

The Seven Components Of A Comprehensive Longevity Plan

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WhealthChat.AI



Better Conversations
Smarter Decisions
Powered by AI

Why Plan For Longevity?

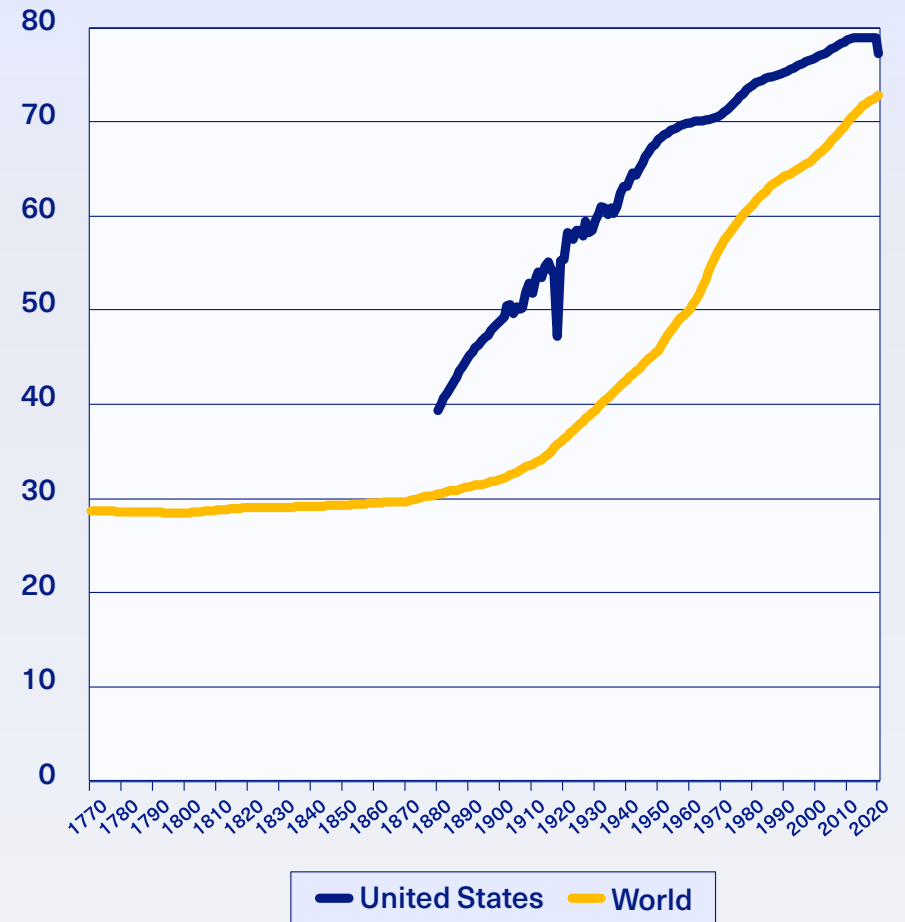
A healthy 60-year-old woman can expect to live another

24 years

A healthy 60-year-old man can expect to live another

20 years

Life Expectancy



What Is The Biggest Threat To A Financially Secure Longevity For Most Older Adults?

- ~~Stock market decline~~
- ~~Economic recession~~
- ~~Inflation~~
- None of the above

Health Events And Costs Pose The Biggest Threat

69%



of adults will need at least 3 years of long-term care

78%

of adults over 55 suffer from at least one chronic illness, like diabetes or cancer



67%



of all bankruptcies are caused by the inability to pay medical bills

25%

of adults between 45 and 64 are providing care for someone



70%

of caregivers provide direct financial support



Per capita health care spending has increased

6x

faster than inflation since 1970

Especially Cognitive Decline

30%

of adults in the US over age 65 suffer from either dementia or Mild Cognitive Impairment (MCI)

