COOLEY DICKINSON
MASSACHUSETTS GENERAL HOSPITAL AFFILIATE

Estate Planning Guide

Dear Friends,

Cooley Dickinson Hospital was founded because a farmer from Hatfield left a gift for the future. Caleb Cooley Dickinson bequeathed $97,000 through his will and years later, that very same hospital cares for more than 80,000 patients every year.

Estate gifts have continued to propel Cooley Dickinson forward to meet the community's health care needs. More recently, in 2005, a local couple transformed cancer care in our community. Ernie Vitkauskas was a local salesman and his wife, Marge, was the administrative secretary for the head of the hospital at Cooley Dickinson. When Ernie thought about his legacy, he realized he wanted to honor his wife's work by ensuring the hospital had "the best in oncology." After Ernest passed, his estate gift allowed Cooley Dickinson to purchase state of the art radiation equipment and a linear accelerator, improving cancer care for thousands in our community every year.

Planned gifts can have a tremendous impact. As the Director of Planned Giving at Cooley Dickinson, I have the honor to hear stories like these about everyday community members who want to make a difference. It is my privilege to support them as they craft gifts and legacies that are meaningful to them, and that advance health care in our community for generations.

Whether you give now or beyond your lifetime, you can enhance local health care. The following pages provide information on different types of planned gifts, including some that have tax benefits. I welcome a conversation about what Cooley Dickinson means to you and how we can help you leave a legacy of exceptional health care for the future. Estate gifts have continued to propel Cooley Dickinson forward to meet the community's health care needs.

With thanks for all you do for our patients and their families,

Jenny Papageorge
Director of Planned Giving
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Introduction

An estate plan and its associated documents will help guide your family if they need to make decisions about your care, provide them with the authority they might need to do so, and help them know what to do when you are gone.

Family, Finances, and Your Wishes

An estate plan is especially important to ensure that your spouse, your heirs, and other loved ones are cared for. A good estate plan can minimize administrative costs and possibly reduce taxes that might otherwise be owed. Finally, without an estate plan of some type, the laws in your state determine what happens to your property. The law may NOT benefit those you would have chosen. You can make sure what you have earned and accumulated in your lifetime goes to help those you love and causes that you care about.

Remembering Charity

With thoughtful planning you can provide for your loved ones and leave a specific piece of property, portion of, or even the remainder of your estate to charity.

Elements of *long-term planning*

The planning techniques described in this guide are the basic elements that will ensure your wishes are carried out. What approach you take should usually be done in partnership with a lawyer. There is more information about working with a lawyer later in this booklet.

Regardless of the planning documents you choose, you can make a gift to Cooley Dickinson in gratitude for the care you or a loved one has received and continue the hospital's important work. Making a legacy gift to Cooley Dickinson isn't just for those with a large estate. It's a wonderful way to continue a lifetime of support for an organization that has meant so much to you.

Will. A valid will is generally typed, dated, and signed by you as well as two legally competent witnesses. States differ as to what constitues a valid will. Only by working with an estate planning lawyer can you ensure your plan will be implemented. You can make charitable gifts in your will of a specific dollar amount, a specific asset, or all or a percentage of the remainder of your estate after all debts and other distributions have been made.

Revocable Living Trust. This trust is used, just like a will*, to facilitate the orderly distribution of your property. The living trust may have the added benefit of protecting your assets from creditors and will avoid the time and cost of the probate procedure. The living trust is created while you are alive, and you

DO I NEED TO HAVE AN ESTATE PLAN?

Yes. Regardless of the size of your estate, you want to ensure that what you have will go to those you love and care for and that your wishes are carried out. But a good estate plan does far more than that. It cares for you as well as the things you value.

It grants a power of attorney for financial and health matters should you become incapacitated and states your wishes regarding medical care. Your estate documents become an expression of what you have valued in your life by what you leave to whom.

Leaving a final, loving gift to your family and organization you care about is a thoughtful gesture that will benefit many generations to come.

can serve as trustee. You retain the power to change and even revoke the trust. To be effective, you make the trust the legal owner of your property like your house, your car, and other valuable property. As with a will, you can make gifts to your favorite charities.

