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## POST-COVID-19 PLANNING:

### *Three Trends That Will Likely Stay*

Suffice it to say that the COVID-19 pandemic has changed every aspect of our lives – hand-washing best practices, shopping on phones, school at the dining table, and sporting events in empty stadiums (I sincerely hope that the latter are only temporary). From a personal financial-planning perspective, there are three “COVID changes” that I believe will persist.

### *Supersizing Emergency Cash*

Financial advisers, for years, have been advocating the importance of having an amount of cash equal to three to six months of spending in case of an unexpected event – temporary loss of employment, medical emergency, unplanned home or car repair, and the like. This cash bucket is designed to provide a much-needed cash safety net and peace of mind.

For an extraordinary emergency like COVID-19, however, having enough to cover a few months of bills proves to be insufficient. In fact, after the Global Financial Crisis, many experts began arguing for a two-year emergency cash buffer. There are three factors that can help determine an appropriate emergency cash amount: the math factor, the human capital factor and the emotional factor.<sup>1</sup> Expect increased emphasis from advisers and more awareness by the general public in this category.



### *Digitizing the Estate Planning Process*

The COVID-19 pandemic has also forced many to accelerate the adoption and incorporation of e-commerce, with more nimble businesses such as restaurants and retailers quickly offering online ordering, curbside pickup and delivery; live sports and entertainment taking place with “virtual fans;” and schools “in session” on Google Classroom and Zoom Video, to name a few.

<sup>1</sup> <https://www.summaglobal.com/perspective/six-smart-things-to-do-right-now-to-prepare-for-the-next-downturn/>

The legal industry, however, is slowly crawling into the 21<sup>st</sup> century. While client meetings and consultations have migrated online and become flexible, the actual execution of important documents still requires a “wet” signature, as well as a notary. Remote Online Notary (RON), now legal in most states, may someday all but replace the need for physical notarization, although pricing will have to be more reasonable.

*“...seniors clustering in confined spaces are the most vulnerable group against the coronavirus.”*

Artificial intelligence (AI) and machine learning are also gaining ground in law practice. Attorneys can now use “AI-powered software to make document drafting quicker and easier. In order to use AI, all that the lawyer needs is a previously made document for the program to learn from.”<sup>2</sup> Computers can also search and correct mistakes to make sure all pertinent terms are in compliance with the current applicable law. This should drastically reduce errors, increase efficiency, and make the process more affordable.

### *Changing Housing and the Long-Term Care Landscapes*

Over the past 20 years, many retirement communities providing continued care have popped up across the nation, as baby boomers began entering retirement. These communities often provide an attractive value proposition.

The first problem, exposed by COVID and the lockdown orders, is that some of the largest outbreaks happen in these facilities with lax safety protocols and cause numerous deaths as seniors clustering in confined spaces are the most vulnerable group against the coronavirus.

The other adverse effect relates to isolation and the subsequent emotional toll experienced by the seniors.<sup>3</sup> Many of these retirement communities required their residents to remain in their rooms or units and substantially curbed visitation by family, friends and care providers.

We will likely see the following trends unfold in the near future; many of them could serve as the industry standard:<sup>4,5</sup>

- Enhanced screening of new applicants for COVID and other infectious diseases history, complicating eligibility with a history of COVID.
- Dedicated quarantine “wing” or section to control future outbreaks. This would also help reduce the pressure on local hospitals and health system.
- Increased and/or mandatory use of face masks and personal protective equipment.
- More connected and innovative care integrations such as more telehealth-equipped units, on-site pharmacy, use of cameras/trackers and regional hospital network. Some of these technologies will likely see adoption in homes as well.

Of course, there are many other aspects that warrant further discussion. These are merely a few that came to mind. I am confident that once the pandemic is finally behind us, there will be ample valuable lessons and experiences to better guide our path forward. Stay healthy!

<sup>2</sup> <https://beyondcounsel.io/keeping-up-with-the-21st-century-digitizing-the-industry-of-trust-wills-and-estate-planning/>

<sup>3</sup> <https://www.kff.org/medicare/issue-brief/one-in-four-older-adults-report-anxiety-or-depression-amid-the-covid-19-pandemic/>

<sup>4</sup> <https://seniorhousingnews.com/2020/09/24/4-ways-covid-19-could-permanently-change-senior-living-operations/>

<sup>5</sup> <https://seniorhousingnews.com/2020/10/12/4-ways-covid-19-is-shaping-the-senior-living-industry-of-the-future/>