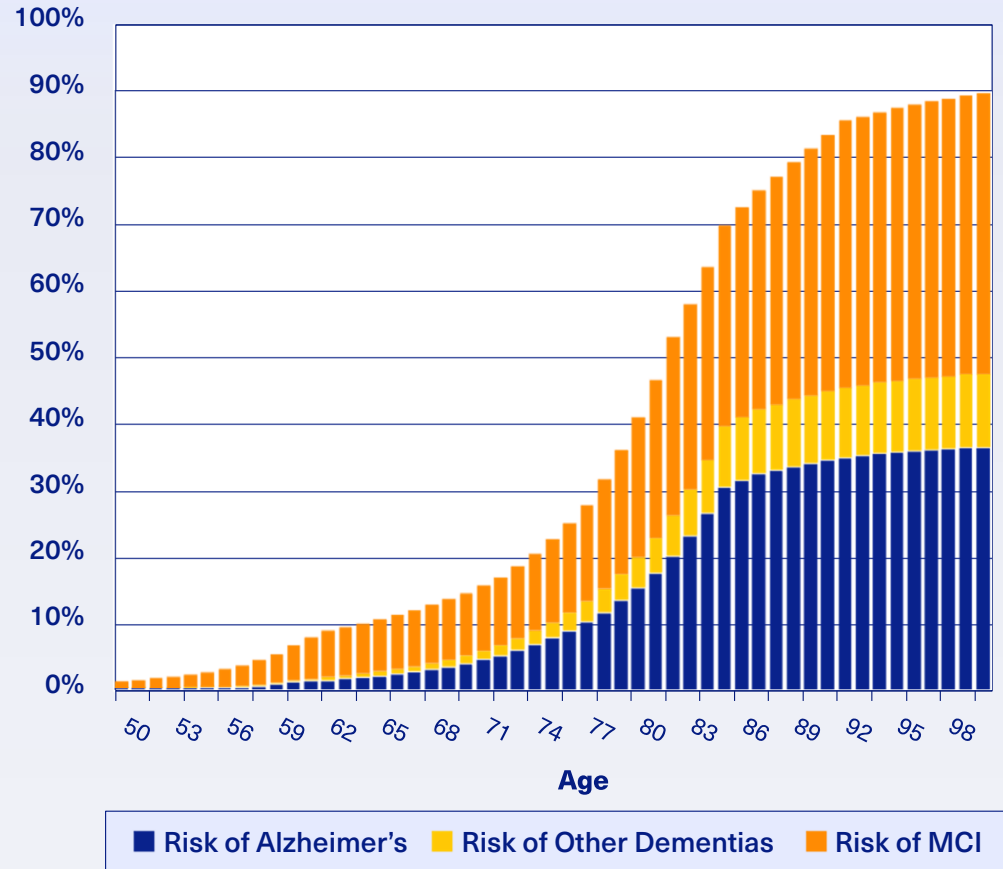
The likelihood increases with age, so by the time a person is in their mid-80s, they have roughly a

50% chance

The probability that you or someone you know will experience cognitive issues during retirement is therefore

HIGH

Risk of Dementia or Mild Cognitive Impairment (MCI) - By Age



The Consequences Of Poor Planning Can Be Devastating

73%

of adults in the US are expected to die with debt

The average amount of debt at the time of death is

\$62,000

58%

of people earning at least \$150,000 annually expect their loved ones to inherit their debts when they die.

Why Are We So Bad At Planning For Our Later Years?

Evolution Is Our Enemy

- Humans tend to discount the value of future rewards as compared to immediate ones
- Humans are not very good at understanding probabilities and risk
- Ergo, most humans are not terribly good at long-term planning

The Seven Components



Financial Plan



Financial Decision-Making Transition Plan



Living Transition Plan



Insurance Plan



Wealth Transfer Plan



Healthcare Plan



Driving Transition Plan



Financial Plan

A detailed financial plan lays the foundation for comprehensive longevity planning efforts.