**Even if you decide upon a living trust, you should still have a will. The will controls the distribution of property not owned by the living trust such as personal property. Property passing through the will is subject to the probate process but will be easier and less expensive to manage.*

Beneficiary Designations. These are the forms you fill out when you do things like open a bank or stock brokerage account, establish an IRA or other type of retirement plan or purchase a commercial annuity or life insurance policy. The beneficiary designation determines who will benefit from these accounts. You can name Cooley Dickinson in your beneficiary designations to receive all or a portion of an account upon your passing. Gifts by beneficiary designation are one of the simplest types of gifts to make. It's as easy as filling out a form.

What to Expect. Expect to locate and organize all of your financial records, details of the ownership of real estate and other property, accounts with beneficiary designations, prior wills and trusts, if any. A comprehensive list of documents you'll need is included in this booklet. You'll need an attorney to document your intentions. Nonetheless, before even visiting an attorney, consider the needs of your loved ones, causes close to your heart, and be prepared to make your intentions known to your planning professional.

HOW OFTEN SHOULD I UPDATE MY PLAN?

It is a good idea to update your plan every seven to ten years. Some people have a periodic check-up with their attorney.

Certainly whenever there is a significant event in your life such as the birth of a child or grandchild, sale of a business, retirement, change in marital status, or death of a spouse or other loved one, you should review your plan for necessary changes.

Donna Feng

Donna, who worked for Mass Department of Transportation, has been a committed blood donor and knows that blood saves lives. In fact, when Donna's adoptive father was at Cooley Dickinson in need of a blood transfusion, Donna, a regular donor, had donated blood the previous day. And, it so happened that she and her adoptive father were a perfect match and he was able to receive her blood. She now says they became blood related. When it was time for Donna to update her estate plans, there was no question in her mind that she wanted her parting gift to our community to support a program she has been so involved with during her lifetime, and she knows this important service will live on when she is no longer here.

Donna's relationship with Cooley goes back over twenty years, when she was featured in this ad for our blood donation program.

Steps to having an estate plan

DO I NEED TO SEE AN ATTORNEY?

It depends. Estate planning can be a complex area of the law and shouldn't be left to a one-size-fits-all arrangement. This is especially true when you have a blended family. What is best for your sister and brother-in-law is not necessarily best for you.

There are multiple options and resources available today in how to make a will. The easiest and most cost-effective way is to use one of the growing numbers of online legal services. For many, this do-it-yourself option may be better than not having any will at all. The online provider may offer the option, for a fee, to consult with an independent attorney. However, if you would like the peace of mind of knowing these important documents are executed to your wishes, then hiring an experienced estate planning attorney is your best option.

While there is a cost involved in preparing your plan, it is modest compared to knowing you have made appropriate arrangements for your family, clear instructions as to your wishes, minimized probate fees and costs, and possibly saved state and federal estate taxes.

Here are some practical steps to get you started:

1. Take inventory of what you own. List all of your assets (real estate and investments) and their approximate value. Include pertinent information about that asset.

2. Make a list of tangible personal property such as jewelry, dishes, books, furniture — items other than real estate and investments — and who is to receive each item upon your passing. You may want to maintain this as a separate list rather than designating this in your will or trust for maximum flexibility.

3. Think about your goals for your estate plan. For example: who you want to benefit, how you want to treat each of your children, any special needs that you want to provide for, what happens if you and your spouse both pass away close in time, and if there are charities or organizations you want to remember. Your attorney is likely to ask you about goals you didn't consider, but at least you'll have a head start on those that are most top-of-mind.

4. Consider whom you would like to name as your agents, (e.g., the executor of your will or the trustee of your trust, the person to hold your power(s) of attorney) and gather pertinent information about them.

5. Go see an attorney, preferably one who specializes in estate planning. If you don't have one or know of one to call, check with family, friends, co-workers, or your local bar association for recommendations.

6. Follow through on whatever actions are decided upon in the meeting with your attorney. Rely on the advice of your attorney and other professional advisors as you make your decisions.

7. Share your plans with others. Key documents are of little or no value if no one knows what they say or where to find them when they are needed. This is especially true for the person(s) you have designated to serve as your personal agent under your will or the trustee of your living trust. Loved ones will appreciate at least a general sense of what to expect to prevent missunderstandings later on.

