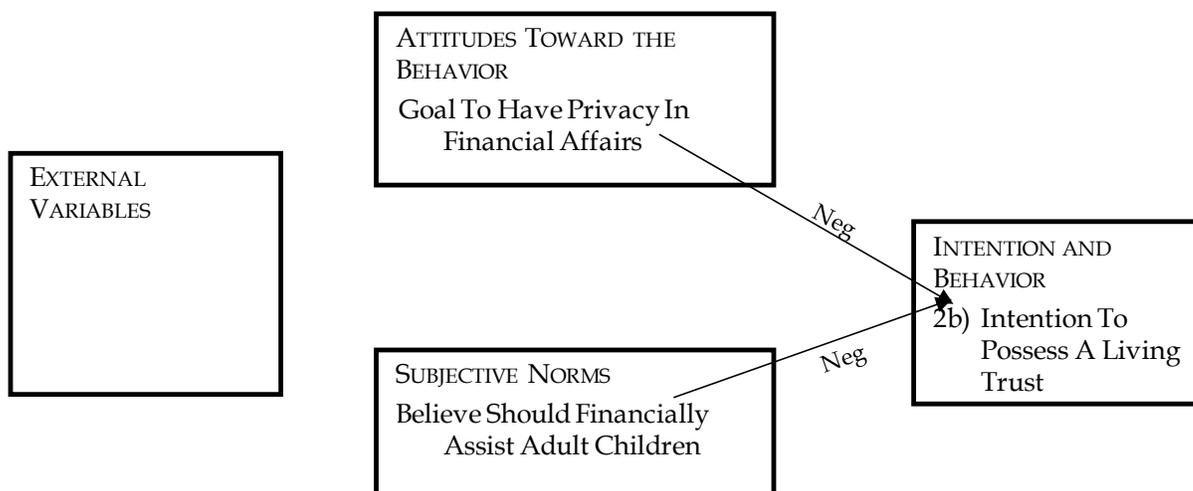


*Figure 7.* H2a) Model of significant results for Possession of a Living Trust.

*Discussion For Possession Of Living Trust.* This analysis found age to be a predictor of having a Living Trust. In their examination of estate planning documents, AARP (2000) found age to have a significant relationship with having a Living Trust and this finding supports their research.

## H2b) Intention To Possess A Living Trust

*Results For Intention To Possess A Living Trust.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=5.875$  ( $p=.661$ ). Overall, 80.8% of the cases were predicted correctly. See *Figure 8* for the conceptual model. Goal to Have Privacy in Financial Affairs ( $p=.045$ ) and Believe Should Financially Assist Adult Children ( $p=.023$ ) were both found to be significant contributors to the model. Persons who do not have privacy as a primary goal or who do not believe in financially assisting their adult children were more likely to intend to possess a Living Trust. Indirect paths were examined from *external variables* to *attitudes toward the behavior* and *subjective norms* but none were found.



*Figure 8.* H2b) Model of significant results for Intention To Possess A Living Trust

*Discussion For Intention To Possess A Living Trust.* The Living Trust is not open to the public and keeps one's wishes confidential (Spinale, 1999). The findings in this

model indicate that participants that do not have privacy as a goal were more likely to intend to possess a Living Trust. This may indicate that if privacy were a primary goal, those respondents would have already established a Living Trust. As well, the Living Trust is a document that allows the bearer to have more control over how the estate is distributed (Ho, et al., 1999; Kahn, 1979). If respondents did not believe in helping their adult children financially, they may have already created a Living Trust in order to maintain their own control, or an assigned trustee's control, over their estates.

#### *H2c) Non-intention To Possess A Living Trust*

*Results For Non-intention To Possess A Living Trust.* Logistic regression was used to estimate factors which influence *non-intention to possess* a Living Trust. The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=2.413$  ( $p=.966$ ). Overall, 67.8% of the cases were predicted correctly. See *Figure 9* for the conceptual model. Ethnicity was significant ( $p=.020$ ) indicating that Non-Whites were 4.4 times more likely to have *non-intention to possess* a Living Trust. Assets had a negative relationship ( $p=.020$ ), with the probability that respondents with fewer Assets were more likely to have *non-intention to possess* a Living Trust, increasing by a factor of .626 for each decrease in Assets. Emotional Health was significant ( $p=.040$ ). Individuals reporting better Emotional Health were 2.07 times more likely to have *non-intention to possess* a Living Trust.

In reference to the theory, the results of the logit analysis for *non-intention to possess* a Living Trust found that the hypothesis was partially supported in finding there were direct influences from *external variables*, but not fully supported as *attitudes toward*

the behavior and subjective norms had no effect, directly or indirectly on *non-intention to possess* a Living Trust.

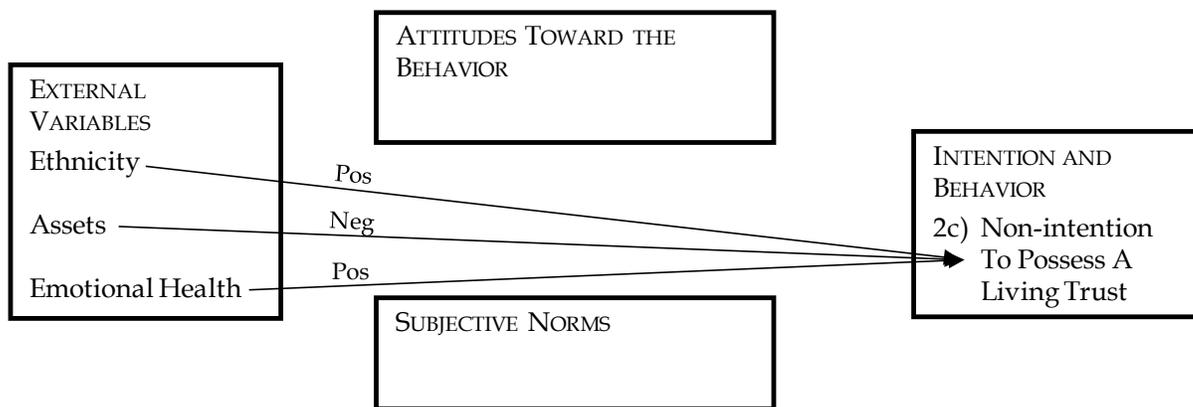


Figure 9. H2c) Model of significant results for Non-intention to Possess a Living Trust.

*Discussion For Non-intention To Possess A Living Trust.* The sample size was predominantly White (87%), but in this model, Non-Whites were more likely to have a Non-intention To Possess A Living Trust. Palmer et al. (2006) found race to have a significant effect in trust adoption due to life events, noting that the chances of whites adopting a Living Trust was higher than other races. This corresponds with the finding that Non-Whites were likely to not intend to have a Living Trust. AARP (2000) also found Whites to be more likely to have a Living Trust, which reinforces our finding that Non-Whites are more likely to have *non-intention*. Devaney et al. (2007) found that Black families had fewer assets than White families, thus increasing the chances that Non-Whites may have fewer assets, which as stated above, may be a reason they do not have intention to establish a Living Trust.

Palmer, et al. (2006) also reported that as assets increase, so does the chance of establishing a Living Trust, which is similar to the finding that persons with lower assets did not intend to possess a Living Trust. Those respondents may feel that without assets to bequeath, the Living Trust, which protects assets, is not a useful document for them to possess. Although this study did not find income to be significant, AARP (2000) reported that higher income increased the chances of having a Living Trust, but they did not include assets in their study. As with the possession of Wills, assets may be a stronger predictor, with income only significant if assets or net worth are not present.

Emotional health was found to be a positive influence for *non-intention to possess* a Living Trust. Respondents in good emotional health, as those primarily in this sample are (54.5%), may not feel the need to establish a Living Trust. They may not feel the need to protect their assets due to not feeling vulnerable to circumstances that may lead to its use.

#### *Summary Of Theory Results For Hypothesis 2*

In respect to the Theory of Reasoned Action (Ajzen & Fishbein, 1980), notably, an *external variable* was an influence on *behavior (possession)* and *external variables* were an influence on *non-intention*. A *subjective norm* and an *attitude toward the behavior* were found to be influences on *intention to possess*. The hypotheses for all three, *possession, intention to possess, and non-intention to possess* were partially supported.

### *Summary Discussion For Hypothesis 2 For Living Trust*

AARP (2000) found only 23% of adults 50 and over had a Living Trust, which is similar to the 19.2% of respondents in this study who reported having a Living Trust.

All models were significant.

Reviewing the results in entirety, there were no similarities found in predictors for each model. Age was, logically, an influence of *possession* of a Living Trust, while a lack of privacy goals and not believing in helping one's adult children financially were influences on *intention* to have a Living Trust. Lower assets, ethnicity, and emotional health were influences on *non-intention to possess* a Living Trust.

*Attitudes toward the behavior* and *subjective norms* both had an influence on *intention to possess* a Living Trust, but only external variables influenced *non-intention to possess* a Living Trust. Influences on *intention* and *non-intention* cannot be conjectured to be opposite of each other. The survey question had 5 separate answers that were exclusive. This research study did not examine one the answer "I don't know what it is." Thus, respondent answers could be in different categories, and would not be opposite to the other categories.

### *Hypothesis 3*

H3. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist

grandchildren; and believe parents should give adult children money based on need) on the:

- a) *Possession* of a Durable Power of Attorney for Financial Issues,
- b) *Intention to Possess* a Durable Power of Attorney for Financial Issues,
- c) *Non-intention to Possess* a Durable Power of Attorney for Financial Issues.

Three separate logistic regressions were run: *possession* of a Durable Power of Attorney for Financial Issues, *intention to possess* a Durable Power of Attorney for Financial Issues, and *non-intention to possess* a Durable Power of Attorney for Financial Issues. A comprehensive table including all sets of logistic regression results is included in Table 11. Results will be reported and discussed separately for each sub-hypotheses (a, b, c).

Table 11

*Hypothesis 3 In Asset-Focused Model. Logistic Regression Results For Durable Power Of Attorney For Financial Issues*

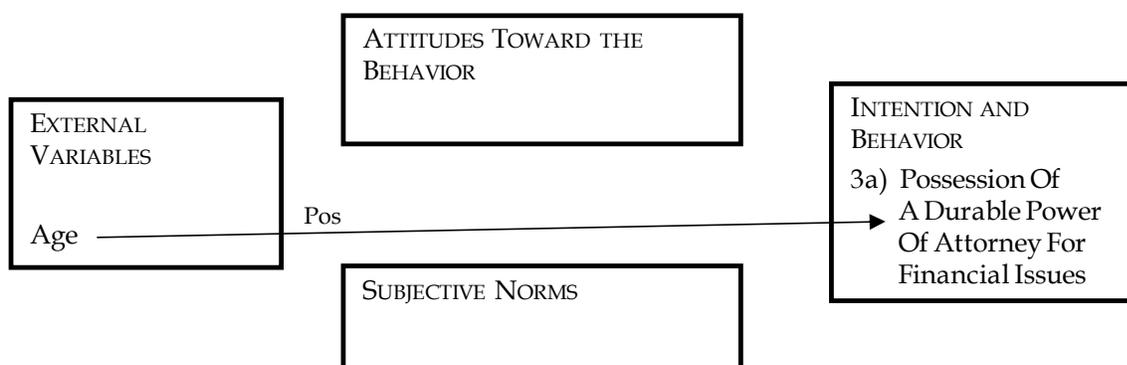
(n=183)	Possession Of A Durable Power Of Attorney For Financial Issues			Intention To Possess A Durable Power Of Attorney For Financial Issues			Non-intention To Possess A Durable Power Of Attorney For Financial Issues			
	B	SE	Odds	B	SE	Odds	B	SE	Odds	
<i>External Variables</i>										
Age	.103**	.034	1.109	-.062	.035	.940	-.048	.037	.953	
Education	.090	.105	1.095	.020	.121	1.020	-.014	.123	.986	
Gender										
	Female	Reference								
	Male	.619	.416	1.857	.729	.456	2.073	-1.064*	.489	.345
Ethnicity										
	White	Reference								
	Non-White	.408	.562	1.504	.650	.627	1.915	-1.283*	.577	.277
Marital Status										
	Not Married	Reference								
	Married	.790	.437	2.203	-.625	.475	.535	-.316	.526	.729
Income	.157	.243	1.170	.264	.255	1.303	-.533	.282	.587	
Assets	.205	.202	1.227	-.202	.206	.817	.050	.214	1.052	
Debt	-.088	.177	.916	.008	.201	1.008	.127	.214	1.136	
Home Ownership										
	Do Not Own Home	Reference								
	Own Home	-1.110	.724	.329	.373	.668	1.452	1.360*	.666	3.897
Emotional Health	.168	.340	1.183	.194	.369	1.214	-.316	.386	.729	
Physical Health	-.108	.306	.897	.019	.332	1.019	.455	.361	1.576	
Resides With A Relative										
	Does Not Live With Relative	Reference								
	Lives With Relative	.318	.434	1.375	-.677	.434	.508	.079	.473	1.082
<i>Attitudes Toward The Behavior</i>										
Goal To Leave Inheritance										
	Not A Primary Goal	Reference								
	Primary Goal	-.716	.397	.489	-.381	.435	.683	1.246**	.443	3.476
Goal To Leave Family Financial Security	-.080	.224	.923	.339	.229	1.403	-.033	.264	.968	
Goal To Have Privacy In Financial Affairs										
	Not A Primary Goal	Reference								
	Primary Goal	.168	.367	1.184	-.387	.397	.679	.175	.440	1.191
Informally Promised Property	.262	.219	1.299	-.042	.238	.959	-.184	.280	.832	
<i>Subjective Norms</i>										
Believe Should Financially Assist Adult Children	-.081	.205	.922	-.214	.225	.808	.121	.237	1.129	
Believe Should Financially Assist Grandchildren	.309	.226	1.363	.254	.245	1.289	-.356	.268	.701	
Believe Parents Should Give Adult Children Money Based On Need										
	Do Not Believe	Reference								
	Believe	-.488	.477		.301	.546	1.352	.079	.517	1.082
Hosmer-Lemeshow Goodness-of-Fit Test		.638 <sup>†</sup>			.529 <sup>†</sup>			.583 <sup>†</sup>		
		r <sup>2</sup> = .257			r <sup>2</sup> = .185			r <sup>2</sup> = .236		

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

<sup>†</sup>p>.05.

### H3a) Possession Of A Durable Power Of Attorney For Financial Issues.

*Results For Possession Of A Durable Power Of Attorney For Financial Issues.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=6.085$  ( $p=.638$ ). Overall, 68.3% of the cases were predicted correctly. *Figure 10* is a visual representation of the results. A positive significant relationship was found between Age and Possession of a Durable Power of Attorney for Financial Issues ( $p=.003$ ). The older the respondent, the more likely he/she was to Possess a Durable Power of Attorney for Financial Issues. The likelihood increased by 11% for each year of Age.



*Figure 10.* H3a) Model of significant results for Possession of a Durable Power of Attorney for Financial Issues.

*Discussion For Possession Of A Durable Power Of Attorney For Financial Issues.* In this sample, 46% of the respondents had a Power of Attorney for Financial Issues which is quite similar to the AARP (2000) finding of 45%. As with the Will, age was found to be a significant predictor of possession of a Durable Power of Attorney for Financial

Issues supporting AARP's (2000) finding. In addition, AARP also found education and income to be predictors, which were not found in this analysis.

*H3b) Intention To Possess A Durable Power Of Attorney For Financial Issues.*

*Results For Intention To Possess A Durable Power Of Attorney For Financial Issues.*

The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=7.068$  ( $p=.638$ ). Overall, 73.8% of the cases were predicted correctly. The independent variables combined are contributing collectively to a significant model. However, none of the individual independent variables were enough to make an unique significant contribution (or prediction). The hypothesis for *intention to possess* a Durable Power of Attorney for Financial Issues was not supported due to the lack of significant variables.

*H3c) Non-intention To Possess A Durable Power of Attorney for Financial Issues.*

*Results For Non-intention To Possess A Durable Power of Attorney for Financial Issues.*

The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=6.579$  ( $p=.583$ ). Overall, 79.8% of the cases were predicted correctly. *Figure 11* is a visual representation of the results. A positive significant relationship was found between Home Ownership and *non-intention to possess* a Durable Power of Attorney for Financial Issues ( $p=.041$ ). As compared to individuals that do not own a home, those respondents that owned a home were 3.9 times more likely to have the *non-intention to possess* a Durable Power of Attorney. Females were more likely to have the *non-intention to possess* as compared to

males ( $p=.030$ ), and Non-Whites were also more likely to not intend to obtain this document compared to Whites ( $p=.026$ ).

An *attitude toward the behavior* was significant in this model: Goal To Leave An Inheritance ( $p=.005$ ). As compared to individuals with the primary Goal To Leave An Inheritance, those with the goal were 3.5 times more likely to have *non-intention to possess* a Durable Power of Attorney for Financial Issues.

Indirect paths to *non-intention* of a Durable Power of Attorney for Financial Issues were found. Goal to Leave an Inheritance acted as a mediating variable between the external variables of Education, Income, and Resides With a Relative as predicted by the Theory of Reasoned Action (Ajzen & Fishbein, 1980). See Appendix A for regression results for indirect paths. Participants who were more Educated were more likely to have a Goal to Leave an Inheritance ( $p=.027$ ). Participants who Resided With a Relative ( $p=.026$ ) were 2.1 times more likely to have a Goal to Leave Inheritance as compared to those that did not. As Income decreases, the Goal to Leave Inheritance ( $p=.045$ ) increases.

