

## Should You Sacrifice Your Retirement to Bail Out Your Adult Children?

Before we answer the question of whether or not you should risk your own financial security to pay the way for your children, we all need to face the fact that, based on statistics, the majority of us are doing just that. A survey conducted last year by the investment company Merrill Lynch revealed that a staggering 63% of parents have actually sacrificed their means to a reasonable retirement lifestyle in favor of bailing out their adult children. Seventy-two percent say they have put their children's interests ahead of what their own needs will be in retirement. By some expert estimates, American parents fork over \$500 billion a year to their grownup offspring.

It is a natural, almost knee-jerk, reaction to want to help our children when they get into financial difficulty—after all we have helped them all our lives, right? But if your children depend on you too much it is not healthy for either them or you. When adult children get too used to depending on mommy and daddy's money to pay their rent, cell phone bill, college loans, car payment, or anything else, they can quickly develop an unmotivated lifestyle where they never take full responsibility for their own finances. And, as for mom and dad, the biggest fear that retirees face is the possibility that they will outlive their money. Americans are living longer than ever. The average 65 year-old retiree will live another 20 years in retirement and 1 in 20 will live to celebrate their 95th birthday!

M. D. Jackson a college psychology professor and family counselor, (and a mother of nine adult children) in a blog on [wehavekids.com](http://wehavekids.com) suggests that you ask these nine questions before you hand over money to an adult child:

**1 "Ask yourself: Can I afford it?"** This should always be your first consideration. If you have plenty of money, you might want to help them out, then continue to question #2. But if you can't afford to help them without damage to your own financial health, then just say no.

**2. Ask yourself: Will this money actually help?** Is this a short-term crisis or a chronic condition? Is it a temporary or a permanent need? If your financial



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assistance will solve the problem now, then move on to question #3, but if it won't, consider helping them find other solutions.

**3. Ask yourself: Will this money be used responsibly?** Will help pay for something important or will it be used on frivolous items? Is it for something they need or do they just want it? Is your child following a budget? If your help will not be spent responsibly, then don't give it.

**4. Ask yourself: Is there something else I could do to help?** Sometimes, you can offer another kind of help instead of giving money. Maybe you can offer to watch your grandkids while your adult child looks for a job.

**5. Ask yourself: Will it help them gain future independence?** Some gifts are money well spent. Investments in furthering education and funding business ventures are smarter than helping your child take a nice vacation,

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(Sacrifice Retirement?...continued from page 1.)

no matter how desperately that vacation is needed.

**6. Ask yourself: Is this a pattern?** If you have gotten into a habit of funding your adult child, or if you perhaps even pride yourself on continuing to pay for them, it's probably not healthy or sustainable. It may be time for both you and your adult child to grow up, break the cycle of dependence, and find other ways to maintain your relationship.

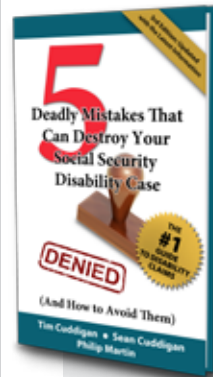
**7. Ask your adult child: Is this a gift or is it a loan?** It's important that both of you get your expectations straight. You may expect to be repaid while your adult child is secretly hoping you'll forget all about it. Transparency is key.

**8. Ask your kid: When will you pay me back?** Part of being an adult is keeping promises. Discuss a repayment schedule and make plans for what will happen if those dates are broken.

**9. Ask your kid: Are you going to ask me for money again?** Don't get into an unspoken ongoing financial agreement. Have explicit discussions about your financial expectations."

A health issue can present a special case. If your adult child is unable to work due to an impairment, consult with a lawyer or a legal aid organization to determine if a Special Needs Trust is feasible. This is a legal arrangement which can be set up to provide for a disabled adult child.

For most adult children, however, the best gift you can give them is to let them have their own dreams and let them work to accomplish them.



**"5 Deadly Mistakes That Can Destroy Your Social Security Disability Case" is the #1 guide to improving the odds of winning a disability case.**

For a FREE copy for you or someone you care about call Cuddigan Law at 402.933.5318 or email us at [lawteam@cuddiganlaw.com](mailto:lawteam@cuddiganlaw.com)

## A Massive Shift of VA Health Care to the Private Sector is Underway



Recently the Department of Veterans Affairs, under the provisions of a new law, initiated a major shift in policy. Now a substantially larger portion of the nine million VA health care enrollees will be allowed to receive private care treatment outside of traditional VA hospitals.

Under this new policy, veterans facing a wait time at their nearest VA healthcare center of 20 days or more can now turn to private care. The VA has set a goal of 14 days by next year. Previously, the wait time before turning to private health care providers was 30 days.

This new plan will greatly expand private-sector medical care for veterans in rural areas where VA health care centers can be some distance away and for veterans in urban areas where demand oftentimes overwhelms the capacity of VA facilities. Veterans also will be allowed to use a multitude of walk-in clinics.

More than a million and a half veterans used private care in one form or another in fiscal year 2018 (the latest data available). VA projections say that number could increase by as much as 30% under the new law.



## Comfort Food From the kitchen of Janet Cuddigan

August is back to school month. Here's a delightful treat for those back-to-school lunches.

### Homemade Pop Tarts

1 (15 oz.) package refrigerated pie crusts  
1/4 cup strawberry jam, divided  
2 cups confectioners' sugar  
2 tablespoons milk  
1/2 teaspoon vanilla extract  
Colored decorating sugar as needed

Preheat oven to 425 degrees. Line baking sheets with parchment paper. Unroll the pie crusts, place on a lightly floured work surface, and roll the crusts slightly with a rolling pin to square the edges. Cut each crust into 8 equal-sized rectangles. Place about 2 teaspoons of strawberry jam in the center of 8 squares, and spread the jam out to within 1/4 inch of the edge of the pastry square. Top each with another pastry square, and use a fork to crimp the squares together, sealing in the jam. Use a knife to trim the pastries, if desired.

Bake in the preheated oven until the edges are lightly golden brown, about seven minutes. Stir together the confectioners' sugar, milk, and vanilla extract in a bowl to make a spreadable frosting. Spread the cooled tarts with frosting and sprinkle with colored sugar.

Adapted from [allrecipes.com](http://allrecipes.com)

## Are You Nomophobic?



Phobos was the Greek god of fear and it is from that name that we get the word phobia—a strong, irrational fear of something that in reality poses very little danger or even none at all.

The ancient Greeks never suffered from Nomophobia. It is a very modern fear. A condensation of "no-mobile phone phobia", nomophobia is a fear people have of being left without their phones which causes

anxiety, panic, and even—in some reported cases—fainting. We've all had that nervous moment when we think we've lost our phone or accidentally left it behind at the gym or at a restaurant, but if your apprehension rises to a panic level, you may be nomophobic.

Symptoms of nomophobia can include:

- Excessive anxiety or panic over losing your phone.
- Compulsively checking for missed texts, calls, and emails.
- Using your phone in inappropriate places like at a wedding or during a theater performance.

The jury is still out among psychology professionals as to whether or not no mobile phone is a real phobia or not but *Psychology Today* maintains that two-thirds of adults have symptoms of nomophobia. (And that number is probably higher among teens.)

So, what do you think? Do you believe nomophobia is real? Do you know people who are that attached to their cell phones? Are you?



## Sudoku (Medium)

For the puzzle solution go to [cuddiganlaw.com/library/newsletter](http://cuddiganlaw.com/library/newsletter)

	7		1		4		9
			5		6	7	
	2		6	9	3		
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7	5	9					2

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