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10 Money Questions to Ask Your Parents

Many families put off these conversations until crisis hits.

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Talk in advance.

Waiting to tackle difficult topics like whether parents are on track to [afford retirement](#) or whether they prefer to live in a nursing home or with adult children can mean extra stress later, when decisions have to be made as parents face a health or financial crisis. Here are 10 questions adult children should ask their parents, even if it means braving some discomfort.

Can you afford retirement?

According to Fidelity's 2014 Intra-Family Generational Finance Study, parents are often more prepared to handle their retirement costs than their adult children think, which can lead to [unnecessary worry](#). In fact, on average, adult children underestimate the value of their parents' estate by \$300,000, and they're also more likely to think their parents will need more financial help than their parents expect.

Will you need financial help?

The details of what type of financial help, if any, parents might need from their adult children in retirement is an important conversation to have. Adult children are often facing budgetary pressures of their own, with their children headed to college and needing to save for retirement, which is what earns them the title of the "[sandwich generation](#)." The good news is 96 percent of parents in the Fidelity study said they will not need financial help from their children.

Will you want to live with me or another family member?

Parents often have strong opinions on whether or not they want to live with family members or in a nursing home one day, but their expectations often differ from those of their children. The Fidelity survey found that while 43 percent of adult children said they expect to directly care for an ailing parent, only 6 percent of parents agree.

Do you have a will and estate plan?

In addition to writing a will, it's important for parents to have certain health care directives in place to help guide end-of-life care; otherwise, family members could be forced to guess on health decisions when they are already under a lot of emotional duress. A will and estate plan also [prevents the stress](#) and delay of going through probate court.

What insurance policies are in place?

If parents have [life insurance policies](#) and other relevant policies that could affect their estate after death, they might want to consider sharing where adult children, or whoever will be managing their estate, can find all the details. Some parents consider the details of the policies private and prefer to keep the numbers under wraps until after death, and there's usually no need for adult children to know all the details if that's their preference.

Where can I find information about financial accounts?

After a family member dies, all of the information he or she had at their fingertips, from financial accounts to a trusted financial advisor's name and number, can be lost. The survivors can face an easier time if all relevant account numbers, passwords and other details are kept in a place that will be easily accessible if that primary money manager is incapacitated or dies.

Is there anything in the will that could cause friction among siblings?

Sometimes parents opt to [split their estate](#) unevenly; perhaps one child is more financially stressed or contributed more to their end-of-life care. Anything that could cause friction between siblings and damage their bonds in a lasting way should be addressed in advance to avoid surprises after a parent's death.

Should adult children expect an inheritance?

The Fidelity study found parents often worry that children will count too much on an anticipated future inheritance, and parents cited this as a reason they didn't want to discuss their financial plans with their adult children. If parents are upfront about how much, or how little, they might leave their children, it can pave the way for a more open conversation.

Do you respect your parents' preferences?

Even the most well-meaning adult children can try to enforce what they think is best for their parents onto them. Perhaps they really want their parent to live with them if they become ill, but the parent prefers to live independently. Since it's the parents' finances and life on the line, they're the ones who get to make the decisions about how and where they're going to live.

Are future conversations planned?

One conversation on parents' finances is never enough, especially since the economy, savings and health status constantly change. That's why Fidelity recommends planning plenty of follow-up conversations – there's always [more to talk about](#).