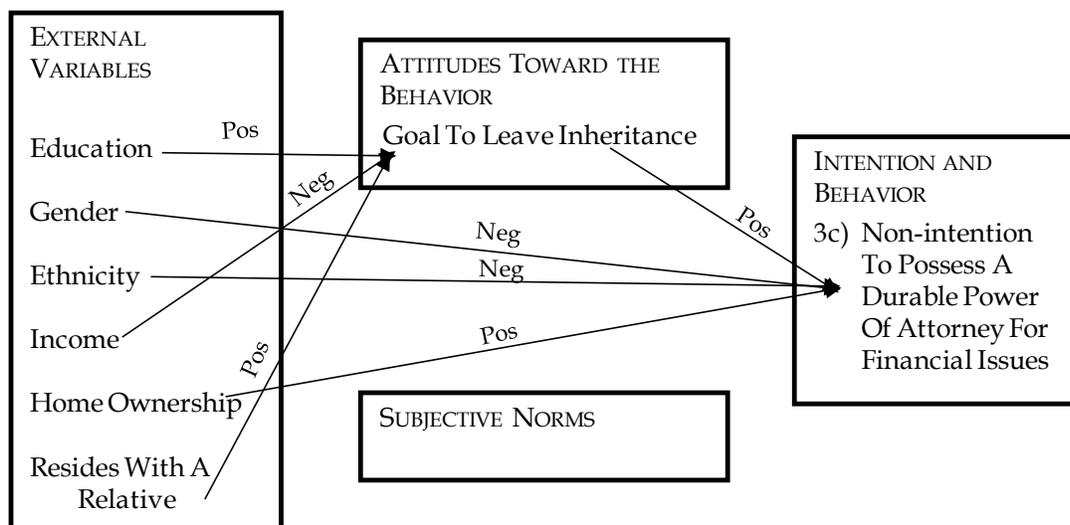


Figure 11. H3c) Model of significant results for Non-intention to Possess a Durable Power of Attorney For Financial Issues.

*Discussion For Non-intention To Possess A Durable Power Of Attorney For Financial Issues.* This sample had 23.5% of respondents that did not intend to have a Durable Power of Attorney for Financial Issues. DeVaney et al. (2007) found Black families were less likely to own homes and had fewer assets such as investment and retirement accounts which would agree with this study and may be why Non-White respondents have a *non-intention to possess* a Durable Power of Attorney for Financial Issues. Females are also more likely to have the *non-intention to possess* this document. The fact that owning a home increased the *intention not to possess* is counter-intuitive. These participants may feel that passing of the home was taken care of in the title, and that other residents may manage the home in case of their own incapacity, which may not legally be the case.

*An attitude toward the behavior* was found significant in this model. Those persons with a Goal to Leave an Inheritance were more likely to *not intend to possess* a Durable Power of Attorney for Financial Issues. Mediating variables reflect how or why effects can occur (Rudestam & Newton, 2001). In this model higher education, lower income and residing with a relative have an indirect relationship to *non-intention* through Goal To Leave Inheritance. This model suggests that the effects of higher education, residing with a relative, and lower income influence a goal to leave an inheritance and this indirectly influences *non-intention to possess* a Durable Power of Attorney for Financial Issues, but these variables do not have enough influence to directly influence the *non-intention to possess* a Durable Power of Attorney for Financial Issues.

Persons with higher education may have more assets, which may make them more inclined to want to leave an inheritance, which is one reason why the Goal to Leave an Inheritance may act as a mediating variable in this model. Participants who had a relative living with them were more likely to want to leave an inheritance. Several factors could influence this. The natural caring for one's relative and wanting to help them, or the result of pressure from a relative to leave an inheritance, or possibly even a feeling of guilt about children's care giving (Angel, 2008). The finding of decreasing income increasing the likelihood of having a Goal to Leave Inheritance may mean that people with higher incomes already have assets to leave as an inheritance and therefore, it is no longer a goal. Or, lower income people may still have the goal even though they are more likely to have *no intention to possess* this estate planning document. Previous

research has not been conducted on *intention* and *non-intention*, thus there is no past literature with which to compare these results.

The Durable Power of Attorney for Financial Issues is not a transfer of property document, but a document assigning someone to act on a person's behalf in financial matters in case of incapacity (Spinale, 1999, Distenfield & Distenfield, 2005). Thus, people may have the goal to leave an inheritance, but may also not want to trust someone else to be in charge of their affairs.

#### *Summary Of Theory Results For Hypothesis 3*

In respect to the Theory of Reasoned Action (Ajzen & Fishbein, 1980), *intention and behavior* was influenced by one *external variable* in the model for Possession of A Durable Power of Attorney for Financial Issues, while several *external variables* and an *attitude toward the behavior* were found to have direct relationships for the Non-intention to Possess a Durable Power of Attorney for Financial Issues. *Attitudes toward the behavior* also acted as mediating variable between *external variables* and Non-intention to Possess a Durable Power of Attorney for Financial Issues. The hypotheses for *Possession* and *Non-intention to Possess* were partially supported while the hypothesis for *Intention to Possess* was not supported due the lack of significant variables.

#### *Summary Discussion For Durable Power Of Attorney For Financial Issues*

The Durable Power of Attorney for Financial Issues is the document that an individual uses to designate someone as their agents to handle financial affairs in case of incapacity (Hook & Begley, 2002; Super Living Trust Plan Inc., 1984). The models for *possession* and *non-intention to possess* were the two models of the three that had

statistically significant independent variables. Reviewing the results in entirety, there were no similarities found in predictors between the two models. Age was, logically, an influence on *possession* of a Durable Power of Attorney for Financial Issues, found here and also by AARP (2000). Gender, ethnicity, home ownership, and goal to leave an inheritance were all direct influences on *non-intention to possess*. Education, income, and residing with a relative had indirect paths to *non-intention to possess* through having a goal to leave an inheritance.

#### *Hypothesis 4*

H4. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need) on the:

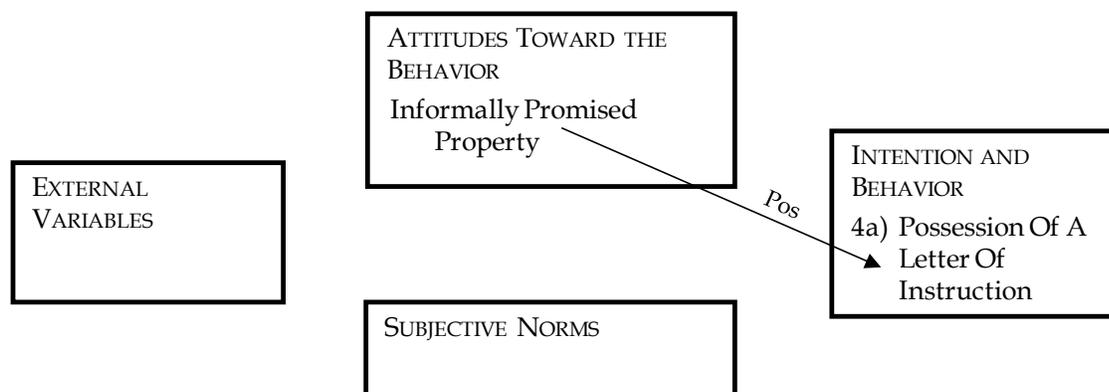
- a) *Possession* of a Letter of Instruction,
- b) *Intention to Possess* a Letter of Instruction,
- c) *Non-intention to Possess* a Letter of Instruction.

Three separate logistic regressions were run: *possession* of a Letter of Instruction, *intention to possess* a Letter of Instruction, and *non-intention to possess* a Letter of Instruction. A comprehensive table including all sets of logistic regression results is

included in Table 12. Results will be reported and discussed separately for each sub-hypotheses (a, b, c).

#### *H4a) Possession Of A Letter Of Instruction*

*Results For Possession Of A Letter Of Instruction.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=9.306$  ( $p=.317$ ). Overall, 83.0% of the cases were predicted correctly. *Figure 12* is a visual representation of the results. A highly significant contributor ( $p=.000$ ) was Informally Promised Property. Each rise in Informally Promising Property increased the odds for *possessing* a Letter of Instruction by about 1.62%, controlling for other variables in the model. Indirect paths were examined from *external variables* to *attitudes toward the behavior*, but none were found.



*Figure 12.* H4a) Model of significant results for Possession of a Letter of Instruction.

Table 12

*Hypothesis 4 In Asset-Focused Model. Logistic Regression Results For Letter Of Instruction*

(n=176)	Possession Of A Letter Of Instruction			Intention To Possess A Letter Of Instruction			Non-intention To Possess A Letter Of Instruction			
	B	SE	Odds	B	SE	Odds	B	SE	Odds	
<i>External Variables</i>										
Age	.039	.044	1.040	.066	.036	1.068	-.056	.032	.946	
Education	-.080	.141	.923	<b>.309*</b>	.136	1.361	-.091	.105	.913	
Gender										
	Female	Reference								
	Male	.530	.563	1.699	<b>1.560**</b>	.522	4.758	<b>-1.304**</b>	.439	.271
Ethnicity										
	White									
	Non-White	1.136	.947	3.113	-.826	.592	.438	-.629	.549	.533
Marital Status										
	Not Married	Reference								
	Married	.659	.566	1.932	-.980	.538	.375	.385	.450	1.470
Income	.272	.327	1.313	.085	.283	1.089	-.425	.247	.654	
Assets	.428	.299	1.535	.000	.229	1.000	.240	.197	1.271	
Debt	-.478	.266	.620	.221	.203	1.247	.204	.185	1.226	
Home Ownership										
	Do Not Own Home	Reference								
	Own Home	-20.045	9443.82	.000	<b>1.567*</b>	.710	4.793	.844	.636	2.327
Emotional Health	.023		1.023	.015	.392	1.015	-.114	.351	.893	
Physical Health	-.299	.403	.741	-.270	.348	.764	.559	.322	1.750	
Resides With A Relative										
	Does Not Live With Relative	Reference								
	Lives With Relative	-.803	.550	.448	-.262	.494	.770	.117	.440	1.124
<i>Attitudes Toward The Behavior</i>										
Goal To Leave Inheritance										
	Not A Primary Goal	Reference								
	Primary Goal	-.107	.544	.898	.059	.467	1.061	.139	.393	1.149
Goal To Leave Family Financial Security	.284	.303	1.328	<b>.639*</b>	.259	1.895	<b>-.463*</b>	.236	.629	
Goal To Have Privacy In Financial Affairs										
	Not A Primary Goal	Reference								
	Primary Goal	-.033	.485	.967	<b>1.086*</b>	.466	2.964	-.461	.378	.631
Informally Promised Property	<b>.966***</b>	.273	2.628	.159	.261	1.172	-.095	.228	.910	
<i>Subjective Norms</i>										
Believe Should Financially Assist Adult Children	.343	.273	1.410	-.431	.246	.650	-.008	.202	.992	
Believe Should Financially Assist Grandchildren	-.055	.303	.947	.189	.274	1.208	.013	.225	1.013	
Believe Parents Should Give Adult Children Money Based On Need										
	Do Not Believe	Reference								
	Believe	-.169	.682	.844	.278	.564	1.320	-.241	.454	.786
Hosmer-Lemeshow Goodness-of-Fit Test		<b>.317<sup>†</sup></b>			<b>.969<sup>†</sup></b>			<b>.111<sup>†</sup></b>		
		r <sup>2</sup> = .320			r <sup>2</sup> = .268			r <sup>2</sup> = .176		

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

†p&gt;.05.

*Discussion For Possession Of A Letter Of Instruction.* The Letter of Instruction is the document that includes instructions for titled and non-titled property (Distenfield & Distenfield, 2005; Spinale, 1999). Family distribution of non-titled property can prove to be unusually complex within the emotional framework of the family, particularly for

items that are not specifically named in the Will or Trust. Potential conflict can arise and family members may not feel distribution is equal to all family members or, they may also feel there was a lack of sensitivity as to proper handling of these items (Stum, 2000). Respondents in this study, (who were over 50 with at least one adult child) who Informally Promised Property (titled and non-titled) were more likely to have this document. Those that might have informally offered their property may also have taken steps to make it more formal, which is the purpose of this document. This finding is reasonable since this document is not legally binding unless referred to in a Will or Trust, but a recommendation of how the older adult would like this non-titled property distributed.

#### *H4b) Intention To Possess A Letter Of Instruction*

*Results For Intention To Possess A Letter Of Instruction.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=2.344$  ( $p=.969$ ). Overall, 79.0% of the cases were predicted correctly. *Figure 13* is a visual representation of the results. Positive significant relationships were found between Education ( $p=.023$ ), Gender ( $p=.003$ ), Home Ownership ( $p=.027$ ), Goal to Leave Family Financial Security ( $p=.014$ ), and Goal to Have Privacy in Financial Affairs ( $p=.020$ ) to the *intention to possess* a Letter of Instruction. Respondents that were more educated are more likely to *intend to possess* this document. Each step rise in the level of Education increased the odds for *intention to possess* a Letter of Instruction by about 36%, controlling for other variables in the model.

Males were 4.7 times more likely to intend to have this document as compared to females.

Respondents who owned a home were 4.8 times more likely to have the *intent to possess* a Letter of Instruction. Having the Goal to Leave Family Financial Security increased the likelihood of intending to possess this document by about 89%. Compared to those respondents who did not have a Goal to Have Privacy In Financial Affairs, those who did have this goal were 2.97 times more likely to have the *intent to possess* a Letter of Instruction.

An indirect path was found from Age to Goal to Leave Family Financial Security causing Goal to Leave Family Financial Security to also act as a mediator between the *external variables* and *intent to possess* a Letter of Instruction. See Appendix A for regression results for indirect paths. The younger people were, the more likely they were to have a Goal to Leave Family Financial Security ( $p=.038$ ).

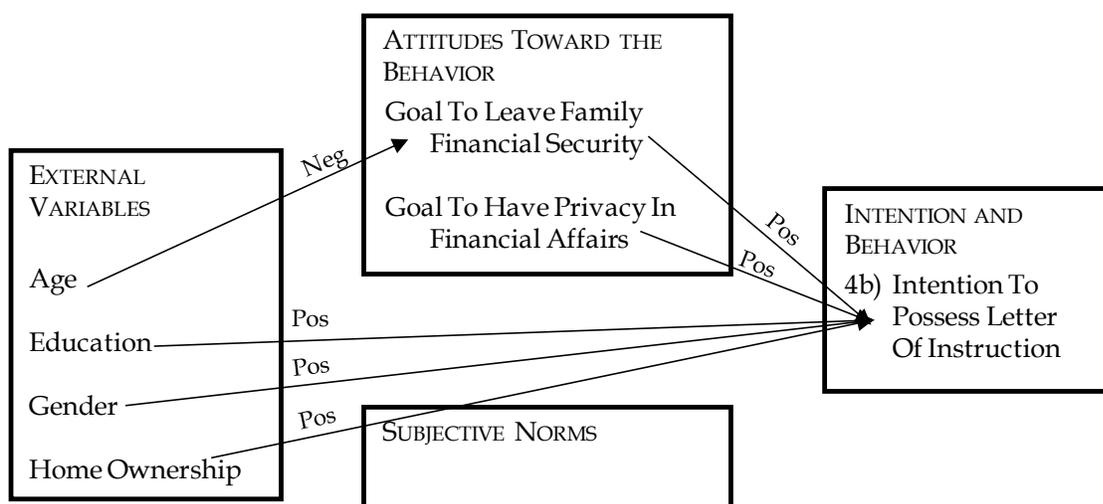


Figure 13. H4b) Model of significant results for Intention to Possess a Letter of Instruction.

*Discussion For Intention To Possess A Letter Of Instruction.* Respondents who had attitudes towards leaving family financial security may be more likely to intend to take steps to make sure the transition of non-titled property happens smoothly in event of their passing. Respondents who were homeowners may have more non-titled assets such as furniture, furnishings, dishes, jewelry, tools, etc. and this may prompt them to have intentions to make sure that family and friends will have an easier time in gaining possession of the property.

In reference to gender, Edwards (1991) found that even with low scores for both genders, women seemed to have a little more knowledge of estate planning in general. In this analysis, the intention to have a Letter of Instruction is more likely with women than men. No prior research was found directly for the Letter of Instruction, so this finding is unique.

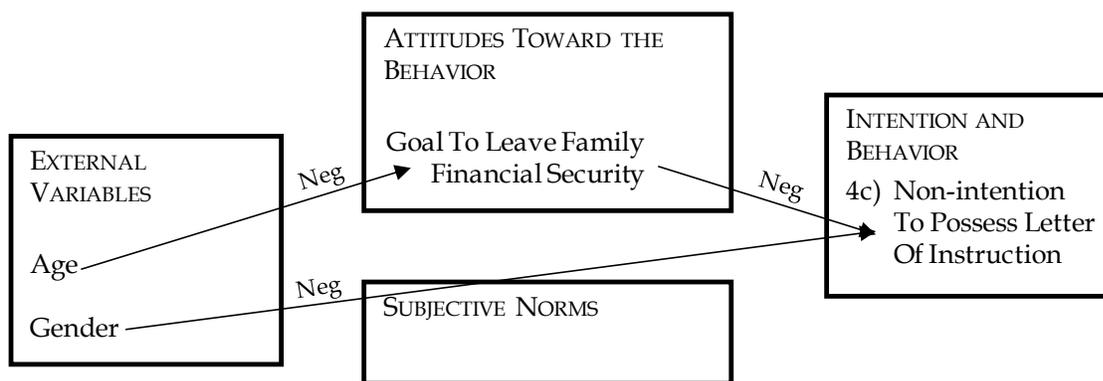
The indirect path indicates that as age decreases, the goal to leave family financial security increases, where in turn, the goal to leave one's family financial security had a positive relationship to *intention to possess* a Letter of Instruction. Age may help to account for the variance in *intention to possess* a Letter of Instruction through its influence on participants wanting to leave their families financial security. The variation in *intention to possess* the Letter of Instruction due to age was accounted for in the attitude to leave financial security.

#### *H4c) Non-intention To Possess A Letter Of Instruction*

*Results For Non-intention To Possess A Letter Of Instruction.* The results from this model indicate that the overall model, including all predictors, was significant

according to the goodness-of-fit statistic  $\chi^2=13.025$  ( $p=.111$ ). Overall, 68.8% of the cases were predicted correctly. *Figure 14* is a visual representation of the results. Gender ( $p=.003$ ) and Goal to Leave Family Financial Security ( $p=.050$ ) were both significant, with inverse relationships. Men were more likely to *not intend* to have a Letter of Instruction ( $p=.003$ ) as compared to Women. Participants who had the Goal to Leave their Family Financial Security were less likely to *not intend* to obtain a Letter of Instruction.

As in Hypothesis 4b above, an indirect path was found from Age to Goal to Leave Family Financial Security causing Goal to Leave Family Financial Security to act as a mediator between the *external variables* and *intent to possess* a Letter of Instruction. See Appendix A for regression results for indirect paths. The younger people were, the more likely they were to have a Goal to Leave Family Financial Security ( $p=.038$ ).



*Figure 14.* H4c) Model of significant results for Non-intention to Possess a Letter of Instruction.