Consider your *charitable legacy*

You may have numerous charities that you believe in strongly and you may have supported these organizations throughout your lifetime. Making a gift provision to one or more charitable organizations in your estate can be a natural extension of that support. You might be surprised at how much you can leave to Cooley Dickinson Hospital with a charitable gift while achieving your personal and financial goals.

Bequest. This is a gift made through your will or living trust. You can leave a specified amount of money, a particular piece of property, or all or a portion of the 'residue' (what's left after your final expenses, debts, and specific gifts are paid). See page 7 for sample bequest wording.

Beneficiary Designation Gift. Just as you designate individuals to receive certain assets directly as your named beneficiary, you can name a charity to receive all or part of the assets controlled by your beneficiary designations. Beneficiary designations are most commonly associated with IRAs and other retirement plan assets and life insurance policies, but they can also work with assets such as checking and savings accounts, brokerage accounts, and commercial annuities. Designating Cooley Dickinson as a beneficiary of your IRAs and other retirement plans is a tax-smart gift since we are a tax-exempt organization. By contrast, if you leave IRAs and other retirement plans to heirs, distributions from these accounts are taxable to individuals.

In addition to leaving a final legacy, beneficiary designations have the advantage of being flexible (give as little or as much as you like), revocable (generally they can be changed at any time), and perhaps most importantly, they leave the assets under your control should you need them during your lifetime.

A beneficiary designation gift to charity is eligible for an unlimited estate tax charitable deduction if your estate is subject to taxation.

WHAT IF I HAVE A PLAN, BUT WANT TO CHANGE ONE THING?

If your plan is fairly current, it is easy to make a change or two, such as adding a charitable beneficiary.

Your attorney can prepare an amendment to your will (called a "codicil") or to your living trust. Many times this can be done quickly.

“Marge always had a soft spot in her heart for Cooley Dickinson,” said Ernie Vitkauskas of his wife of fifty-five years. For Margaret and Ernest Vitkauskas, ties to Cooley Dickinson went back a long, long way. From 1961 to 1981, Marge was the administrative secretary to William T. Lees, Jr., then head of the hospital. She loved her job, and her colleagues and the medical staff were “family.” Long after Marge retired, the Vitkauskases kept their eye on Cooley. As the hospital steadily strengthened and broadened its facilities and services, their commitment grew.

In 2005, they proudly became members of the Caleb Cooley Dickinson Society, which recognizes the generosity of those who make a gift in their will. “We knew we had a winner,” said Ernie, “A place where we could really make a difference.” The Vitkauskases particularly wanted Cooley Dickinson to have what Ernie called “the best in oncology.” They were excited to watch the hospital build up its oncology staff. They recognized how the Kittredge Surgery Center would positively impact the hospital’s ability to serve cancer patients.

Ernie Vitkauskas died in January, 2010, but the couple’s legacy lives on. Thanks to Marge and Ernie’s love of Cooley Dickinson, Northampton, and each other—our oncology program is stronger than ever. Now and into the future, their generosity will have a tremendous impact on literally thousands of lives.

Charitable Gift Annuities.

You can make a gift during your life to Cooley Dickinson Hospital and you and/or your income beneficiary will received fixed lifetime payments and be eligible for a income tax deduction. This type of gift can be made if you are over the age of 60 and contribute at least $10,000. The size of your payment will depend on your age at the time you make your gift and the amount contributed. You can increase your tax benefits and avoid tax if you make your gift using appreciated stock rather than cash.

You can also defer the annuity payments until a later date, such as the date of your retirement. You will receive an income tax charitable deduction in the year the gift is made. Cooley Dickinson will pay you fixed income for life, starting at any date you choose. This arrangement is especially advantageous if your tax bracket is higher now than you assume it will be later. The longer you defer payment the higher your future annual payout rate and your income tax deduction will be.

Charitable Remainder Trust.

A charitable remainder trust can help you maintain or increase your income while making a significant gift to Cooley Dickinson Hospital. It is an especially attractive gift if you would like to sell an appreciated asset, (e.g., real estate held for investment purposes) and generate income from the sale by substantially reducing and deferring capital gain income that would have been due if you had sold the real estate.

Retained Life Estate.