Plan Components

- Savings, investments, and budget
- Healthcare costs
- Long-term care costs
- Caregiving costs

Plan Triggers

Health event Retirement
Dementia diagnosis
Death of spouse Divorce



Wealth Transfer Plan

A wealth transfer plan helps to ensure that assets are passed to heirs in accordance with the wishes of the deceased.

Plan Components

- Will
- Trust
- Letter regarding personal property
- Good financial organization

Plan Triggers

Health event	(Re)Marriage
Dementia diagnosis	
Death	Divorce



Decision-Making Transition Plan

At some point in our lives, none of us should be making important financial decisions on our own. Everyone should have a plan for when that time arrives.

Plan Components

- Power of attorney
- Diminished capacity letter
- Fraud prevention
- Cognitive testing

Plan Triggers

Health event	Divorce
Dementia diagnosis	
Retirement	Death of spouse



Healthcare Plan

Having a plan for maintaining health and receiving the best possible medical care is essential to successful longevity.

Plan Components

- Healthcare proxy
- Advance directives
- Medications list
- Access to quality healthcare

Plan Triggers

Health event (Re)Marriage
Dementia diagnosis
Divorce



Living Transition Plan

Choosing where and how to live later in life is one of the most consequential decisions – financially and emotionally – that a person will have to make.

Plan Components

- Age friendly home
- Adopt technology
- Continuing Care Retirement Communities (CCRC)
- Social interaction

Plan Triggers

Health event

Dementia diagnosis

Retirement Death of spouse



Driving Transition Plan

By preparing in advance for the inevitable driving transitions, a person's independence – and personal safety – can be maintained.

Plan Components

- Alternative transportation
- Driving assessments
- Driving agreement

Plan Triggers

Health event

Dementia diagnosis

Car accident



Insurance Plan

Being insured against the many health-related financial threats is an important component of a longevity plan.

Plan Components

- Health insurance
- Life insurance
- Long-term care insurance
- Annuities

Plan Triggers

Health event (Re)Marriage
Dementia diagnosis
Retirement

How Do You Actually Do It?

Start Early

- It is always better to be proactive, rather than reactive.
- By creating a plan early and then re-visiting it periodically, our brains become conditioned to follow through when the time comes to execute.
- Ideally these discussions should take place when family members are in their 50s, or even before.

Communicate Often

- Health status, personal preferences, and decision-making behaviors can change (quickly) over time.
- As an advisor, you are on the front line of financial protection for your client.
- Frequent communication with clients is vitally important.
- Show empathy and respect.

General Conversation Guidelines

- **Show respect.** Especially with people who are aging and losing abilities they used to have.
- **Listen.** Learn to listen. Tolerate moments of silence without feeling you have to fill “dead air” as if you were a radio host.
- **Be curious.** Let the person explain to you their situation. This may take some time, but it is time very well spent.
- **Have empathy.** Empathy, is the understanding of another person’s reality. It takes time to develop, but if you follow the first three bits of advice, empathy will develop naturally.
- **Build an alliance.** With empathy, an alliance develops. When a person feels that you understand them, they will trust you.

Be Part Of A Team

- Planning for longevity can be complicated and stressful.
- Successful planning requires building a team of trusted family members, and friends, as well as caregiving, medical, financial, and legal professionals.
- Never worry alone.

Leverage Technology

- Like everything else, AI will transform longevity.
- It will have profound impacts on medical research, healthcare delivery, caregiving, dementia management, and financial planning.

About WhealthChat

- WhealthChat is an AI-powered chatbot platform designed to improve financial decision-making and enrich client and family conversations.
- Each chatbot employs a generative AI model trained with expert-informed content that delivers personalized recommendations while providing innovative tools through a natural, conversational interface.
- WhealthChat's educational content were developed in collaboration with experts in financial planning and psychiatry.

See also:

Can AI Agents Improve Financial Decisions and Conversations?

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More Information

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