*Discussion For Non-intention To Possess A Letter Of Instruction.* In the previous model, the findings indicated that women were more likely to *intend* to obtain a Letter of Instruction than men. The findings in this model supports this as a reverse relationship, indicating that men are more likely to not intend to obtain a Letter of Instruction. This model also found that participants without the goal to leave their family security, are less likely to obtain a Letter of Instruction. If participants were concerned with leaving their family financial security, they may have already obtained this document, or were intending to obtain this document (which is indicated in the significant results for *intention to possess* a Letter of Instruction. See *Figure 15*).

The indirect path indicates that as age decreases, the goal to leave family financial security increases, where in turn, the goal to leave one's family financial security had a negative relationship to *non-intention* to possess a Letter of Instruction. Age may help to account for the variance in *non-intention to possess* a Letter of Instruction through its influence on participants wanting to leave their families financial security. The variation in *non-intention to possess* the Letter of Instruction due to age was accounted for in the attitude to leave financial security.

#### *Summary Of Theory Results For Hypothesis 4*

*Intention and behavior* were influenced by an *external variable* in the model for Possession of a Letter of Instruction, and *external variables* and *attitudes toward the behavior* were found to have direct relationships for *Intention to Possess* and *Non-intention to Possess* a Letter of Instruction. *External variables* were also found to have a relationship to an *attitude toward the behavior*, creating an indirect path in the models *intention to*

*possess* and *non-intention to possess* to *intention and behavior*. *Subjective norms* were not found to have any relationships, and thus the hypotheses for all three parts of this hypothesis were partially supported.

#### *Summary Discussion For Letter Of Instruction*

All models were useful but were not always dissimilar in the relationships found. Gender and goals to leave family financial security were positive for *intention*, but were the opposite, negative, for *non-intention*, supporting each other. Informally or formally promising titled and non-titled property may be an indicator of the attitudes that an adult over 50 with at least one child may have about making it easier for families to make their wishes known in a Letter of Instruction. This promise may be made formally or informally and in this analysis, the findings indicate that these promises have a relationship with possession of the Letter of Instruction; a private document that clarifies an individuals' wishes for their non-titled property. Angel (2008) discusses two items that may have relevance to this finding. The first is that parents may use money, or the promise of money or property as a way to hold some control over their children. The respondents in this study did have adult children. Also, she notes that parents feel good about helping children with financial gifts, and this premise may translate to parents feeling good about arranging, or intending to arrange, for all property transfers, titled and non-titled, while still alive.

The inverse relationship of age indirectly to *intention and non-intention* through leaving a family financial security demonstrates that for this external variable, leaving a family financial security accounts for the variance, and supports the Theory of

Reasoned Action (Ajzen & Fishbein, 1980) that beliefs and attitudes are more important than external variables.

#### Results For Each Hypothesis On Health Care-Focused Models

##### *Hypothesis 5*

H5. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance) and *subjective norms* (if have one year to live with cancer diagnosis, will discuss financial information with children; if fell and incapacitated for two months, will discuss financial information with children; and if diagnosed with Alzheimer's, will discuss financial information with children) on the:

- a) *Possession of a Living Will,*
- b) *Intention to Possess a Living Will,*
- c) *Non-intention to Possess a Living Will.*

Three separate logistic regressions were run: *possession of A Living Will, intention to possess a Living Will, and non-intention to possess a Living Will.* A comprehensive table including all sets of logistic regression results is included in Table 13. Results will be reported and discussed separately for each sub-hypotheses (a, b, c).

Table 13

*Hypothesis 5 In Health Care-Focused Model. Logistic Regression Results For Living Will*

(n=184)	Possession Of A Living Will			Intention To Possess A Living Will			Non-intention To Possess A Living Will			
	B	SE	Odds	B	SE	Odds	B	SE	Odds	
<i>External Variables</i>										
Age	.085**	.032	1.089	-.083*	.035	.920	-.061	.051	.940	
Education	.288*	.115	1.334	-.143	.123	.867	-.311	.170	.733	
Gender										
	Female	Reference								
	Male	.205	.412	1.228	.216	.448	1.241	-1.259	.703	.284
Ethnicity										
	White	Reference								
	Non-White	.979	.552	2.662	-.938	.542	.391	-.034	.930	.966
Marital Status										
	Not Married	Reference								
	Married	.097	.445	1.101	-.644	.490	.525	1.247	.717	3.479
Income	-.370	.243	.691	.257	.261	1.293	.143	.360	1.154	
Assets	.166	.191	1.180	-.200	.201	.819	-.070	.288	.932	
Debt	-.010	.187	.990	.027	.203	1.027	-.422	.368	.656	
Home Ownership										
	Do Not Own Home									
	Own Home	-.588	.638	.555	-.405	.720	.660	1.259	.803	3.520
Emotional Health	.042	.334	1.043	-.186	.363	.830	.496	.559	1.643	
Physical Health	-.060	.300	.942	-.088	.332	.916	.524	.520	1.689	
Resides With A Relative										
	Does Not Live With Relative	Reference								
	Lives With Relative	.500	.397	1.649	-.100	.431	.905	-.407	.619	.666
<i>Attitudes Toward The Behavior</i>										
Goal To Leave Inheritance										
	Not A Primary Goal	Reference								
	Primary Goal	-.799*	.376	.450	.741	.408	2.099	.765	.563	2.148
<i>Subjective Norms</i>										
If Have One Year To Live With Cancer Diagnosis, Will Discuss Financial Information With Children	-.386	.285	.679	.387	.319	1.473	.526	.505	1.693	
If Fell And Incapacitated For Two Months, Will Discuss Financial Information With Children	-.115	.175	.892	.017	.181	1.017	.085	.292	1.089	
If Diagnosed With Alzheimer's, Will Discuss Financial Information With Children	.206	.306	1.229	.322	.361	1.380	-.759	.471	.468	
Hosmer-Lemeshow Goodness-of-Fit Test		.495 <sup>†</sup>			.473 <sup>†</sup>			.881 <sup>†</sup>		
		r <sup>2</sup> = .273			r <sup>2</sup> = .249			r <sup>2</sup> = .308		

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

<sup>†</sup>p>.05.*H5a) Possession Of A Living Will*

*Results For Possession Of A Living Will.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=7.394$  ( $p=.495$ ). Overall, 72.5% of the cases were predicted correctly.

Figure 15 is a visual representation of the results. A positive significant relationship was

found between Age and Possession of a Living Will ( $p=.008$ ). The older the respondent, the more likely they were to Possess a Living Will, increasing the likelihood by 9% for each year of Age. Education was also found to have a positive significant relationship directly with the Possession of a Living Will ( $p=.012$ ). More educated individuals had this document. Each increase in Education raised the likelihood of having this document by about 34%. Education was also found to have a positive indirect relationship to Possession of a Living Will through the Goal to Leave an Inheritance. The more educated the respondent, the more likely they had a primary Goal to Leave an Inheritance and, respondents with a Goal to Leave an Inheritance, as compared to those without the Goal, were more likely to *possess* a Living Will ( $p=.034$ ).

Additional indirect paths to *possession* of a Living Will were found through Goal to Leave an Inheritance for Income, and Resides With a Relative. See Appendix A for regression results for indirect paths. Participants who Resided With a Relative ( $p=.026$ ) were 2.1 times more likely to have a Goal to Leave Inheritance as compared to those that did not. As income decreases, the chances of having a Goal to Leave an Inheritance increases ( $p=.045$ ).

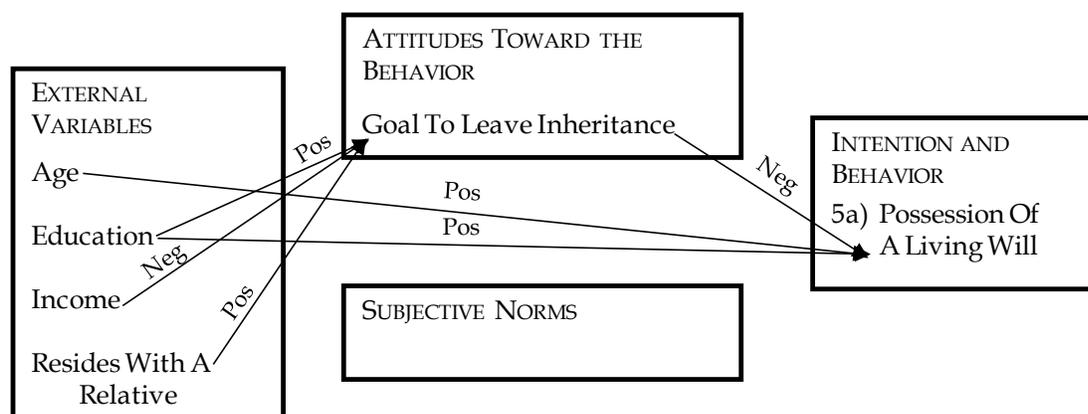


Figure 15. H5a) Model of significant results for Possession of a Living Will.

*Discussion For Possession Of A Living Will.* In a Living Will, an individual declares his/her wishes for end-of-life medical care (Distenfield & Distenfield, 2005; Spinale, 1999). Age was found to be a significant ( $p \leq .01$ ) influence on having a Living Will. The older a person is, the more likely he or she would have this document. People that did not have the goal to leave an inheritance were more likely to possess this document. The more education a person has the more likely they possessed a Living Will. Previous studies have not been found that profile characteristics of individuals with a Living Will, so these findings are unique.

Mediating variables reflect on how or why effects can occur (Rudestam & Newton, 2001) and in this model education, lower income and residing with a relative have an indirect relationship to *possession* of a Living Will. The influences of education, income and residing with a relative on the goal to leave an inheritance help account for respondents *possessing* a Living Will. However, it is the attitude (wanting to leave an

inheritance) that influences the *possession* supporting the Theory of Reasoned Action (Ajzen & Fishbein, 1980).

The analyses of *external variables to attitudes toward the behavior* were always the same. See Appendix A for results. The relationship of age (+), income (–) and resides with a relative (+) was previously discussed in Hypothesis 3c, *non-intention to possess a Durable Power of Attorney for Financial Issues*.

The Living Will is not a transfer of property document, but a document that allows an individual to specify their medical directives in case of incapacity (Distenfield & Distenfield, 2005). Thus, persons may have the goal to leave an inheritance, but may not equate inheritance with medical decisions. However, advance medical decisions may affect health care costs, which in turn, may affect the value of an estate.

#### *H5b) Intention To Possess A Living Will*

*Results For Intention To Possess A Living Will.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=7.606$  ( $p=.473$ ). Overall, 75.8% of the cases were predicted correctly. *Figure 16* is a visual representation of the results. An inverse significant relationship was found between Age and *intention to possess a Living Will* ( $p=.018$ ). Each year of decrease in Age increased the odds for *intention to possess a Living Will* by about 8%, controlling for other variables in the model.

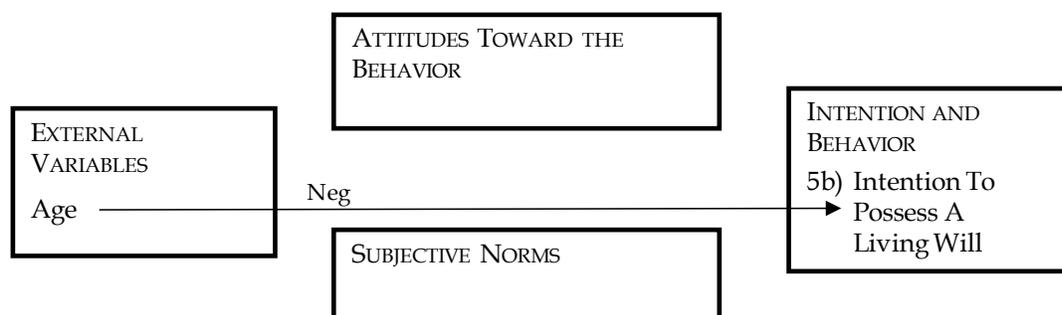


Figure 16. H5b) Model of significant results for Intention to Possess a Living Will.

*Discussion For Intention To Possess A Living Will.* With health care documents, the younger individuals are, the more likely they *intend to possess* a Living Will, as compared to the previous model of Possession of a Living Will, in which older persons were more likely to possess a Living Will. Perhaps they feel their health is in good condition and they do not see the need yet. This is an opportunity for educators to stress they should get them now, because health care issues can arise at any age.

#### *H5c) Non-intention To Possess A Living Will*

*Results For Non-intention To Possess A Living Will.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2$  (N=184)=3.727 (p=.881). Overall, 91.2% of the cases were predicted correctly. The full model was a good fit and was statistically significant, indicating that all the variables in the model fit well together to improve prediction. The independent variables combined are contributing to a significant model. However, none of the individual independent variables were enough to make a significant contribution

(or prediction). The hypothesis for *non-intention to possess* a Living Will was not supported due to no significant variables.

*Discussion For Non-intention To Possess A Living Will.* Only 11.5% had the *non-intention to possess* a Living Will. The small sample size may account for why no variables were significant in this model.

#### *Summary Of Theory Results For Hypothesis 5*

In respect to the Theory of Reasoned Action (Ajzen & Fishbein, 1980), *intention and behavior* was influenced by an *external variable* and an *attitude toward the behavior* in the model for *possession* of a Living Will and indirect paths to intention and behavior were found from *external variables* through *attitudes toward the behavior*. An *external variable* was found to have a direct relationship for the *intention to possess* a Living Will. An *attitudes toward the behavior* acted as mediating variable between *external variables* and *possession*. Although the model was significant, no variables in the model for *non-intention* were found to be significant. The hypotheses for *possession* and *intention to possess* were partially supported while the hypothesis for *non-intention to possess* was not supported due to a lack of statistically significant relationships.

#### *Summary Discussion Hypothesis 5 For Living Will*

For this sample of Virginians, 58.2% of respondents had a Living Will, 28.6% intended to have it, and 11.5% had no intention to have it. Older people are more likely to have a Living Will while those of a younger age are more likely to plan to have it. Age is a logical factor when dealing with health care matters as can be evidenced in 2005-2007 with 40.9% of Americans over age 65 having some form of disability (U.S.

Census Bureau, 2007a). Higher education, residing with a relative, and lower income had an indirect relationship to possession of a Living Will through the goal to leave an inheritance. However, not having the belief of a goal to leave an inheritance was the motivating influence on the intention to possess a Living Will. No significant variables were found for the *non-intention* model, which may be due to sample size.

### *Hypothesis 6*

H6. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance) and *subjective norms* (if have one year to live with cancer diagnosis, will discuss financial information with children; if fell and incapacitated for two months, will discuss financial information with children; and if diagnosed with Alzheimer's, will discuss financial information with children) on the:

- a) *Possession* of a Durable Power of Attorney for Health Care,
- b) *Intention to Possess* a Durable Power of Attorney for Health Care,
- c) *Non-intention to Possess* a Durable Power of Attorney for Health Care.

Logistic regression was used for the analysis of this hypothesis as the dependent variable was categorical. Three separate logistic regressions were run: *possession* of A Durable Power of Attorney for Health Care, *intention to possess* a Durable Power of Attorney for Health Care, and *non-intention to possess* a Durable Power of Attorney for Health Care. A comprehensive table including all sets of logistic regression results is

included in Table 14. Results will be reported and discussed separately for each sub-hypotheses (a, b, c).

Table 14

*Hypothesis 6 In Asset-Focused Model. Logistic Regression Results For Durable Power Of Attorney For Health Care*

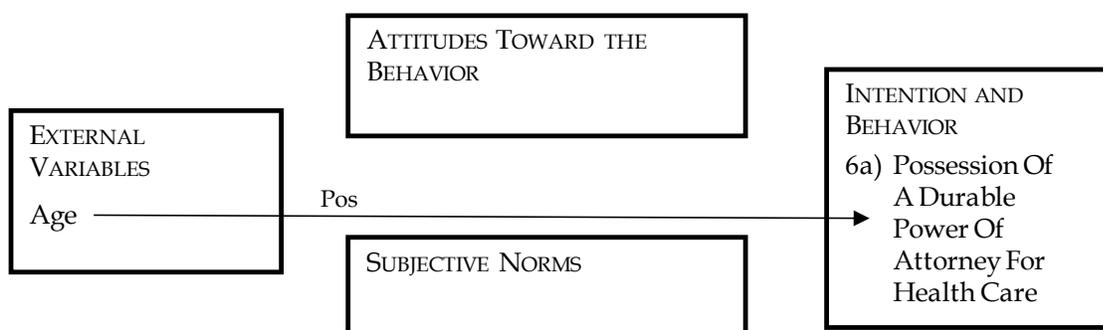
(n=182)	Possession Of A Durable Power Of Attorney For Health Care			Intention To Possess A Durable Power Of Attorney For Health Care			Non-intention To Possess A Durable Power Of Attorney For Health Care			
	B	SE	Odds	B	SE	Odds	B	SE	Odds	
<i>External Variables</i>										
Age	.111**	.033	1.118	-.077*	.034	.926	-.061	.044	.941	
Education	.069	.105	1.071	-.013	.115	.987	.054	.151	1.055	
Gender										
	Female	Reference								
	Male	.480	.401	1.617	.594	.441	1.812	-1.103	.593	.332
Ethnicity										
	White	Reference								
	Non-White	.909	.555	2.482	.076	.553	1.079	<b>-1.844**</b>	.657	.158
Marital Status										
	Not Married	Reference								
	Married	.236	.433	1.267	-.229	.459	.795	.226	.667	1.254
Income	.041	.237	1.042	.291	.251	1.338	-.542	.332	.582	
Assets	.178	.190	1.194	.031	.197	1.031	-.183	.249	.833	
Debt	.048	.175	1.049	-.047	.191	.954	-.033	.261	.967	
Home Ownership										
	Do Not Own Home									
	Own Home	-.779	.686	.459	.153	.657	1.166	1.188	.780	3.280
Emotional Health	-.112	.327	.894	.033	.357	1.033	.442	.458	1.556	
Physical Health	.123	.298	1.131	.006	.323	1.066	-.156	.414	.855	
Resides With A Relative										
	Does Not Live With Relative	Reference								
	Lives With Relative	.236	.407	1.266	-.690	.422	.502	.559	.588	1.749
<i>Attitudes Toward The Behavior</i>										
Goal To Leave Inheritance										
	Not A Primary Goal	Reference								
	Primary Goal	-.389	.370	.678	-.150	.398	.861	<b>1.344**</b>	.527	3.834
<i>Subjective Norms</i>										
If Have One Year To Live With Cancer Diagnosis, Will Discuss Financial Information With Children	-.317	.256	.728	.390	.341	1.478	.305	.364	1.356	
If Fell And Incapacitated For Two Months, Will Discuss Financial Information With Children	-.024	.163	.976	.206	.178	1.229	-.392	.234	.676	
If Diagnosed With Alzheimer's, Will Discuss Financial Information With Children	-.039	.304	.962	.327	.447	1.386	-.281	.388	.755	
Hosmer-Lemeshow Goodness-of-Fit Test		.200 <sup>†</sup>			.272 <sup>†</sup>			.634 <sup>†</sup>		
		r <sup>2</sup> = .216			r <sup>2</sup> = .195			r <sup>2</sup> = .277		

\*p<.05. \*\*p<.01. \*\*\*p<.001.