You can give your personal residence to Cooley Dickinson Hospital and continue to live there for the rest of your life. You have the satisfaction of arranging these plans while you’re living, and you’ll benefit from reducing your income taxes with an income tax charitable deduction in the year of your gift. Retained life estate gifts or other real estate must conform to Cooley Dickinson Hospital acceptance policies.

Leaving a Legacy to Cooley Dickinson

If you wish to leave a bequest to Cooley Dickinson Hospital, the process is straightforward.

As you consult your attorney on the selection of appropriate wording to reflect your own goals and intentions regarding Cooley Dickinson Hospital, be sure that our correct legal name appears in all final documents as:

> *“Cooley Dickinson Hospital, 30 Locust Street, Northampton, MA 01061, a Massachusetts nonprofit corporation, or its successor, the sum of ____ dollars ($____) or (____ % of my property) or (describe specific property), federal tax identification number 22-2617175, to be used for the general purposes of Cooley Dickinson (or a specific purpose).”*

USE OF BEQUESTS

Specific Bequest: Cooley Dickinson Hospital receives a specific dollar amount, or a specific piece of property. This is one of the most popular forms of bequests.

Residuary Bequest: Cooley Dickinson Hospital receives all or a stated percentage of an estate after distribution of specific bequests and payment of debts, taxes and expenses.

Contingent Bequest: Cooley Dickinson Hospital receives all or part of the estate under certain specified circumstances, such as the passing of a spouse.

Unrestricted: This type of gift allows Cooley Dickinson Hospital to use it for its general purposes. An unrestricted gift is very useful to Cooley Dickinson Hospital because Cooley Dickinson Hospital will have flexibility to put the gift to the best possible use at the time it is received.

Restricted: A restricted gift is given to Cooley Dickinson Hospital with instructions for a specific purpose, such as support for a special project or program that is important to you. Please consult with the Planned Giving Office prior to establishing your restrictions to ensure that Cooley Dickinson Hospital is able to carry out your wishes.

NEXT STEPS

To receive further information and assistance on estate planning, or to learn more about how your gift can help Cooley Dickinson Hospital, please contact Jenny Papageorge, Director of Planned Giving.

- call **(413) 582-2687**
- email **jpapageorge@mgb.org**

Essential Information Checklist

This checklist and inventory are designed to help you organize your important information. This will in turn help you when you go to see an attorney to prepare your will and other key planning documents. It may also help your loved ones at a time when they need it the most - if you are no longer able to make decisions for yourself.

While it will take some time to complete, the time couldn't be better spent. Imagine the peace of mind that will come from knowing you have done all that you can do for yourself and your family to be prepared for the unexpected.

YOU AND YOUR FAMILY

You and Your Spouse

- [ ] Full Legal Names
- [ ] Addresses
- [ ] Phones
- [ ] E-mails
- [ ] Dates and Place of Birth
- [ ] Social Security Numbers
- [ ] Driver's License
- [ ] Marital Status
    - Date and Place of Marriage
    - Prenuptial agreement
    - Widowed, divorced or legally separated
- [ ] Citizenship Status
- [ ] Employment Status
- [ ] Current or Most Recent Employer
- [ ] Military Service
- [ ] Planning documents in possession
    - Will or Revocable Living Trust
    - Health Care Directive
    - Physician's Order
    - Life Sustaining Treatment
    - Power of Attorney - Financial or Health
    - Personal Property Inventory

Your Parents, Children and Grandchildren

- [ ] Full Legal Names
- [ ] Addresses
- [ ] Phones
- [ ] E-mails
- [ ] Dates of Birth
- [ ] Social Security Numbers
- [ ] Status
    - Dependent
    - Date of Adoption
    - Previous Marriage
    - Special Needs
    - Deceased
- [ ] Dates of Death
- [ ] Resting Place

Your Pets

- [ ] Names
- [ ] Description
- [ ] Vet Contact Information
- [ ] Food/Medicine/Special Instructions

Priscilla, a retired educator who taught at the Clarke School for 41 years said, "I've always been so very grateful to have a good hospital nearby. When I worked at the Clarke School, if a child got sick, we could always depend on Cooley Dickinson. And the hospital has been there for dear friends, my mother, acquaintances, and myself when I needed it." In 2006, Priscilla set up a Charitable Gift Annuity, which provided a steady source of income to her while also benefiting the hospital. When Priscilla passed away, the remainder of her annuity came back to Cooley Dickinson. Additionally, she left Cooley Dickinson as a beneficiary of her life insurance and retirement plans, allowing her generosity to keep supporting the hospital's work.