<sup>†</sup>p>.05.

### H6a) Possession Of A Durable Power Of Attorney For Health Care

*Results For Possession Of A Durable Power Of Attorney For Health Care.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=11.027$  ( $p=.200$ ). Overall, 64.7% of the cases were predicted correctly. *Figure 17* is a visual representation of the results. A positive significant relationship was found between Age and *possession* of a Durable Power of Attorney for Health Care ( $p=.001$ ). For each increased year of Age the odds for *possessing* a Durable Power of Attorney for Health Care increased by about 12%, controlling for other variables in the model.



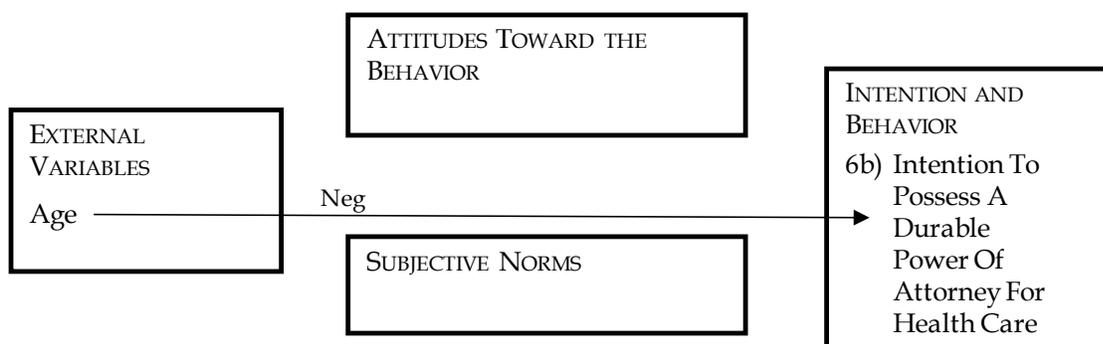
*Figure 17.* H6a) Model of significant results for Possession of a Durable Power of Attorney for Health Care.

*Discussion For Possession Of A Durable Power Of Attorney For Health Care.* Similar to a Living Will, deteriorating health can be a symptom of age, thus as an individual becomes older, he or she may be more likely to be aware of documents that are related to health care issues. This population in this sample self-reported predominantly in the “good” or “excellent” health categories, however, the sample mean age was 69 and at

that age, they may have already considered documents pertaining to health care anticipating future needs. Previous studies have not been found that profile characteristics of persons with a Durable Power of Attorney for Health Care, so this finding is unique.

*H6b) Intention To Possess A Durable Power Of Attorney For Health Care*

*Results For Intention To Durable Power Of Attorney For Health Care.* The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=9.899$  ( $p=.272$ ). Overall, 75.0% of the cases were predicted correctly. *Figure 18* is a visual representation of the results. An inverse significant relationship was found between Age and *intention to possess* a Durable Power of Attorney for Health Care ( $p=.022$ ). For each year of decrease in Age the odds for *intending to possess* a Durable Power of Attorney for Health Care increased by about 8%, controlling for other variables in the model.



*Figure 18.* H6a) Model of significant results for Intention to Possess a Durable Power of Attorney for Health Care.

*Discussion For Intention To Possess A Durable Power Of Attorney For Health Care.*

Similar to possession of a Living Will, Age was found to be an influence on having an *intention to possess* a Durable Power of Attorney for Health Care. Persons who are older possess it, persons who are younger, intend to possess it. With both health care documents, the younger an individual was, the less likely they were to consider obtaining health care documents.

*H6c) Non-intention To Possess A Durable Power Of Attorney For Health Care.*

*Results For Non-intention To Possess A Durable Power Of Attorney For Health Care.*

The results from this model indicate that the overall model, including all predictors, was significant according to the goodness-of-fit statistic  $\chi^2=6.122$  ( $p=.634$ ). Overall, 88.0% of the cases were predicted correctly. *Figure 19* is a visual representation of the results. An inverse significant relationship was found between the independent variables for Ethnicity and *non-intention to possess* a Durable Power of Attorney for Health Care ( $p=.005$ ). Non-Whites were more likely to have *non-intention*. Respondents that did have a Goal to Leave Inheritance were 3.8 times more likely to have *non-intention to possess* a Durable Power of Attorney for Health Care than those with the goal ( $p=.001$ ).

Indirect paths to *non-intention* to possess a Durable Power of Attorney for Health Care were found. Goal to Leave An Inheritance acted as a mediating variable between the *external variables* of Education, Income, and Resides With a Relative as predicted by the Theory of Reasoned Action (Ajzen & Fishbein, 1980). See Appendix A for regression results for indirect paths. As previously discussed, participants who were more

educated were more likely to have a Goal to Leave An Inheritance ( $p=.027$ ). Participants who Resided With a Relative ( $p=.026$ ) were 2.1 times more likely to have a Goal to Leave Inheritance as compared to those that did not. Decreasing Income increases the chances of having a Goal to Leave Inheritance ( $p=.045$ ).

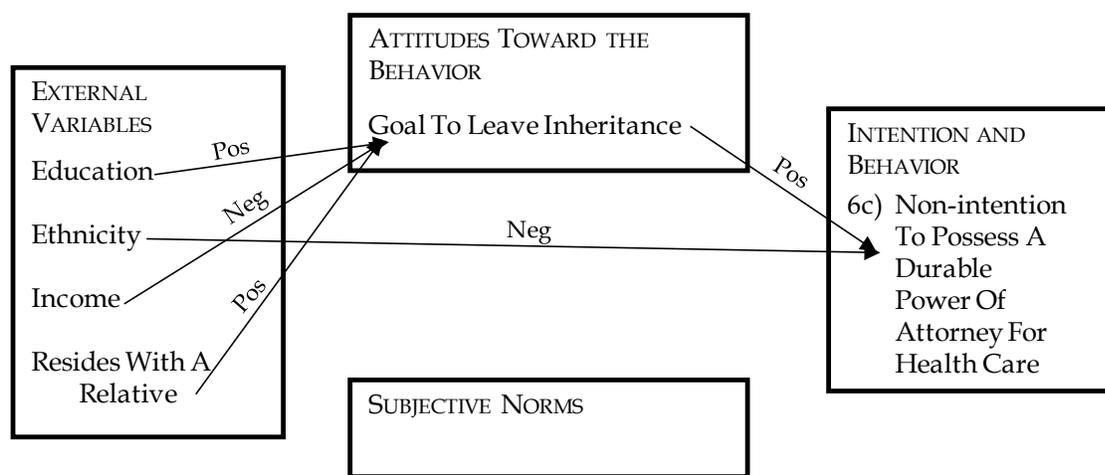


Figure 19. H6c) Model of significant results for Non-intention to Possess a Durable Power of Attorney for Health Care.

*Discussion For Non-intention To Possess A Durable Power Of Attorney For Health Care.* A Durable Power of Attorney for Health Care is used to appoint someone to make sure an individuals' health care decisions are carried out, or to make medical decisions on their behalf (Pozzuolo, et al., 2005; Spinale, 1999). Adults over the age of 50 who have a goal to leave an inheritance are more likely to have no intention to obtain this document. This may mean that they separate assets and health care goals. The Durable Power of Attorney for Health Care is not a transfer of property document, but a

document assigning someone to act on one's behalf for medical decisions, thus people may have the goal to leave an inheritance, but may also not want to trust someone else to be in charge of their affairs.

The analyses of *external variables to attitudes toward the behavior* were always the same. See Appendix A for results. The relationship of age (+), income (–) and resides with a relative was previously discussed in Hypothesis 3c, *non-intention to possess a Durable Power of Attorney for Financial Issues*.

#### *Summary Of Theory Results For Hypothesis 6*

In respect to the Theory of Reasoned Action (Ajzen & Fishbein, 1980), notably, *intention and behavior* was influenced by an *external variable* in the model for *Possession of a Durable Power of Attorney for Health Care and Intention to Possess a Durable Power of Attorney for Health Care*. For *Non-intention to Possess a Durable Power of Attorney for Financial Issues*, *external variables* and an *attitude toward the behavior* were found to have direct relationships and indirect paths were found from *external variables to intention and behavior* through *attitudes toward the behavior*. The hypotheses for all three models were partially supported but not fully supported. All variables were not significant in *external variables* and *attitudes toward the behavior*, and no variables were found significant in the *subjective norms*.

#### *Summary Discussion For Hypothesis 6 For Durable Power Of Attorney For Health Care*

In this sample of Virginians, 50.5% of respondents had this document, 29.9% intended to have it, and 15.2% had no intention to have it. Older participants were more likely to have a Durable Power of Attorney for Health Care while younger participants

were more likely to plan to have this document. Age was not found significant in *non-intention to possess* a Durable Power of Attorney for Health Care. Ethnicity and the Goal to Leave Inheritance were found to have a relationship with *non-intention*. As indirect influences, Education, Income, and Residing With a Relative helped to account for the relationship between Goal To Leave Inheritance and *non-possession*.

Virginia now allows a combined document, the Virginia Advance Medical Directive after passing the Virginia Health Care Decision Act in 2006. This document contains information for both the Living Will and the Durable Health Care Power of Attorney in one document (Virginia State Bar, 2006). The data for this analysis was collected in 2005 before this new combined document was effective. Future studies examining estate documents may want to include this newer document into their research design and to examine recent probate and estate tax laws for any recent or upcoming changes.

#### *Hypothesis 7*

H7. For adults 50 and over with at least one adult child, *external variables* will have relationships directly, or indirectly through *attitudes toward the behavior* (goal to leave inheritance; goal to leave family financial security; goal to have privacy in financial affairs; informally promised property) and *subjective norms* (believe should financially assist adult children; believe should financially assist grandchildren; and believe parents should give adult children money based on need; if have one year to live with cancer diagnosis, will discuss financial information with children; if fell and incapacitated for two months, will discuss

financial information with children; and if diagnosed with Alzheimer's, will discuss financial information with children) and the *possession* of a Set of Estate Planning Documents.

Linear multiple regression was used for analyses of this hypothesis as the dependent variable, a composite score of the quantity of estate planning documents, was continuous. A comprehensive table of the multiple regression results is included in Table 15. Standardized coefficients (B), the standard errors (SE) and the significance levels (Sig.) are included in the table.

#### *Hypothesis 7 Possession Of A Set Of Estate Planning Documents*

*Results For Set Of Estate Planning Documents.* The full model (using the F Test for ANOVA in this model) was a good fit and was statistically significant, at the  $p < 0.000$  level, indicating that all the variables in the model fit well together to improve prediction. *Figure 20* is a visual representation of the results. Controlling for all other variables in the model, Age makes the strongest unique contribution to this model in helping to explain the dependent variable ( $p = .001$ ). As Age increases, the chances of having a higher number of estate planning documents also increases. Assets were also found significant. As Assets increased, the chances of having a higher number of estate planning documents also increased ( $p = .016$ ). Home Ownership was also found significant in this analysis ( $p = .036$ ). Respondents who owned a home were more likely to have a larger set of estate planning documents than those who did not own a home. In addition, respondents with a Goal to Leave an Inheritance are more likely to have a larger Set of Estate Planning Documents than those who do not have this as a primary

goal ( $p=.011$ ). Those that have Informally Promised Property have an increased likelihood of having a larger Set of Estate Planning Documents ( $p=.013$ ).

Indirect paths to *possession* of a Set of Estate Planning Documents were found. Goal to Leave an Inheritance acted as a mediating variable between the external variables of Education, Income, and Resides With a Relative as predicted by the Theory of Reasoned Action (Ajzen & Fishbein, 1980). See Appendix A for regression results for indirect paths. Participants who were more Educated were more likely to have a Goal to Leave an Inheritance ( $p=.027$ ). Participants who Resided With a Relative ( $p=.026$ ) were 2.1 times more likely to have a Goal to Leave an Inheritance as compared to those that did not have this goal. As Income decreases the chances of having a Goal to Leave Inheritance ( $p=.045$ ) increases.

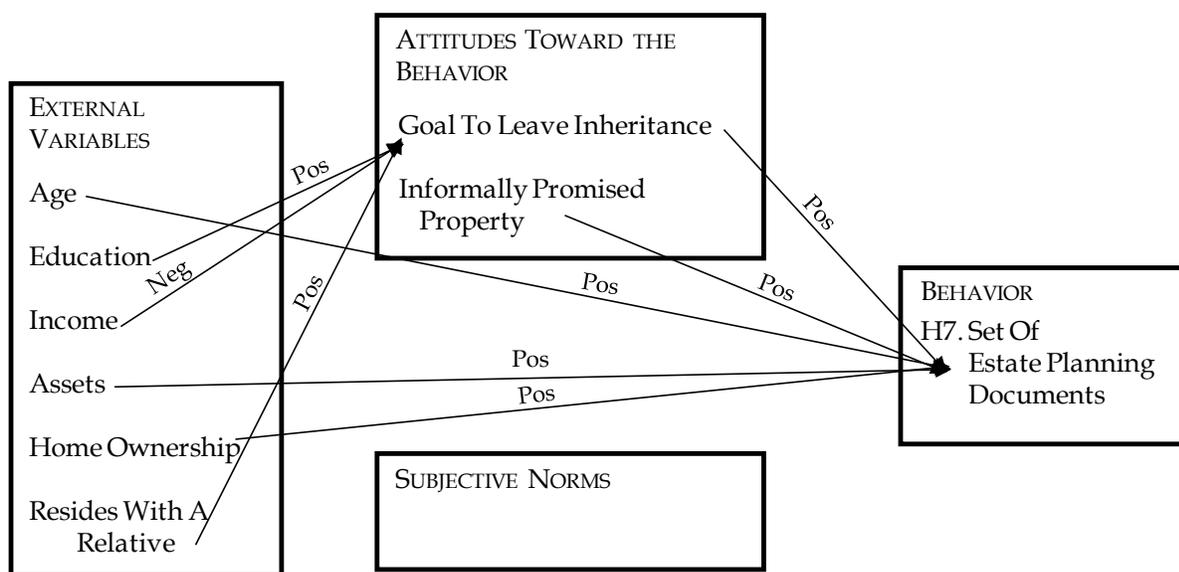


Figure 20. H7a) Model of significant results for Set of Estate Planning Documents.

Table 15

*Hypothesis 7 Linear Regression Results For Set Of Estate Planning Documents*

(n=189)	Set Of Estate Planning Documents		
	B	SE	Sig
<i>External Variables</i>			
Age	<b>.262**</b>	.024	.001
Education	.117	.084	.163
Gender			
Female	Reference		
Male	-.085	.321	.309
Ethnicity			
White	Reference		
Non-White	-.088	.448	.236
Marital Status			
Not Married	Reference		
Married	-.081	.347	.341
Income	-.020	.191	.852
Assets	<b>.221*</b>	.149	.016
Debt	-.088	.143	.259
Home Ownership			
Do Not Own Home	Reference		
Own Home	.165*	.521	.036
Emotional Health	-.095	.268	.292
Physical Health	.000	.238	.997
Resides With A Relative			
Does Not Reside With A Relative	Reference		
Lives With A Relative	-.049	.337	.528
<i>Attitudes Toward The Behavior</i>			
Goal To Leave Inheritance			
Not A Primary Goal	Reference		
Primary Goal	<b>.198*</b>	.312	.011
Goal To Leave Family Financial Security	-.026	.180	.744
Goal To Have Privacy in Financial Affairs			
Not A Primary Goal	Reference		
Primary Goal	-.043	.297	.562
Informally Promised Property	.184*	.180	.013
<i>Subjective Norms</i>			
Believe Should Financially Assist Adult Children	.000	.164	.999
Believe Should Financially Assist Grandchildren	.145	.176	.124
Believe Parents Should Give Adult Children Money Based On Need	.111	.369	.146
If Have One Year to Live With Cancer Diagnosis, Will Discuss Financial Information With Children	-.127	.204	.217
If Fell And Incapacitated For Two Months, Will Discuss Financial Information With Children	-.005	.135	.955
If Diagnosed With Alzheimer's, Will Discuss Financial Information With Children	.062	.241	.574
F Test		.000	
		$r^2 = .336$	

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

### *Summary Of Theory Results For Hypothesis 7*

*Behavior* was influenced in the Model for a Set of Estate Planning Documents by *external variables*, and *attitudes toward the behavior*. As predicted by Ajzen and Fishbein (1980), indirect paths were found from *external variables* to *behavior* through *attitudes toward the behavior*. *Subjective norms* were not an influence as predicted in Hypothesis 7. The hypothesis was partially supported.

### *Discussion Of Hypothesis 7 For Set Of Estate Planning Documents*

To the best of the researcher's knowledge, no previous research studies have been found that examine characteristics of individuals with a set of estate planning documents. Higher age, higher assets, and home ownership have a relationship with having a larger Set of Estate Planning Documents. Age was found to be a significant predictor by Palmer et al. (2006) and AARP (2000) in previous studies, but only in relation to the Will and the Living Trust. In this analysis, Age was found to be a significant predictor on having a multiple set of documents. Goetting and Martin (2001) and Palmer et al. (2006) found assets to have a relationship with Wills, but again, no previous studies have been found linking assets with having a larger set of estate planning documents.

The influences of education, income and residing with a relative on wanting to leave an inheritance help account for having the attitude to *possess* a Set of Estate Planning Documents. However, it is the attitude (wanting to leave an inheritance) that influences the behavior of *possession*. Persons with higher education may have more assets, which may make them more inclined to want to leave an inheritance, which is

one reason why the Goal to Leave an Inheritance may act as a mediating variable in this model. Participants who had a relative living with them were more likely to want to leave an inheritance. Several factors could influence this. The natural caring for one's relative and wanting to help them, or the result of pressure from a relative to leave an inheritance, or possibly even a feeling of guilt from care giving (Angel, 2008). The finding that decreasing income increases the likelihood of having a Goal to Leave Inheritance is unusual, and may require further study. It may mean that people with higher incomes already have assets to leave as an inheritance and therefore, it is no longer a goal.

To the best of the author's knowledge, examining the characteristics of individuals with a set of estate planning documents is a new perspective in research. In past studies reviewed for this research, Wills, Durable Power of Attorney for Financial Issues, and Living Trusts have been the only estate documents analyzed in combinations. The findings from this analysis are unique to this study and an area for future exploration.

CHAPTER V  
SUMMARY AND CONCLUSIONS, RECOMMENDATIONS FOR  
FUTURE RESEARCH, AND IMPLICATIONS

The purpose of this study is to examine the relationships between demographics, attitudes, and subjective norms (influences of others) of adults 50 and over with at least one adult child, and the possession of estate planning documents. The Theory of Reasoned Action (Ajzen & Fishbein, 1980) proposes that beliefs and attitudes are determinants in whether a person chooses to engage, or not engage, in a behavior. Demographic information on the adults over 50 with at least one adult child and their motives and intentions were divided into the categories as defined by the terminology from the Theory of Reasoned Action: *external variables* (demographics), *attitudes toward the behavior*, *subjective norms*, and *intention and behavior* (*possession, intention, or non-intention*) towards estate planning documents). Asset-focused and health care focused estate planning documents were analyzed. Asset-focused documents included the Will, Living Trust, Durable Power of Attorney for Financial Issues, and the Letter of Instruction. Health care-focused documents included the Living Will and the Durable Power of Attorney for Health Care. A composite score was created for the quantity of estate planning documents, and this was also reviewed for relationships according to the theory. Results and discussion of each document analysis were presented in Chapter 4. This chapter will summarize the results and discuss the implications.

## Summary And Conclusions

This study examines two perspectives. The first is the examination of estate planning documents from the viewpoint of having the document, intending to have it, or not intending to have it. The findings can help to build profiles of characteristics and attitudes of persons who choose to have these documents. As well, the pressure of societal norms is an area that should be further explored. If individuals feel pressure that they must leave an inheritance to their children from their children and/or society, they may choose to behave in different ways. The second perspective was to examine a complete set of estate planning documents. The benefits of examining a set of estate planning documents would be that persons would have assets and health care issues provided for, at any age, not just at an elderly age. Kurlowicz (2005) predicts health care will become more complex as costs rise and estate preservation should be recognized, particularly, for long term care needs. A plan for all facets is beneficial to family and friends, whether short term, or in creating a legacy.

### *Brief Summary For Possession, Intention,*

### *And Non-intention*

#### *Possession*

Age was the predominant influence on possession of estate planning documents. Specifically, age was a positive influence on the possession of five of the six documents; the Letter of Instruction being the exception. In addition to age, higher assets was an influence for possession of Wills, which is a document that deals with disposition of assets. Persons with more assets were more likely to possess a Will. Education and goals

to leave an inheritance (both positive) were direct influences on the possession of a Living Will, which is a health care document. Indirect influences were from Education (+), Income (—), and Resides With a Relative (+) through the Goal of Leaving an Inheritance to the possession of the Living Will.

#### *Intention To Possess*

For adults 50 and older with at least one adult child, younger age was an influence on intending to have the health care documents, Living Will and Durable Power of Attorney for Health Care, but not for the asset-focused documents. Having lower assets is an influence in intending to obtain a Will, but not yet having one. Direct influences for intending to possess the Letter of Instruction included higher education, being male, owning a home (+), wanting to have privacy in financial affairs, and wanting to leave one's family financial security.

#### *Non-intention To Possess*

For adults 50 and over with at least one adult child, no similarities for absence of intention to obtain asset-focused estate planning documents were found. Individuals with lower assets or in good emotional health were not inclined to want to obtain a Living Trust. Individuals who owned a home or were male, were more likely to not have any intention to have a Durable Power of Attorney for Financial Issues.

Similarities were found for Durable Powers of Attorney for Health Care and Financial Issues. Indirect influences from Education (+), Income (—), and Resides With a Relative (+) were found to Goal to Leave an Inheritance, which had a direct relationship to non-intention to possess the Durable Power of Attorney for Financial Issues and a

Durable Power of Attorney for Health Care. Non-Whites and individuals who did not have a goal to leave an inheritance were more likely not to have an intention to obtain a Durable Power of Attorney for Health Care and a Durable Power of Attorney for Financial Issues, even though they knew the reasons for these documents.

*Summary And Conclusions For Asset-Focused Estate Planning Documents*

The strongest conclusion of this study was that age was the contributor to obtaining several individual estate planning documents, both asset focused and health care focused. Consequently, age was also a significant contributor to possessing a set of estate planning documents. The sentiment that estate planning is only useful when one is older is a challenge that educators and practitioners need to face and try to correct. Educators, lawyers, financial planners, counselors, and others in the industry may choose to create awareness to the public on the many benefits of estate planning, regardless of age, but they can anticipate that many older persons will have made an attempt to plan for leaving an estate.

*Will*

For the asset focused documents, the Will was the most popular document which confirmed previous studies (AARP, 2000; Palmer et al., 2006). A Will is used to designate someone to manage a person's estate and to distribute property according to their wishes. This document also identifies guardianship for minor children (American Bar Association, 2004; Distenfield & Distenfield, 2005; Stephenson & Wiggins, 1973). Adults over 50 with at least one child were more likely to have a Will if they were older and had more assets. Those with lower amounts of assets had the intention to have a

Will, but did not have one yet. Thus, the quantity of assets owned may be a predictor to intention or possession of a Will and may be an ideal that should be further explored.

This finding demonstrates the need for younger people to gain familiarity with Wills. The Will serves many important functions, including that the Will is the only estate planning document that provides for the appointment of a guardian for minor children. The criteria for this sample included adults over 50 with at least one adult child. Although 80% had a Will, 20% did not possess a Will. The AARP (2000) study of adults over 50 did not include the criteria of having an adult child, but their finding was that only 60% of people had a Will. Thus, the fact that more of the participants have a Will in this study may be due to the fact that the Wills were originally created when their children were minors. This finding prompts educators and practitioners to consider focusing programs on young families (and younger people in general) on the benefits of having a Will. In addition, they should prompt older adults to review their Wills in case they were drawn up when the children were younger since their circumstances may have changed.

### *Living Trust*

Adults over 50 with at least one adult child were more likely to have a Living Trust if they were older. The Living Trust is established, sometimes for tax purposes, to hold assets of the creator and set up a trust manager (Distenfield & Distenfield, 2005). Individuals with better emotional health, fewer assets, or Non-Whites were inclined not to have any intention of obtaining a Living Trust, although they understood the function of the document. And, respondents who did not have privacy goals or beliefs

in helping their children financially intended to have a Living Trust, but did not currently have one. Perhaps when respondents are considering an action, their influences are different than when they have performed an action or choose to not consider performing an action. This may mean that the Theory of Reasoned Action (Ajzen & Fishbein, 1980) works best for intention. Because this was not a longitudinal study, there is no way of knowing if this intention actually led to behavior as the theory suggests.

A Living Trust is a document that provides for assets and financial matters. Living Trusts provide the grantor more sense of control over their assets and are confidential documents (Spinale, 1999), which can also protect individuals from their children or friends knowing their estate plans. Persons without the goal to have privacy were more likely to intend to have this document. Perhaps, if individuals had this goal, they would already have obtained this document. If an older adult feels pressured by their children or even by societal norms, he or she can maintain privacy with this document, as well as keeping some control. Educators and practitioners teaching people about this document may stress the privacy benefits of the Living Trust as well as the control (and tax benefits) the Living Trust provides, even if an individual does not have a large amount of assets.

This sample was not diverse, an issue that should be addressed in further research. However, the findings indicated that Non-Whites were less likely to obtain a Living Trust although they self-reported that they understand the purpose of the

document. Educators and practitioners may consider that Non-Whites may have less understanding of all the benefits of the Living Trust and may require more education.

#### *Durable Power Of Attorney For Financial Issues*

The Durable Power of Attorney designates someone to handle financial affairs when an individual becomes incapacitated or disabled (Hook & Begley, 2002; Super Living Trust Plan Inc., 1984). Again, age was the significant influence found for people who have a Durable Power of Attorney for Financial Issues. Adults over 50 with at least one adult child who were Non-White, male, homeowners or who do not have a goal to leave an inheritance are more inclined to not have any intention of obtaining a Durable Power of Attorney for Financial Issues, even though they know the purpose of this document. Indirect influences were found from Education (positive), Income (negative), and Residing With a Relative (positive) to the Goal to Leave an Inheritance which was a direct influence to participants on non-intention of obtaining this document.

The Durable Power of Attorney for Financial Issues is the document that assigns someone to handle financial affairs in case of incapacity (Hook & Begley, 2002). Incapacity does not occur only when people are old, it can occur at any age, yet age was an influence on possession of this document. Educators and practitioners may want to stress to learners and clients the benefits of this document in case of incapacity, that incapacity can occur at any age, and if so, who will handle their finances? Possessing a document such as the Durable Power of Attorney for Financial Issues is an integral part of having an estate plan that covers you in all circumstances not just death.

### *Letter Of Instruction*

Adults over 50 with at least one adult child were more likely to have a Letter of Instruction if they had informally promised titled and/or non-titled property to others. The Letter of Instruction is a document that can be opened immediately to advise the survivors of location of the will, funeral instructions, and the deceased's wishes for distribution of non-titled property (Distenfield & Distenfield, 2005). Individuals with more education, who are female, and who own a home, have a goal to leave their family financial security or want privacy in their financial affairs, are more likely to want to obtain a Letter of Instruction, but do not have one yet. Younger age was an indirect influence as it was mediated through the goal to leave family financial security. The goal to leave family financial security, in turn, had a direct influence on not intending to have this document.

This finding indicates that respondents understood the reasons to have a Letter of Instruction, which accommodates wishes for the distribution for non-titled property. The 19% of respondents who had informally promised their property to family and friends had also followed up by possessing a Letter of Instruction (see Table 6 in Chapter 4). However, 19% is still a low number of persons possessing this document. When parents tell a child (or friend) that he or she may have a certain item such as a family heirloom after their death, the person needs to follow this verbal promise with formal documents. Practitioners may want to discuss informal promises with clients, and stress the need to include these informal promises in a Letter of Instruction. Males

are less likely to want to obtain this document, demonstrating the need to convince men of the value of this document.

*Summary And Conclusions For Health Care-Focused Estate Planning Documents*

For health care focused documents, age was the most important factor in having one of the two estate planning documents included in this study. In summary, these are the results for each document:

*Living Will*

The Living Will is used in cases of incapacity or terminal illness where an individual declares their wishes for medical procedures and end-of-life medical decisions (Distenfield & Distenfield, 2005). Adults over 50 with at least one adult child, who are older, have more education, or have a goal to leave an inheritance, are more likely to have a Living Will. Younger participants were more likely to intend to obtain a Living Will, but not yet have one. Indirect influences were found from Education (+), Income (−), and Residing With a Relative (+) to the Goal to Leave Inheritance which was a direct influence to participants who possessed this document.

In both health care focused documents, age was a positive significant influence on possession of these documents (and those that were younger were inclined to have an intention to possess it). End-of-life medical care, or medical care in case of terminal illness or incapacity, is not needed only by older individuals; again demonstrating the need for educators and practitioners to target younger adults to help them understand and obtain this document. As well, those persons who had more education had this

document, which also indicates that people with lesser education, should be targeted by practitioners and educators so that they understand the importance of this document.

#### *Durable Power Of Attorney For Health Care*

With a Durable Power of Attorney for Health Care, an individual can designate who will make end-of-life or other medical decisions for them in case they are no longer able to do so (Pozuolo, et al., 2005; Spinale, 1999). The Living Will contains the medical directives of an individual, where the Durable Power of Attorney assigns someone to make decisions, or carry out the individual's medical directives. Adults over 50 with at least one child who are older are more likely to have the Durable Power of Attorney for Health Care. Those individuals who are younger, intend to obtain this document, but do not yet have it. Individuals who do not have a goal to leave an inheritance, and are Non-White, are more inclined to have no intention of obtaining a Durable Power of Attorney, although they do know the purpose of the document. Indirect influences were found from Education (positive), Income (negative), and Residing With a Relative (positive) to the Goal to Leave an Inheritance which was a direct influence to participants who did not have any intention of obtaining this document.

As noted above, age performs the same role in this model as in the Living Will. Non-Whites should also be targeted by practitioners and educators for education to help them create this document as a part of a comprehensive estate plan.

### *Summary And Conclusions For Set Of Estate Planning Documents*

This study examined the influences on having a Set of Estate Planning Documents, as well as the individual documents. This analysis netted the results below.

Older persons are more likely to have multiple estate planning documents. Persons of younger age need to be aware of how estate planning documents can help with assets and health care decisions at different stages of life. Also, when respondents feel they do not have many assets, they are less likely to obtain estate planning documents, even when some documents are for health and not only for assets. This prompts a need to explain to persons who do not have large amount of assets that they must prepare for their own death and/or incapacity regardless of their asset level. Educators, counselors and planners can also assist persons to gain more assets to increase their net worth, increasing the need for asset focused estate planning.

Only 6.3% of respondents had all six estate planning documents, and only 13% had five of the documents. Virginia is one of a few states that allows a newer document created under the Uniform Health Care Decisions Act to combine health care directives into one document, thus eliminating the need to have both the Living Will and Durable Health Care Power of Attorney, however, this law came into effect after this data was collected.

Informally promising property, having a goal to leave an inheritance, having more assets, and owning a home were also influences for possessing a larger set of these documents. Indirect influences were found from Education (positive), Income (negative), and Residing With a Relative (positive) to the Goal to Leave an Inheritance

which was a direct influence to participants who possessed a larger set of estate planning documents.

#### *Goal To Leave Inheritance*

In the analysis of the *external variables* to the *attitudes toward the behavior*, Age (+), Income (–) and Resides With a Relative (+) were found to be influences on the Goal to Leave an Inheritance. Because Goal to Leave an Inheritance was then a predictor to a few of the dependent variables, Goal to Leave an Inheritance took on the role of a mediating variable in those analyses. The findings for the variable Goal to Leave Inheritance in relation to the dependent variables resulted in some counter-intuitive findings. These findings are as follows:

Possession of a Living Will (–)

Possession of a Set of Estate Planning Documents (+)

Non-intention to Possess a Power of Attorney for Financial Issues (–)

Non-intention to Possess a Power of Attorney for Health Care (–)

A Living Will is a health care-focused document and this finding may mean that although the respondents had this Goal to Leave Inheritance, which may have been related to assets, they did not follow through with health care-focused documents. Although some people may not view a Living Will as a financial document, a Living Will can help preserve an estate from some extraordinary health care costs. Thus, they may feel that the well being of family is not related to inheritance. Or persons may have such lofty goals or ideas of leaving an inheritance but may not, in reality, recognize the steps needed to be taken in order to achieve these goals. In regard to possession of a Set

of Estate Planning Documents, the result is logical; those with the goal would be more likely to have more documents.

However, the Goal To Leave an Inheritance had an inverse relationship to Non-intention to Possess a Durable Power of Attorney for Health Care and to Non-intention to Possess a Durable Power of Attorney for Financial Issues. These findings are interesting, those who had a Goal were more likely to not intend to possess either document. One explanation could be that those who had the goal, were more likely to already have estate planning documents, thus they would not have any intention. And, the Durable Powers of Attorney may have been viewed as putting someone else in charge of an aspect of one's life, and more about trust than about any inheritance goals.

Alternatively, the way this survey question was asked could have provided this confusing result. The survey question had nine listings and for each one, the respondent was to mark if it was a goal, and then later, to rank all nine. For this study, the choice of having the goal was used for the data. The Goal was not defined as to whether an inheritance was considered assets, property, insurance money, family heirlooms, etc. In future research this goal should be more explicit in defining what the inheritance was, or separate questions for each of these type of goals or intergenerational transfers. This may help to eliminate any confusing results or, perhaps, to support these findings in future research.

### Theoretical Discussion

The role of *external variables* was found to be in some disagreement with the Theory of Reasoned Action (Ajzen & Fishbein, 1980) which states that *external variables*

are external to the model and do not provide direct motivators to *intention* and *behavior*. Ajzen and Fishbein's theory includes *external variables* only in the model as influences to *attitudes toward the behavior* and *subjective norms*, not directly to *intention* and *behavior*. Ajzen and Fishbein believe that there is a "causal chain linking beliefs to behavior" (p. 91). This study examined direct and indirect relationships using the Theory of Reasoned Action, with expectations that *attitudes toward the behavior* and *subjective norms* to act as mediating variables between *external variables* and *intention and behavior*.

Ajzen and Fishbein (1980) propose that *external variables* do not have a direct relationship to *intention* and *behavior* because these items are not consistent. This study also found that this was inconsistent. An attitude or a value may be inherent to an individual, but income, assets, or age, examples of variables used in this model, do change. Ajzen and Fishbein propose that the influences of *external variables* will be mediated by *attitudes toward the behavior* and *subjective norms*. "Mediating variables describe 'how' rather than 'when' effects will occur by accounting for the relationship between the independent variable and the dependent variable" (Rudestam & Newton, 2001). Six of the eighteen models were found to have a mediating variable; all were in *attitudes toward the behavior*. The indirect paths in these six models were contributors to predicting the attitude toward the behavior.

Contrary to the Theory of Reasoned Action (Ajzen & Fishbein, 1980) this study found that, in some analyses, direct influence was found from the *external variables*, (demographic variables as defined by Ajzen and Fishbein (1980)), directly to *intention* and *behavior* (dependent variables). The statistical analyses established that certain

*external variables* had a direct relationship to *intention and behavior* as seen in fourteen of the eighteen usable model analyses (see *Figures 7 through 23.*) Crosby and Muehling (1983) conducted research specifically testing direct paths from *external variables* to *intention and behavior* in the Theory of Reasoned Action. They found that *external variables* were direct influences, and they propose that the theory of a two component construct is not adequate to explain *intention and behavior*. On the basis of the findings from Crosby and Muehling, and the findings from this study, applying *external variables* directly while using the Theory of Reasoned Action (Ajzen & Fishbein, 1980) is a research design that a financial researcher should carefully examine before making a final determination.

Individuals, especially elderly people, may be more vulnerable to pressures from others, as could be evidenced through the *subjective norms* in the Theory of Reasoned Action (Ajzen & Fishbein, 1980). In this study, *subjective norms* were not found to be statistically significant in any model as an influence in the *possession, intent to possess, or non-intention to possess* estate planning documents. Nor, were they useful as a mediating variable. The variables used to measure this construct in this study were not ideal as the researcher was confined to existing questions in the survey, thus the lack of significance should not be a deterrent for using these items in future studies.