Priscilla Pike

ASSETS AND DEBTS

All assets and debts should be identified as owned by you alone or jointly with spouse or co-owner if someone other than a spouse.

Cash (Liquid Assets)

- [ ] Type
- [ ] Bank Name/Location
- [ ] Account Number
- [ ] CD Maturity Date

Securities (Stocks, Bonds, etc.)

- [ ] Description
- [ ] Location/Firm
- [ ] Number of Shares

Business Interests

- [ ] Business Name
- [ ] Location
- [ ] Number of Shares/Percentage

Real Estate

- [ ] Description
- [ ] Address
- [ ] Date Purchased

Life Insurance/Annuities

- [ ] Description
- [ ] Name of Company
- [ ] Insured/Annuitant
- [ ] Beneficiary
- [ ] Policy Number

FINANCIAL INFORMATION

Tax Records

- [ ] Location
- [ ] Preparer Name and Contact Information

Safety Deposit Box(es)

- [ ] Location/Institution
- [ ] Address
- [ ] Box Number
- [ ] Key Location
- [ ] Who Has Access Authority?

Social Security Payments

- [ ] Deposited to Account
- [ ] Bank Name
- [ ] Bank City/State/Phone Number
- [ ] Account Number

Pension Information

- [ ] Type of Plan
- [ ] Company Name/Address
- [ ] Benefit Value
- [ ] Named Beneficiary

Insurance Policies

- [ ] Type
- [ ] Company
- [ ] Contact Info
- [ ] Policy Number

Retirement Assets (IRA, 401K)

- [ ] Description
- [ ] Custodian Name/Address
- [ ] Beneficiary

Other Income Producing Assets

- [ ] Description
- [ ] Company

Debts Owed to Me

- [ ] Description
- [ ] Debtor Name/Address

Tangible Personal Property

- [ ] Description
- [ ] Date of Purchase

Debts

- [ ] Mortgages
- [ ] Loans (insurance, bank, personal)
- [ ] Credit Cards
- [ ] All Other Debts or Obligations

- Description (Loan or Account Number)
- Creditor Name

AGENTS

- [ ] Executor (and Alternate)
- [ ] Power of Attorney - Healthcare
- [ ] Power of Attorney - Financial
- [ ] Guardian (if you have minors)

- Names
- Addresses
- Phone Numbers
- E-mails
- Relationships, if not spouse

PROFESSIONAL ADVISORS

Name/Practice or Company/Contact Information:

- ☐ Physician
- ☐ Dentist
- ☐ Attorney
- ☐ Financial Planner
- ☐ Accountant
- ☐ Broker
- ☐ Life Insurance Agent
- ☐ Other

FINAL INSTRUCTIONS

- ☐ Body, Organ, Tissue Donation
- ☐ Funeral Instructions
  - Funeral Home
  - Funeral Arrangements
    Cremation — Burial — Body Donation — I have prepaid funeral arrangements with (company, address, phone, paid amount)
  - Preferred resting place
  - Preferred funeral and burial/cremation instructions
  - Obituary (what you would like included)
- ☐ Personal Statement to Loved Ones
  - Take a few moments to think about what you want to say to those you love that a will or living trust doesn't convey: what you feel is important in life, how you would like to be remembered, what you would like the next generation to know or, perhaps, simply what makes you happy.

"Since my husband now meets the requirement for qualified charitable distributions from his IRA, we decided this nontaxable distribution would be an excellent way to increase our charitable giving. We chose CDH as one of the recipients because we appreciate the value this local hospital provides to our community and the critical needs it fulfills. We are fortunate and pleased to be able to support the great role that Cooley Dickinson plays in Hampshire County."