### Limitations

The primary limitation to this study was the use of a secondary data set. Specific variables such as net worth, or stronger *attitudes toward the behavior and subjective norms* that may have contributed to the study were not available. However, using data that

were already defined for researching intergenerational transfers provided an excellent groundwork for further work in the field, considering little research has been conducted in this subject area.

With this smaller sample size, the analyses were restricted to separate binary logistic regressions for each sub-hypotheses because the data would not run for multinomial logistic regression. This provided results that were a little more difficult to interpret than if using a multinomial logistic regression where each subset is compared to each other in one analysis.

With only regional data, the sample was limited in some aspects and it may prove challenging to generalize the findings to a national population. The sample was predominantly White, with a large number of homeowners and persons who had acquired a large dollar amount of assets. More research is needed using a representative and more diverse national sample.

### Implications

The significance in understanding wealth transfer is important because the United States is "...on the threshold of the largest intergenerational wealth transfer in its history" (Angel, 2008, p. 3). The following section presents implications for researchers, educators, practitioners, financial planners, and lawyers.

Groups such as AARP, a prominent organization for older adults, can benefit from this research. AARP (2000) has already conducted a study of adults 50 and over in respect to three estate planning documents. This study, with an expanded set of documents and its findings, may prompt further research and education programs on

estate planning for older adults in the United States. Other groups, such as the National Council on Aging, or National Association for Estate Planners and Councils, may also find the results from this study helpful to their work as may the Association for Financial Counseling and Planning Education, and the Cooperative Extension Service.

*For Researchers*

Researchers interested in estate planning will find that this study provides the beginning of a profile of older adults with estate planning documents. New surveys can be implemented using improved questions which will result in more in-depth data for analysis. Improved surveys may contain more in depth questions that may help researchers to understand whether people choose to have estate planning documents and why. The surveys might include questions on net worth, or if the respondents were left an inheritance by their own parents to examine generational attitudes. The presence of children can also prompt questions as to pressures parents might feel to leave their children an inheritance.

This study helps to explain the attitudes and influences on estate planning in Virginia. This survey was taken at one moment in time. Researchers may consider a longitudinal study that may include using education (among other variables) to determine if more education leads to higher possession of estate planning documents. With little research conducted on estate planning documents, and processes, in particular on documents other than Wills, a gap has been left in research which needs to be developed. Possession of these documents alone is not enough to provide information to help practitioners in the future. Of parallel interest, may be research into

why some individuals have no intention to obtain estate planning documents, even though they may understand the documents and the purposes they serve. Determining influences, attitudes, and the effects of demographics are important contributions to further knowledge in this field, an area that will become more relevant as baby boomers are aging.

The Goal to Leave an Inheritance may also be explored more clearly in future research. More detailed questions as to what people perceive when asked if they have a goal to leave an inheritance may provide an increased understanding of results. Exploration of items such as family relationships, family health, and possibly even the trust one has in others may help to explain people's perceptions of this goal. A possible finding may be that they view this goal as not about the transfer of wealth, but about the transfer of control, which is why this variable was found to be an influence in the analyses of the Durable Power of Attorney for Financial Issues and the Durable Power of Attorney for Health Care.

Although this study did not analyze "I don't know what it is" because it did not fit into the Theory of Reasoned Action (Ajzen & Fishbein, 1980), examining how many people do not know what specific estate documents are can prove helpful. The Letter of Instruction was the document that had the highest number in the "I don't know what it is" category: 17.5%. In the future, it would be helpful for researchers to determine the difference between being aware of the existence and purpose of these important estate planning documents. Choosing to have or not have an estate planning document is different than just not being aware of the existence and purpose of documents.

To the best of the author's knowledge, a new perspective in examining estate planning encompasses is the analysis of a set of estate planning documents that is comprised of both asset-focused and health-care focused issues. Previous studies have examined only one to three asset-focused documents one at a time. A well balanced estate plan includes asset-focused and health care-focused documents.

As important as it is to examine adults 50 and over with at least one adult child, and their attitudes and influences in possession of estate planning documents for future research, a more in-depth profile of those who do not have children may prove worthwhile. Future research should also include an expansion on the ages and a more diverse samples. Data should be collected of the data on a national level to make it easier to generalize.

#### *External Variables, Attitudes Toward The Behavior, And Subjective Norms*

Information on characteristics or demographics is useful for creating profiles, but should also include some key questions that may help to explain attitudes or pressures. For asset focused documents, questions in financial areas such as home ownership debt, the value of the estate, and net worth would be quite useful. A constraint is brought up through Angel (2008) and Brakman's (1996) previous work: the concept of inheritance being restrained by resources. This may have to determine if individuals with little to leave still have motivations for inheritance. For health care-focused documents, further exploration into family health and health attitudes may prove useful. Questions specific to this goal may prove quite notable in future research by helping to pinpoint intergenerational transfers due to attitude or subjective norms.

The *external variables* were limited to the demographic questions asked in the survey. More in depth demographics may help to create a stronger profile. This would include information in such areas as net worth. Living arrangements may also be an area for further exploration; new survey questions can include who lives with you, their relationship, and age. And, marital status should be further explored as this study only included if a person were currently married or not. This data set was comprised of older adults over 50 with at least one adult child. Including persons with or without children would also help to contribute to creating profiles.

Also, including persons with questionable health, whether old or young, would make the data more diverse. A question may be asked such as “Have you ever had a life threatening illness” may help researchers to recognize health’s role in motivations to estate planning. Family health history could prove valuable as individuals who have cancer or Alzheimer’s in the family have different attitudes and motivations. In respect to health care documents, emotional and physical health, although found to be of little influence, should still be considered in future studies as to how the attitudes resulting from poor health may affect the possession of estate documents, in particular, health care focused documents.

The variables used for *attitudes towards the behavior* were restricted to those in the existing survey. Brakman (1996) speaks of entitlement, and that children may feel a sense of entitlement to inheritance if they are care giving for a parent. Health of the respondent, the role of their children in care giving, who accompanies them to the estate lawyer’s office, and how one views inheritance, may prove interesting in further

study. Questions such as “Do you want your children to know exactly what you are leaving them” or “Do you believe all of your inheritance should go to only your children, or maybe also to friends or charity?” could provide insight into influences of choices in estate planning documents.

Other questions may help to determine attitudes towards inheritance such as “Did your parents leave you an inheritance?” or “Do you believe leaving an inheritance is an obligation or a gift?” When parents are talking on a daily basis with their children it might be easy to make casual offhand comments about giving them a family heirloom painting, or piece of jewelry, or other such items. Some additional survey questions can include exploring informal promises of gifts and how often these are followed through by parents in formal estate plans, as these issues that can cause conflict in a deceased’s family.

For health care focused documents, the pressures of illness and incapacity may require health care focused questions such as “If you were ill, do you want your child to make end-of-life decisions for you” or “Do you feel pressure from your children about who you should name to make health care decisions for you?”, or even “Do you feel that our society recommends using a child to make decisions for you in case of incapacity?” would help to develop a more in-depth profile.

The variables used for *subjective norms* were chosen from those available in the survey. These variables may not have been very strong as *subjective norms*, and this may be a reason why no significance was found with them. For future research, if examining estate planning documents, direct questions would be more useful, such as: “Do you

feel pressure from your children to leave them an inheritance?" or "Do you see your friends preparing to leave their children an inheritance, and do you feel you must also do so?" or even perhaps "Do you feel guilty using your money for your own health care as you get older, rather than leaving an inheritance to your children?" As Brakman (1996) observes, children are not entitled to an inheritance unless they have been promised one by their parents, so these types of questions could help to determine the *subjective norms* that may influence people in their estate planning for asset focused documents. The research in this study was examined through quantitative analyses. Using the qualitative method could net different more in-depth knowledge into estate planning. In depth personal interviews can illuminate more strongly the reasoning for choosing specific estate documents, and even the timing in a person's life to obtain these documents. Obtaining qualitative data on personal reasoning could strengthen the known data, limited as it is, on attitudes and influences in estate planning.

With a limited knowledge base on this subject, researchers may choose to use this study as a stepping stone to further studies on estate planning documents. The Theory of Reasoned Action (Ajzen & Fishbein, 1980) provides a useful theory to develop higher understanding of the attitudes and influences in persons who *possess*, or have an *intent to possess*, or have a *non-intent to possess* estate planning documents. Estate planning can be an emotional issue, and one that can be highly manipulated through *subjective norms*, or the pressure from others around an individual, and one's *behavior* can be a result of one's *attitude* towards it. By continuing this work and applying it to other age groups and regional areas, researchers can start creating more in-depth

knowledge on this important subject. Previous literature has not addressed estate planning documents from the view of having, intending to have, or not intending to have any documents.

*For Educators, Practitioners, And Professionals*

*For Educators*

Previous research studies from Edwards (1991) and O'Neill (2008) have determined that knowledge about wills and estate planning are areas in which Americans lack awareness and understanding. In their research on people's knowledge about personal finance, Volpe, et al. (2006) found that participants in their study rated estate planning as an area individuals consider important to know about, but still do not know much about. The contributions from this study can help consumer educators, particularly those in Virginia, to plan programs. Educators from Virginia Cooperative Extension and other entities can plan programs for the community on estate planning documents. The Will was found to be the most popular document in this study, and in previous studies. Education is needed to help individuals understand the purposes of the five other estate planning documents, in addition to how asset focused documents and health care focused documents can combine to take on the majority of estate needs. Further, programs may be created to address persons with fewer assets, that are Non-White, and with lower education levels.

Angel (2008) observes that family belief and value systems, evidenced through fiscal ideals and traditions, may transfer from generation to generation. Education on

this important subject may benefit future generations as these ideals are passed on to the next generation.

*For Practitioners And Professionals*

This study helps to build the answer to the question “Who Needs Estate Planning Information?” and confirms the misconception that age is the reason to set up an estate plan; hence, the need to educate younger people on estate planning. And, even if individuals have small estates, they still need to designate someone to act on their behalf in medical decisions as well as paying debts, and arranging for the distribution of family heirlooms. Financial planners, financial counselors, lawyers, and other professionals can benefit by identifying the types of individuals who may use estate planning services, and who may or may not be more likely to want to possess specific documents.

With the baby boomers aging, creating a larger population segment, estate planning services should be more in demand over the next decade. Estate planning documents for health care should be widely marketed by these professionals in the field. Further, although the aging population is a logical target, this study helps to identify that younger people require more help with estate planning. For example, practitioners may choose to create marketing campaigns that are more youth oriented, running in publications that are specifically geared for young families. Younger people should be a target market for those in the industry.

The public is not aware of the breadth of estate planning documents and how they can provide protection in a variety of areas, regardless of the assets people own or

their age. Lawyers and other estate planning professionals should provide their clients with exact descriptions and applications to help clients identify how they can create a complete estate plan for their circumstances. Consumers should be cautious of one-size-fits all type of estate planning (i.e. the Internet, Do-It-Yourself kits, software) and choose a qualified professional who can work with them on documents that are fitted to their personal circumstances. Estate planning documents are legal documents and are best prepared by individuals with training and expertise (and who do not have a personal financial agenda) (The State Bar of California, 2009). Perceived cost may be an obstacle to persons seeking estate planning. Although costs vary, estimates for estate planning services can be obtained from a consultation with a qualified attorney at a modest price (The State Bar of California).

In Kurlowicz's (2005) article titled "*What Estate Planners Will Be Doing In 10 Years (Or Not)*," he suggests that the current and ongoing wealth shift will create new challenges for estate planning practitioners to address. Estate preservation will be demanding, with new tax laws and less government services in the future. Savings rates are down, and the increases in health care costs and decreases in health care services are going to make estate preservation for inheritance more difficult, with more money spent on health care items such as long term care insurance. In addition to this, Kurlowicz believes life insurance will be a more popular venue for individuals to leave bequests to their children due to the increased demands on the existing estate. Through these changes ".... helping clients with major life transitions such as inheritance events can build customer loyalty through a demonstration that the service provider

understands their needs” (Curasi, Price, & Arnould, 2003, p. 371). Even with federal and private health care insurance, out-of-pocket expenses rise with age and accommodations should be considered in advance (Medical Payment Advisory Commission, 2003). Customer loyalty can be strengthened through a better understanding of the customer. Insight as to the influences and attitudes of individuals in choosing estate documents can help to strengthen loyalty bonds, resulting in continued service and referrals.

For the rest of the population not in the over 50 age category, estate planning services will be just as crucial. The factual criteria from this study can help to target groups that are least aware of estate planning. The challenge to practitioners, educators, and counselors is to convince the public of the need for estate planning at all ages, not just younger ages. In this research study, less than 50% of the respondents did not have a Living Trust or a Letter Of Instruction. This was a sample of middle aged to older persons, a population subset that is more aware of estate planning than a younger population. As well, only 58% had a Living Will and 51% had a Durable Power of Attorney for Health Care. Health issues do not strike only when one is older, and practitioners can use all information that contributes to increased knowledge in the field of attitudes and influences on estate planning to help target these areas of prospective clientele.

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APPENDIX A

REGRESSION RESULTS FOR EXTERNAL VARIABLES  
TO ATTITUDES TOWARD THE BEHAVIOR AND  
SUBJECTIVE NORMS

## Logistic Regression Results For External Variables To Attitudes Toward The Behavior And Subjective Norms

(n=189)	Goal To Leave Inheritance			Goal To Have Privacy In Financial Affairs			Believe Parents Should Give Adult Children Money Based On Need		
	B	SE	Odds	B	SE	Odds	B	SE	Odds
<i>External Variables</i>									
Age	-.018	.029	.982	-.009	.029	.991	-.012	.035	.988
Education	<b>.224*</b>	.101	1.251*	-.020	.095	.980	-.230	.121	.795
Gender									
Female	Reference								
Male	-.117	.387	.890	-.433	.381	.649	.227	.473	1.254
Ethnicity									
White	Reference								
Non-White	-.830	.549	.436	.088	.500	1.092	.334	.631	1.397
Marital Status									
Not Married	Reference								
Married	.160	.417	1.174	.635	.395	1.886	-.004	.475	.996
Income	<b>-.505*</b>	.227	.604	.091	.212	1.095	-.100	.262	.905
Assets	.228	.183	1.257	.053	.177	1.055	.332	.217	1.394
Debt	.088	.180	1.092	-.156	.171	.856	.206	.213	1.229
Home Ownership									
Do Not Own Home	Reference								
Own Home	-.150	.594	.861	.439	.569	1.551	1.153	.646	3.167
Emotional Health	-.198	.317	.820	-.528	.309	.590	.147	.364	1.158
Physical Health	-.122	.292	.885	.516	.290	1.675	.159	.347	1.172
Resides With A Relative									
Does Not Live With Relative	Reference								
Lives With Relative	<b>.760*</b>	.379	2.138	-.032	.371	.739	-.646	.441	.524
Hosmer-Lemeshow Goodness-of-Fit Tes		<b>.238<sup>†</sup></b>			<b>.915<sup>†</sup></b>			.040	
		$r^2 = .116$			$r^2 = .076$			$r^2 = .096$	

\*p<.05. \*\*p<.01. \*\*\*p<.001.

<sup>†</sup>p>.05.

## Linear Regression Results For External Variables To Attitudes Toward The Behavior And Subjective Norms

(n=189)	Belief Should Financially Assist Adult Children			Believe Should Financially Assist Grandchildren			Goal To Leave Family Financial Security			Informally Promised Property		
	B	SE	Sig.	B	SE	Sig.	B	SE	Sig.	B	SE	Sig.
<i>External Variables</i>												
Age	-.023	.015	.130	-.025	.013	.060	<b>-.023*</b>	.011	.038	.009	.010	.400
Education	.028	.052	.589	.023	.046	.624	.027	.038	.474	.026	.036	.476
Gender												
Female	Reference											
Male	-.018	.204	.932	.116	.182	.525	.025	.1479	.866	.022	.141	.875
Ethnicity												
White	Reference											
Non-White	.148	.266	.579	.335	.238	.161	.074	.195	.704	-.221	.185	.234
Marital Status												
Not Married	Reference											
Married	-.013	.214	.953	.048	.191	.803	.200	.157	.204	-.091	.148	.542
Income	.057	.114	.618	.035	.102	.731	-.045	.084	.595	.017	.079	.828
Assets	.013	.094	.887	-.045	.084	.591	.043	.069	.533	-.057	.065	.385
Debt	-.077	.091	.399	.009	.081	.911	-.062	.067	.354	.074	.063	.245
Home Ownership												
Do Not Own Home	Reference											
Own Home	-.227	.314	.469	-.175	.280	.534	-.039	.229	.864	.325	.217	-.137
Emotional Health	.057	.165	.732	.137	.148	.355	-.094	.121	.438	-.061	.114	.594
Physical Health	.072	.150	.629	-.054	.134	.687	.055	.109	.614	.059	.104	.574
Resides With Relative												
Does Not Live With Relative	Reference											
Resides With Relative	.027	.204	.893	-.082	.182	.653	.246	.149	.101	-.022	.141	.879
F Test		.864			.576			.424			.827	
		$r^2 = .037$			$r^2 = .056$			$r^2 = .066$			$r^2 = .040$	

\*p&lt;.05. \*\*p&lt;.01. \*\*\*p&lt;.001.

APPENDIX B  
IRB APPROVAL LETTER



DATE: October 9, 2008

MEMORANDUM

TO: Celia R. Hayhoe  
Cynithia Horkey

FROM: Carmen Green 

SUBJECT: **IRB Exempt Approval:** "Estate Planning Documents in Virginia Among Adults 50 and Over With at Least One Adult Child" , IRB # 08-599

I have reviewed your request to the IRB for exemption for the above referenced project. The research falls within the exempt status. Approval is granted effective as of October 9, 2008.

As an investigator of human subjects, your responsibilities include the following:

1. Report promptly proposed changes in the research protocol. The proposed changes must not be initiated without IRB review and approval, except where necessary to eliminate apparent immediate hazards to the subjects.
2. Report promptly to the IRB any injuries or other unanticipated or adverse events involving risks or harms to human research subjects or others.

cc: File

APPENDIX C

SURVEY

# Survey

## Assistance to Adult Children by Older Parents

This survey includes questions about the help you give to adult children and under what conditions you would give more help to them. Also, you will be asked to think about your attitudes towards saving and spending money and your degree of financial planning. By answering these questions, you will help us understand how older parents help their children and may effectively plan to continue that help into the future.

Your answers will be kept completely anonymous, meaning that your identity is totally protected and no one will be able to identify you. Your name, contact information, and any identifying information will not be used in association with the information you share and will not be distributed to others. In addition, all answer sheets will be kept in a locked file and office at Virginia Tech. So, please answer the questions thoughtfully and honestly. There are no right or wrong answers. Just give the answer that is right for you. In answering the questions, you may feel that some questions are vague or hard to answer. However, please do your best to answer every question.

*Thank you for participating.* If you want more information, or have any questions about the survey or how this information will be used, please contact us using the information on the last page of your consent form.

### OFFICE USE ONLY

Survey Number: \_\_\_\_\_

Coded by: \_\_\_\_\_

Date: \_\_\_\_\_

This survey is sponsored by a grant from the College of Liberal Arts and Human Sciences, Virginia Polytechnic Institute and State University, Blacksburg, Virginia 24061. Principal Investigators: Drs. Celia R. Hayhoe and Michelle L. Stevenson.



ID #: \_\_\_\_\_

## Section A: Demographic Information

For each of the following questions, please circle the number that best describes your answer.

→ 1. What is your gender?

0 Female

1 Male

→ 2. What is your race or ethnic background? (Circle all that apply.)

0 White (Non-Hispanic)

1 Black or African-American

2 Hispanic/Latino

3 Asian/Pacific Islander

4 Other (Specify) \_\_\_\_\_

→ 3. When were you born? \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
month day year

→ 4. Are you married, single, widowed, divorced, or separated?

0 Single (never married)

1 Married or living as married

2 Widowed and not remarried

3 Widowed and remarried

4 Divorced and not remarried

5 Divorced and remarried

6 Separated

4a. Based on your answer to question #4, how long have you been married, single, widowed, divorced, or separated?  \_\_\_\_\_ years

4b. Were you married previously?

0 Yes

1 No

4c. If yes, for how long?  \_\_\_\_\_ years

→ 5. Which of the following best describes your highest level of education?

- 0 Did not complete high school
- 1 Completed high school or equivalent
- 2 Completed technical/vocational school
- 3 Some college
- 4 Attained college degree
- 5 Some graduate school
- 6 Attained graduate degree

→ 6. Which best describes your present housing?

- 0 Own home (no mortgage)
- 1 Own home (paying mortgage)
- 2 Rent house
- 3 Live in relative's house  
What is your relationship? \_\_\_\_\_
- 4 Rent apartment
- 5 Retirement home
- 6 Other (specify) \_\_\_\_\_

7. What is your current employment situation?

- 0 Retired
- 1 Housewife (never worked outside home)
- 2 Work less than 20 hours a week
- 3 Work more than 20 hours a week
- 4 Currently seeking employment outside the home

→ 8. How would you rate your overall physical health at the present time?

- 3 Excellent
- 2 Good
- 1 Fair
- 0 Poor

→ 9. How would you rate your overall emotional health at the present time?

- 3 Excellent
- 2 Good
- 1 Fair
- 0 Poor

10. During the past month, how much of the time has your physical health or emotional problems interfered with your social activities (like visiting friends, relatives, etc.)?

- 4 All of the time
- 3 Most of the time
- 2 Some of the time
- 1 A little of the time
- 0 None of the time

11. The following questions are about activities you might do during a typical day or week. How much does your health limit you in these activities?

	Limited <u>a lot</u>	Limited <u>a little</u>	Not limited <u>at all</u>
<u>Vigorous activities</u> , such as running, lifting heavy objects, participating in strenuous sports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Moderate activities</u> , such as moving a table, pushing a vacuum cleaner, bowling, or playing golf	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Climbing <u>several flights</u> of stairs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bending, kneeling, or stooping	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Walking <u>more than a mile</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section B: Family Information**

→ 12. Who currently lives with you?

- 0 No one
- 0 Spouse or partner
- 1 Daughters  
How many? \_\_\_\_\_
- 2 Sons  
How many? \_\_\_\_\_
- 3 Grandchild  
How many? \_\_\_\_\_
- 4 Parent  
How many? \_\_\_\_\_
- 5 Brothers or sisters  
How many? \_\_\_\_\_
- 6 Friends  
How many? \_\_\_\_\_



Some parents look to adult children for advice or occasional help. In general, do you go to your children for advice or help for:

	<u>Yes</u>	<u>No</u>	<u>Depends</u>
19. A personal problem?	1	2	3
20. Minor medical problems?	1	2	3
21. Making a major decision?	1	2	3
22. Home repair and upkeep?	1	2	3
23. Money matters?	1	2	3
24. Care when sick?	1	2	3

Please tell me whether you think parents, in general, should provide assistance to adult children for the following items. Circle 1 for yes and 2 for no.

	<u>Yes</u>	<u>No</u>	<u>Depends</u>
→ 25. Large purchase (house, car)	1	2	3
26. Luxury items (vacation home, boat)	1	2	3
→ 27. Unexpected expenses	1	2	3
→ 28. Education (college, professional training)	1	2	3
→ 29. Spending money/allowance	1	2	3
30. Share living space in their home	1	2	3
31. Child care for grandchildren	1	2	3
32. Help with errands	1	2	3

Please tell me whether you think parents, in general, should provide assistance to grandchildren for the following items. Circle 1 for yes and 2 for no.

	<u>Yes</u>	<u>No</u>	<u>Depends</u>
→ 33. Large purchase (house, car)	1	2	3
34. Luxury items (vacation home, boat)	1	2	3
→ 35. Unexpected expenses	1	2	3
→ 36. Education (college, professional training)	1	2	3
→ 37. Spending money/allowance	1	2	3
38. Share living space in their home	1	2	3
39. Child care for great-grandchildren	1	2	3
40. Help with errands	1	2	3

## Section C: Financial Planning

41. Have you discussed with your children who will get your assets and possessions and why?

- 1 Yes, with all adult children
- 2 Yes, with one or two "trusted" adult children
- 3 Yes, with family members other than adult children
- 4 No, and I have no plans to
- 5 No, but I plan to in the future

42. Please state why you have or have not discussed these matters with your adult children.

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43. People often have goals for the way they spend and save their money. **In the first column below**, please check the following possible financial goals if they describe your situation. Leave blank any items that do not reflect your financial goals. **In the second column**, rank order the goals you have checked. Use 1 to indicate your primary goal, 2 to indicate a secondary goal, and so on.

	Yes, this is a goal I have	Rank of goals	
			Independence/Self-sufficiency
			Using money to persuade others
			Privacy
			Spouse's financial security
→			Adult child's financial security
→			Grandchild's financial security
→			Leaving an inheritance
			Qualifying for public assistance
			Other _____

**For each scenario below, circle the letter that best fills in the blank to describe the amount of financial information you would discuss with your adult children if you found yourself in that situation. Then briefly respond to the open-ended questions to help us understand the reasons you would make these decisions.**

44. When I **retire (retired)**, I would (did) discuss \_\_\_\_\_ financial information with my adult children.
- a. no
  - b. very little
  - c. general but not specific
  - d. most but not all
  - e. all
- 45. If I have been **diagnosed with cancer and have good prognosis for recovery**, I would discuss \_\_\_\_\_ financial information with my adult children.
- a. no
  - b. very little
  - c. general but not specific
  - d. most but not all
  - e. all
- 46. If I have been **diagnosed with cancer and told that I have less than one year to live**, I would discuss \_\_\_\_\_ financial information with my adult children.
- a. no
  - b. very little
  - c. general but not specific
  - d. most but not all
  - e. all
47. If I were **planning to get married or remarried**, I would discuss \_\_\_\_\_ financial information with my adult children.
- a. no
  - b. very little
  - c. general but not specific
  - d. most but not all
  - e. all
48. If I were **planning to get a divorce**, I would discuss \_\_\_\_\_ financial information with my adult children.
- a. no
  - b. very little
  - c. general but not specific
  - d. most but not all
  - e. all

49. If **my spouse died**, I would discuss \_\_\_\_\_ financial information with my adult children.
- no
  - very little
  - general but not specific
  - most but not all
  - all
50. If I started to **need help with walking, dressing, bathing, and/or eating**, I would discuss \_\_\_\_\_ financial information with my adult children.
- no
  - very little
  - general but not specific
  - most but not all
  - all
- 51. If I **fell and would be incapacitated for 2 months**, I would discuss \_\_\_\_\_ financial information with my adult children.
- no
  - very little
  - general but not specific
  - most but not all
  - all
52. If I am having **surgery and would be incapacitated for 6 months to a year**, I would discuss \_\_\_\_\_ financial information with my adult children.
- no
  - very little
  - general but not specific
  - most but not all
  - all
- 53. If I have been **diagnosed with Alzheimer's disease or other form of dementia**, I would discuss \_\_\_\_\_ financial information with my adult children.
- no
  - very little
  - general but not specific
  - most but not all
  - all

54. Please explain in a few sentences why you chose these answers. For example, is there a specific time when you think it is appropriate to discuss financial matters with your children and times when it is inappropriate? What events or experiences would cause you to discuss your finances with your children?

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55. Would you discuss your financial information with some of your children, but not others? Please explain why.

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**Now, please answer the following questions about your attitudes toward saving and spending money. Check the boxes below to indicate how you feel about the following statements on a scale from strongly disagree to strongly agree.**

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
56. I always know how much I have in my bank, savings account, or credit union.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
57. I let others know about my financial accomplishments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
58. I feel that money is the only thing I can really count on.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
59. Compared to most other people I know, I think about money much more than they do.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
60. I would do practically anything legal for money if it were enough.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
61. I am proud of my ability to save money.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
→ 62. I believe parents should give money to their adult children based on their need.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
→ 63. I often use money to persuade people to do what I want.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neither Agree or Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
64. I often look down on those who have a lot of money.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
65. I often buy things that I don't need because they are on sale or reduced in price.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
66. I firmly believe that money can solve all of my problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
67. I prefer to save money because I'm never sure when things will collapse and I'll need the cash.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
68. I sometimes feel superior to those who have less money than I do regardless of their ability and achievements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
69. If I have money left over at the end of the month, I often feel uncomfortable until it is all spent.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
70. I worry about my finances much of the time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
71. I believe that the amount of money that a person earns is closely related to his/her ability and effort.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
72. Most of my friends have more money than I do.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
73. I would never admit to my friends that I buy generic brand products.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
74. I always pay bills (telephone, electricity, water, etc.) promptly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
75. I am worse off than my friends think.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
76. Even when I have sufficient money I often feel guilty about spending money on necessities like clothes, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
77. I often have difficulty in making decisions about spending money regardless of the amount.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
78. I often say "I can't afford it" whether I can or not.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
79. I sometimes "buy" friendship by being very generous with those I want to like me.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
80. I feel compelled to argue or bargain about the cost of almost everything I buy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neither Agree or Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
81. I often daydream about money and what I could do with it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
82. I prefer to use cash rather than credit cards.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
83. I often spend money on myself when I'm feeling down.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
84. I am better off than most of my friends think.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
85. I often buy things that I don't need to impress people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
86. In making any purchase, for any purpose, my first consideration is cost.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
87. The amount of money that I have saved is never quite enough.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
88. I would give money to homeless people if they ask for it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
89. I believe that parents should give money to their children equally.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
90. I put money ahead of pleasure.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
91. I often feel anxious and defensive when asked about my personal finances.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
92. I often give large tips to waiters/waitresses that give good service.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
93. I prefer not to lend money.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

→ 94. Circle the number that corresponds to the total 2004 income before taxes for your household.

- |                           |                            |                            |
|---------------------------|----------------------------|----------------------------|
| 1. Less than \$10,000     | 6. \$ 50,000 to \$ 59,999  | 11. \$100,000 to \$109,999 |
| 2. \$ 10,000 to \$ 19,999 | 7. \$ 60,000 to \$ 69,999  | 12. \$110,000 to \$119,999 |
| 3. \$ 20,000 to \$ 29,999 | 8. \$ 70,000 to \$ 79,999  | 13. \$120,000 to \$129,999 |
| 4. \$ 30,000 to \$ 39,999 | 9. \$ 80,000 to \$ 89,999  | 14. \$130,000 to \$139,999 |
| 5. \$ 40,000 to \$ 49,999 | 10. \$ 90,000 to \$ 99,999 | 15. \$140,000 or more      |

→ 95. Circle the number that corresponds to the estimated amount that you and your spouse owe. (Include car loans, credit cards, finance company loans, etc.)

- |                           |                            |                            |
|---------------------------|----------------------------|----------------------------|
| 1. Less than \$10,000     | 6. \$ 50,000 to \$ 59,999  | 11. \$100,000 to \$109,999 |
| 2. \$ 10,000 to \$ 19,999 | 7. \$ 60,000 to \$ 69,999  | 12. \$110,000 to \$119,999 |
| 3. \$ 20,000 to \$ 29,999 | 8. \$ 70,000 to \$ 79,999  | 13. \$120,000 to \$129,999 |
| 4. \$ 30,000 to \$ 39,999 | 9. \$ 80,000 to \$ 89,999  | 14. \$130,000 to \$139,999 |
| 5. \$ 40,000 to \$ 49,999 | 10. \$ 90,000 to \$ 99,999 | 15. \$140,000 or more      |

→ 96. Circle the number that corresponds to the total value of your and your spouse's assets? (Home, car, savings, retirement savings, investments, etc.)

- |                           |                            |                            |
|---------------------------|----------------------------|----------------------------|
| 1. Less than \$25,000     | 7. \$150,000 to \$174,999  | 13. \$300,000 to \$324,999 |
| 2. \$ 25,000 to \$ 49,999 | 8. \$175,000 to \$199,999  | 14. \$325,000 to \$349,999 |
| 3. \$ 50,000 to \$ 74,999 | 9. \$200,000 to \$224,999  | 15. \$350,000 to \$374,999 |
| 4. \$ 75,000 to \$ 99,999 | 10. \$225,000 to \$249,999 | 16. \$375,000 to \$399,999 |
| 5. \$100,000 to \$124,999 | 11. \$250,000 to \$274,999 | 17. \$400,000 or more      |
| 6. \$125,000 to \$149,999 | 12. \$275,000 to \$299,999 |                            |

**The following are questions about types of financial planning. Please choose among the following answers: Have done; plan to do before end of the year; plan to do next year or later; I know what it is, but have no plans to do it; or I don't know what it is.**

	Have done	Plan to do before the end of the year	Plan to do next year or later	I know what it is but do not plan to do it	I don't know what it is
97. Set up a savings or investment program	1	2	3	4	5
98. Move to a home more suited to retirement years	1	2	3	4	5
99. Move to be closer to my adult children or grandchildren	1	2	3	4	5
→ 100. Have a will	1	2	3	4	5
→ 101. Have a Living Will	1	2	3	4	5
102. Explore reverse annuity mortgage (RAM)	1	2	3	4	5
103. Establish a college savings account for adult children and/or grandchildren	1	2	3	4	5
→ 104. Establish a living trust	1	2	3	4	5
→ 105. Have a durable power of attorney for health care or health care proxy	1	2	3	4	5
→ 106. Have a durable power of attorney for financial issues	1	2	3	4	5
→ 107. Have a letter of instruction for non-titled property	1	2	3	4	5
108. Establish title property as joint tenants with a spouse	1	2	3	4	5
→ 109. Informally promised non-titled property	1	2	3	4	5
→ 110. Informally promised titled property	1	2	3	4	5

111. If you have a will or trust are your assets divided:

A. Equally among your children?

0 Yes

1 No

B. If not, how did you make the decision to distribute your assets? (Circle all that apply.)

0 Based on the child's needs

1 Based on my relationship with the child

2 Based on the help the child has given me

3 Based on the child's family needs

4 Other \_\_\_\_\_

**Thank you very much for your participation. Is there anything else you would like to add to our survey to help us understand giving behaviors from parent to adult child?**

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## APPENDIX D

## CODING TABLE

<i>Independent Variables</i>				
<i>External Variables</i>				
<b>Name</b>	<b>Number on Survey</b>	<b>Description</b>	<b>Current Code</b>	<b>Recode</b>
BIRTHYEA (AGE) <i>(continuous)</i>	3	Birth Year	yyyy format  <i>Survey taken in 2005 Subtract year from 2005</i>	2005-BIRTHYEA = Age
EDUCATION <i>(continuous)</i>	5	Best Describes Educational Level	0=Did not complete high school 1=Completed High School or Equiv 2=Completed Tech/Vocational School 3=Some College 4=Attained College Degree 5=Some Graduate School 6=Attained Graduate Degree	Keep
GENDER <i>(categorical)</i>	1	Gender	0=Female 1=Male	Keep
ETHNICITY <i>(categorical)</i>	2	Ethnic Background	0=White 1=Black/AfrAm 2=Hispanic/Latino 3=Asian/PI 4=Other	0=White (0) 1=Non-white (1,2,3,4)
CUSTATUS <i>(categorical)</i>	4	Current Marital Status	0=Single 1=Married 2=Widowed Not Remarried 3=Widowed Remarried 4=Divorced Not Remarried 5=Divorced Remarried 6=Separated	0=Not married (0,2,4,6) 1=Married (1,3,5)
INCOME <i>(continuous)</i>	94	Self Report Income 2004	1-15 starting with less than \$10k and \$10-\$19,999, 20-29999 etc to 15 at 140k or more New coding is:  1=\$0 to \$29,999, 2=\$30,000 to \$49,999 and 3=\$50,000 to \$79,999 and 4=\$80,000+	1=1-3 2=4-5 3=6-8 4=9-15
ASSETS <i>(continuous)</i>	96	Self Report Assets	1 to 17 starting with less than 25k to 400k plus Recode from 17 variables to 1=\$0 to \$149,999, 2=\$150,000 to \$274,999 and 3=\$275,000 to \$399,999 and 4=\$400,000+	1=1-6 2=7-11 3=12-16 4=17+