Sharon and David Rogalski

DISTRIBUTION OF ESTATE

Gifts to Spouse/Other

- [ ] Description of asset/percent of estate
- [ ] Contingent Beneficiary Name/Address
- [ ] Beneficiary Name/Relationship/Address

Gifts to Charity

- [ ] Legal Name of Charity/Tax ID Number
- [ ] Location
- [ ] $_________ OR percentage of net estate
  OR Description of asset

Remainder of Estate

- [ ] Individual Beneficiaries
  - Names
  - Addresses
  - Percent of Residue

- [ ] Charitable Beneficiaries
  - Legal Names/Tax ID Number
  - Addresses
  - Percent of Residue

Gifts of Tangible Personal Property

Under Massachusetts law, you can provide in your will that your tangible personal property be distributed in a separate written document that can be changed and updated.

This includes personal items that can easily be moved such as furniture, books, jewelry, kitchen goods, china, clothes, art and the like. If the items have a high financial value, talk with your attorney about the best way to transfer them. Whenever you update this list, make sure to make a copy and give the original to your executor or your attorney.

- [ ] Make a list including:
  - Description
  - Recipient
  - Contact Information

The Essential

- Will
- Letter of Instruction
- Living Trust Documents

Marriage and Divorce

- Marriage License
- Divorce Papers

Health-Care Confidential

- Personal and Family Medical History
- Durable Health-Care Power of Attorney
- Authorization to Release Health-Care Info
- Living Will
- Do-Not-Resuscitate Order

Life Insurance and Retirement

- Life Insurance Policies
- Individual Retirement Accounts
- 401(k) Accounts
- Pension Documents
- Annuity Contracts

Proof of Ownership

- Housing, Land and Cemetery Deeds
- Escrow Mortgage Accounts
- Proof of Loans Made and Debts Owed
- Vehicle Titles
- Stock Certificates, Savings Bonds and Brokerage Accounts
- Partnership and Corporate Operating Agreements
- Tax Returns

Bank Accounts

- List of Bank Accounts
- List of all User Names and Passwords
- List of Safe-Deposit Boxes

Electronic Assets

- Current banking and other electronic passwords in a secure form for your heirs (banking, mortgage, retirement accounts, trusts, email, social media, for example: Facebook or LinkedIn, Instragram, Twitter, etc.)

Administrator - The person appointed by the court to manage one's estate when he or she dies without leaving a will. Administrators have the same duties as executors.

Annuity - A contractual arrangement to pay a fixed sum of money to an individual at regular intervals. The annuity secures fixed lifetime payments to the benefactor and/or another individual.

Beneficiary - An individual designated to receive benefits or funds under a will or other contract, such as an insurance policy, trust or retirement plan.

Bequest - A gift or legacy left by will, typically personal property or assets.

Codicil - A legal instrument made to modify an earlier will.

Estate - The legal entity which manages and distributes a deceased person's property.

Estate Tax - A federal tax on the value of the property held by an individual at his or her death (paid by the individual's estate).

Executor (or Personal Representative) - The person named in a will to manage the estate. This person will collect the property, pay any debt and distribute the property or assets according to the will.

Grantor - The person who transfers assets into a trust for the benefit of him/herself or others.

Guardian - An individual legally appointed to manage the rights and/or property of a person incapable of taking care of his or her own affairs.

Heir - A person entitled to inherit a portion of the estate of a person who has died through an inheritance from an estate. The heir may inherit by the terms of a will or, if there is no will, the heirs are those defined as beneficiaries according to the law.

Intestate - The term applied when an individual dies without a will.

Legacy - A transfer of personal property by a will.

Living (Revocable) Trust - A revocable trust established by a grantor during his or her lifetime in which the grantor transfers some or all of his or her property into the trust.

Living Will - Instructions specifying decisions regarding an individual's health if they are no longer able to make decisions due to illness or incapacity, and appoints a person to make such decisions on their behalf.

Power of Attorney - A written legal document that gives an individual the authority to act for another.

Probate - The court supervised process of administering the estate of a deceased person by resolving all claims and distributing the deceased person's property under a valid will.

Trust - A written legal instrument created by a grantor for the benefit of him/herself (during life) or others (during life or at death).

Trustee - The individual or institution entrusted with the duty of managing property placed in the trust. A "co-trustee" serves as trustee with another. A "contingent trustee" becomes trustee upon the occurrence of a specified future event.

Will - A legally executed document that directs how and to whom a person's property is to be distributed after death.

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