OWE <i>(continuous)</i>	95	Total Owed Debt	1 to 15 starting with Less than 10k to 140k or more Recode to: 1=\$0 to \$9,999, 2=\$10,000 to \$39,999, and 3=\$40,000 to \$99,999 and 4=\$100,000 +	1=1 2=2-4 3=5-10 4=11-15
CHOUSING <i>(categorical)</i>	6	Best Describes Housing Situation	0=Own Home (no mortgage) 1=Own Home (mortgage) 2=Rent house 3=Live in relative's home 4=Rent Apartment 5=Retirement Home 6=Other	0=Do Not Own Home (2-6) 1=Own Home (0,1)
EMOTHEAL <i>(categorical)</i>	9	Self Rate Emotional Health	3=Excellent , 2=Good , 1=Fair , 0=Poor	Keep
PHYHEALT <i>(categorical)</i>	8	Self Rate Physical Health	3=Excellent , 2=Good , 1=Fair , 0=Poor	Keep
LIVEWITU <i>(categorical)</i>	12	Who currently lives with you?	LALONE, LSPOUSE, LDTR, LSON, LGRACH, LPARENT, LSIB, LFRIEND  Computed LDTR, LSON, LGRACH & LSIB	0=Does Not Live with Relative 1=Lives With Relative
<b><i>Attitudes Toward the Behavior</i></b>				
INHEIR <i>(categorical)</i>	43	Goal To Leave Inheritance	1=Primary Goal 2=Secondary Goal 0=Blank	0= No (0,2) 1=Primary Goal
CHILDSEC <i>(categorical)</i>	43	Goal to Leave Adult Child Financial Security	1=Primary Goal 2=Secondary Goal 0=Blank	0= No (0,2) 1= Primary Goal
GCSEC <i>(categorical)</i>	43	Goal To Leave Grandchild Financial Security	1=Primary Goal 2=Secondary Goal 0=Blank	0= No (0,2) 1= Primary Goal
Composite Goal Leave Family Security <i>(continuous)</i>	43	Composite of Goal to Leave Adult Child And Grandchild Financial Security	Added ChildSec and GCSEC Based On Crosstabs results for them individually	0 to 3 Higher Means More Of A Goal
PRIVATE <i>(categorical)</i>	43	Goal To Have Privacy In Financial Affairs	1=Primary Goal 2=Secondary Goal 0=Blank	0= No (0,2) 1= Primary Goal

NONTITLE <i>(categorical)</i>	109	Informally Promised Non-titled Property	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Have Not Promised NonTitled Property 1=Have Promised NonTitled Property
PROMTIPR <i>(categorical)</i>	110	Informally Promised Titled Property	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Have Not Promised Titled Property 1=Have Promised Titled Property
InformalPropertyComp <i>(continuous)</i>	109 + 110	Composite Of Informally Promised Titled and Non-Titled Property	Computed PROMTIPR and NONTITLE Together  For a score of 0-3	0 to 3  Higher Means More Of A Goal

### **Subjective Norms**

Attitudes Toward Helping Children <i>(continuous)</i>	25, 27-29	Should Parents Provide Assistance To Adult Children W/Large Purchase, Luxury Items, Unexpected Expenses, Education, Spending Money	HELP4CAR, HELP4EMR, HELP4EDU, HELPEXTR 1=Yes 2=No 3=Depends  Recoded To: 0=No 1=Yes 2+3 = 0 1=1 Then Computed Totals To Highest Score of 4	Compiled Score Higher Score Means Higher Belief Should Help Children
Attitudes With Helping Grandchildren <i>(continuous)</i>	33, 35-37	Should Parents Provide Assistance To Grandchildren W/Large Purchase, Luxury Items, Unexpected Expenses, Education, Spending Money	HLP4CAR2, HLP4EMR2, HLP4EDU2, HLPEXTR2 1=Yes 2=No 3=Depends  Recoded To: 0=No 1=Yes 2+3 = 0 1=1 Then Computed Totals To Highest Score of 4	Compiled Score Higher Score Means Higher Belief Should Help Children

PARNTGIV <i>(categorical)</i>	62	I Believe Parents Should Give Money To Their Adult Children Based On Their Need	1=Strongly Disagree 2=Disagree 3=Neither Agree nor Disagree 4=Agree 5=Strongly Agree	0=Do Not Agree (0=1,2,3) Help Children Financially 1=Agree Should Help Children Financially (1=4,5)
BADCANC <i>(continuous)</i>	47	If Diagnosed With Cancer W/1 Year To Live, Will Discuss Financial Information With Children	A=No B=Very Little C=General But Not Specific D=Most But Not All E=All	Keep
INCAPACT <i>(continuous)</i>	51	If Fell And Incapacitated For 2 Months, Would Discuss Financial Information With Children	A=No B=Very Little C=General But Not Specific D=Most But Not All E=All	Keep
DEMENTIA <i>(continuous)</i>	51	If Diagnosed Alzheimer's, Would Discuss Financial Information With Children	A=No B=Very Little C=General But Not Specific D=Most But Not All E=All	Keep

<i>Dependent Variables</i>				
<b>Possession</b>				
<b>Name</b>	<b>Number on Survey</b>	<b>Description</b>	<b>Current Code</b>	<b>Recode</b>
HAVEWILL <i>(categorical)</i>	100	Have A Will	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=No Possession Of Will (2-5) 1=Possession Of Will (1)
LIVETRUS <i>(categorical)</i>	104	Have Living Trust	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=No Possession Of Living Trust (2-5) 1=Possession Of Living Trust (1)
POAFIN <i>(categorical)</i>	106	Have Durable POA For Financial	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=No Possession Of Durable POA For Financial (2-5) 1=Possession Of Durable POA For Financial (1)
LETTINST <i>(categorical)</i>	107	Have Letter Of Instruction	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=No Possession Of Letter Of Instruction (2-5) 1=Possession Of Letter Of Instruction (1)
LIVEWILL <i>(categorical)</i>	101	Have Living Will	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=No Possession Of Living Will (2-5) 1=Possession Of Living Will (1)
POAHC <i>(categorical)</i>	105	Have Durable POA For Health	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I	0=No Possession Of Durable

			Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	POA For Health (2-5) 1=Possession Of Durable POA For Health (1)
<b><i>Intention To Possess</i></b>				
<b>Name</b>	<b>Number on Survey</b>	<b>Description</b>	<b>Current Code</b>	<b>Recode</b>
HAVEWILL <i>(categorical)</i>	100	Intend To Have Will	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Intention To Possess Will (1,4-5) 1=Intention To Possess Will (2,3)
LIVETRUS <i>(categorical)</i>	104	Intend To Have Living Trust	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Intention To Possess Living Trust (1,4-5) 1=Intention To Possess Living Trust (2,3)
POAFIN <i>(categorical)</i>	106	Intend To Have Durable POA For Financial	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Intention To Possess Durable POA For Financial (1,4-5) 1=Intention To Possess Durable POA For Financial (2,3)
LETTINST <i>(categorical)</i>	107	Intend To Have Letter Of Instruction	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Intention To Possess Letter Of Instruction (1,4-5) 1=Intention To Possess Letter Of Instruction (2,3)
LIVEWILL <i>(categorical)</i>	101	Intend To Have Living Will	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I	0=Intention To Possess Living Will

			Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	(1,4-5) 1=Intention To Possess Living Will (2,3)
POAHC <i>(categorical)</i>	105	Intend To Have Durable POA For Health	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Intention To Possess Durable POA For Health (1,4-5) 1=Intention To Possess Durable POA For Health (2,3)

### ***Non-intention To Possess***

<b>Name</b>	<b>Number on Survey</b>	<b>Description</b>	<b>Current Code</b>	<b>Recode</b>
HAVEWILL <i>(categorical)</i>	100	Non-intention To Possess Will	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Other (1-3, 5) 1=Non-intention To Possess Will (4)
LIVETRUS <i>(categorical)</i>	104	Non-intention To Possess Living Trust	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Other (1-3, 5) 1=Non-intention To Possess Living Trust (4)
POAFIN <i>(categorical)</i>	106	Non-intention To Possess Durable POA For Financial	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Other (1-3, 5) 1=Non-intention To Possess Durable POA For Financial (4)
LETTINST <i>(categorical)</i>	107	Non-intention To Possess Letter Of Instruction	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Other (1-3, 5) 1=Non-intention To Possess Letter Of Instruction (4)
LIVEWILL <i>(categorical)</i>	101	Non-intention To Possess Living Will	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later	0=Other (1-3, 5) 1=Non-

			4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	intention To Possess Living Will (4)
POAHC <i>(categorical)</i>	105	Non-intention To Possess Durable POA For Health	1=Have Done 2=Plan To Do Before End Of Year 3=Plan To Do Next Year Later 4=I Know What It Is But Do Not Plan To Do It 5=I Do Not Know What It Is	0=Other (1-3, 5) 1=Non-intention To Possess Durable POA For Health (4)
FCOMPEPDs <i>(continuous)</i>	Composite	Score Of How Many Estate Planning Documents	Added score of 1 From All Six Estate Documents For Composite Score. Total is 6.	0-6 Higher Score Means Higher Number Of Estate Planning Documents

APPENDIX E  
CROSSTABS TABLE

## Appendix E

*Crosstabs With Chi-square for Asset-Focused Model for Independent Variables*

	Ethnicity		Marital Status		Housing		Resides With A Relative		Goal To Leave Inheritance		Goal To Leave Adult Children Financial Security		Goal To Leave Grandchildren Financial Security		Goal To Have Privacy In Financial Affairs		Informally Promised Non-titled Property		Formally Promised Titled Property		Believe Should Give Adult Children Money Based On Need		
	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	
Gender	.711	.399	29.585	.000*	2.738	.098	.015	.902	.052	.820	1.042	.307	.280	.596	.044	.833	1.114	.291	.003	.956	.627	.428	
Ethnicity			.030	.862	.342	.559	6.114	.013*	.564	.453	.000	1.000	1.023	.312	.054	.816	.551	.458	.250	.617	.002	.968	
Marital Status					8.721	.003*	.382	.537	.239	.625	2.297	.130	.720	.396	1.813	.178	.000	1.000	.265	.606	.074	.785	
Housing							.841	.359	.045	.832	.617	.432	.000	1.000	.791	.374	.313	.576	2.353	.125	1.709	.191	
Resides With Relative									3.280	.070	.264	.607	5.923	.015*	.628	.428	.685	.408	.000	1.000	1.351	.245	
Goal To Leave Inheritance											9.060	.003*	5.663	.017*	1.264	.261	2.465	.116	6.702	.010*	6.100	.014*	
Goal To Leave Adult Children Financial Security													59.099	.000*	8.912	.003*	3.089	.079	2.749	.097	6.265	.012*	
Goal To Leave Grandchildren Financial Security															4.778	.029*	.154	.694	.013	.909	3.336	.068	
Goal To Have Privacy In Financial Affairs																	.086	.769	2.425	.119	1.296	.255	
Informally Promised Non-titled Property																				91.324	.000*	2.189	.139
Informally Promised Titled Property																						.558	.455
Believe Should Give Adult Children Money Based On Need																							

\*p&lt;.05.

## Appendix E

*Crosstabs With Chi-square For Asset-Focused Model For Estate Planning Documents*

	Possession Of A Will		Intention To Possess A Will		Non-intention To Possess A Will		Possession Of A Living Trust		Intention To Possess A Living Trust		Non-intention To Possess A Living Trust	
	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$
Gender	.136	.712	.072	.788	.000	1.000	.000	1.000	.000	1.000	.002	.963
Ethnicity	.349	.554	.685	.408	.000	1.000	1.301	.254	1.301	.254	1.207	.272
Marital Status	.000	1.000	.017	.895	.409	.522	1.984	.159	1.984	.159	.214	.644
Housing	6.356	.012*	.719	.396	18.925	.000*	.000	1.000	.000	1.000	1.525	.217
Resides With A Relative	5.941	.015*	4.016	.045*	.829	.363	.215	.643	.215	.643	.645	.422
Goal To Leave Inheritance	3.139	.076	3.357	.067	.000	1.000	.000	.992	.000	.992	3.284	.070
Goal To Leave Adult Children Financial Security	.020	.888	.046	.829	.000	1.000	2.260	.133	2.260	.133	5.187	.023*
Goal To Leave Grandchildren Financial Security	1.721	.190	1.769	.184	.000	1.000	4.140	.042*	4.140	.042*	4.524	.033*
Goal To Have Privacy In Financial Affairs	.000	1.000	.133	.716	2.713	.100	2.524	.112	2.524	.112	2.107	.147
Informally Promised Non-titled Property	.008	.928	.000	1.000	.094	.759	1.508	.219	1.508	.219	.509	.476
Informally Promised Titled Property	.078	.780	.000	1.000	.061	.805	.292	.589	.292	.589	1.340	.247
Believe Should Give Adult Children Money Based On Need	.063	.803	.000	1.000	1.835	.176	.011	.915	.011	.915	.570	.450

\* $p < .05$ .*Crosstabs With Chi-square For Health Care-Focused Model For Independent Variables*

	Ethnicity		Marital Status		Housing		Resides With A Relative		Goal To Leave An Inheritance	
	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$	$x^2$	$p$
Gender	.711	.399	29.585	.000*	2.738	.098	.015	.902	.052	.820
Ethnicity			.030	.862	.342	.559	6.114	.013*	.564	.453
Marital Status					8.721	.003*	.382	.537	.239	.625
Housing							.841	.359	.045	.832
Resides With A Relative									3.280	.070
Goal To Leave Inheritance										

\* $p < .05$ .

## Appendix E

Crosstabs With Chi-square For Asset-Focused Model For Estate Planning Documents (continued)

	Possession Of A Durable Power Of Attorney For Financial Issues		Intention To Possess A Durable Power Of Attorney For Financial Issues		Non-intention To Possess A Durable Power Of Attorney for Financial Issues		Possession Of A Letter Of Instruction		Intention To Possess A Letter Of Instruction		Non-intention To Possess A Letter Of Instruction	
	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>
Gender	.285	.593	.708	.400	2.482	.115	.015	.903	2.479	.115	2.710	.100
Ethnicity	.749	.387	.000	1.000	.943	.331	1.079	.299	2.881	.090	.220	.639
Marital Status	2.797	.094	1.343	.246	.293	.589	.446	.504	.520	.471	.000	1.000
Housing	2.100	.147	.033	.857	1.285	.257	2.558	.110	.831	.362	.030	.863
Resides With A Relative	3.685	.055	1.916	.166	.341	.560	.148	.701	.222	.637	.797	.372
Goal To Leave Inheritance	5.096	.024*	.286	.593	10.158	.001*	.319	.572	.520	.471	1.548	.213
Goal To Leave Adult Children Financial Security	.390	.533	9.689	.002*	4.752	.029*	2.717	.099	3.702	.054	9.960	.002*
Goal To Leave Grandchildren Financial Security	.013	.910	1.659	.198	.911	.340	.006	.938	1.964	.161	2.160	.142
Goal To Have Privacy In Financial Affairs	.000	1.000	1.042	.307	.746	.388	.856	.355	2.941	.086	.412	.521
Informally Promised Non-titled Property	2.021	.155	.000	1.000	2.092	.148	17.019	.000*	.000	1.000	11.031	.001*
Informally Promised Titled Property	1.960	.162	.000	1.000	2.067	.151	10.406	.001*	.005	.941	5.209	.022*
Believe Should Give Adult Children Money Based On Need	.000	1.000	.255	.613	.229	.632	.063	.802	.816	.366	1.429	.232

\**p*<.05.

Crosstabs With Chi-square For Health Care-Focused Model For Estate Planning Documents

	Possession Of A Living Will		Possession Of A Durable Power Of Attorney For Health Care		Intention To Possess Living Will		Intention To Possess Durable Power Of Attorney For Health Care		Non-intention To Possess A Living Will		Non-intention To Possess A Durable Power Of Attorney For Health Care	
	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>	$x^2$	<i>p</i>
Gender	.204	.652	.028	.868	1.034	.309	3.434	.064	.072	.788	3.033	.082
Ethnicity	3.955	.047*	3.382	.066	4.500	.034*	.093	.761	.685	.408	2.842	.092
Marital Status	.002	.965	.003	.956	1.385	.239	.000	1.000	.017	.895	.009	.924
Housing	.997	.318	1.833	.176	.125	.724	.000	1.000	.719	.396	2.442	.118
Resides With A Relative	6.585	.010*	3.086	.079	1.396	.237	1.971	.160	4.016	.045*	.147	.701
Goal To Leave An Inheritance	7.291	.007*	1.433	.231	3.496	.062	.000	1.000	3.357	.067	1.755	.185

\**p*<.05.

APPENDIX F  
CORRELATIONS TABLE

## Appendix F

*Correlations For Asset-Focused Model For Independent Variables*

	Age		Assets		Debt		Education		Income		Emotional Health		Physical Health		Believe Should Financially Assist Children		Believe Should Financially Assist Grandchildren	
	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>
	Age			.090	.219	-.281	.000*	-.049	.507	-.133	.068	-.082	.210	-.162	.260	-.189	.009*	-.165
Asset					.036	.624	.350	.000*	.513	.000*	.318	.000*	.275	.000*	.064	.383	-.026	.727
Debt							.139	.057	.280	.000*	.044	.547	.054	.461	.036	.627	.091	.212
Education									.453	.000*	.251	.000*	.310	.000*	.144	.048*	.069	.348
Income											.289	.000*	.379	.000*	.159	.000*	.093	.202
Emotional Health													.562	.000*	.079	.281	.063	.389
Physical Health															.133	.067	.038	.604
Believe Should Financially Assist Children																	.684	.000*
Believe Should Financially Assist Grandchildren																		

\**p*<.05.*Correlations For Health Care-Focused Model For Independent Variables*

	Age		Assets		Debt		Education		Income		Emotional Health		Physical Health		If Diagnosed Cancer Will Discuss Financial Information With Children		If Incapacitated Will Discuss Financial Information With Children		If Diagnosed With Alzheimer's Will Discuss Financial Information With Children	
	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>
	Age			.090	.219	-.281	.000*	-.049	.507	-.133	.068	-.092	.210	-.162	.026*	.002	.981	.044	.544	-.047
Asset					.036	.624	.350	.000*	.513	.000*	.318	.000*	.275	.000*	-.030	.683	-.071	.328	.077	.290
Debt							.139	.057	.280	.000*	.044	.547	.054	.461	.052	.473	-.097	.183	.024	.741
Education									.453	.000*	.251	.000*	.310	.000*	.013	.857	.052	.477	.181	.013*
Income											.289	.000*	.379	.000*	-.025	.732	-.211	.004*	.056	.443
Emotional Health													.562	.000*	-.056	.442	-.080	.271	.073	.318
Physical Health															.133	.067	.038	.604	.038	.604
If Diagnosed Cancer Will Discuss Financial Information With Children																	.473	.000*	.689	.000*
If Incapacitated Will Discuss Financial Information With Children																			.561	.000*
If Diagnosed With Alzheimer's Will Discuss Financial Information With Children																				

\**p*<.05.