

# Working With Beneficiaries with Mental Health Challenges

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# Some Webinar Pointers

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If you have questions, please email the panel. All emails are listed near the end of the slide deck.

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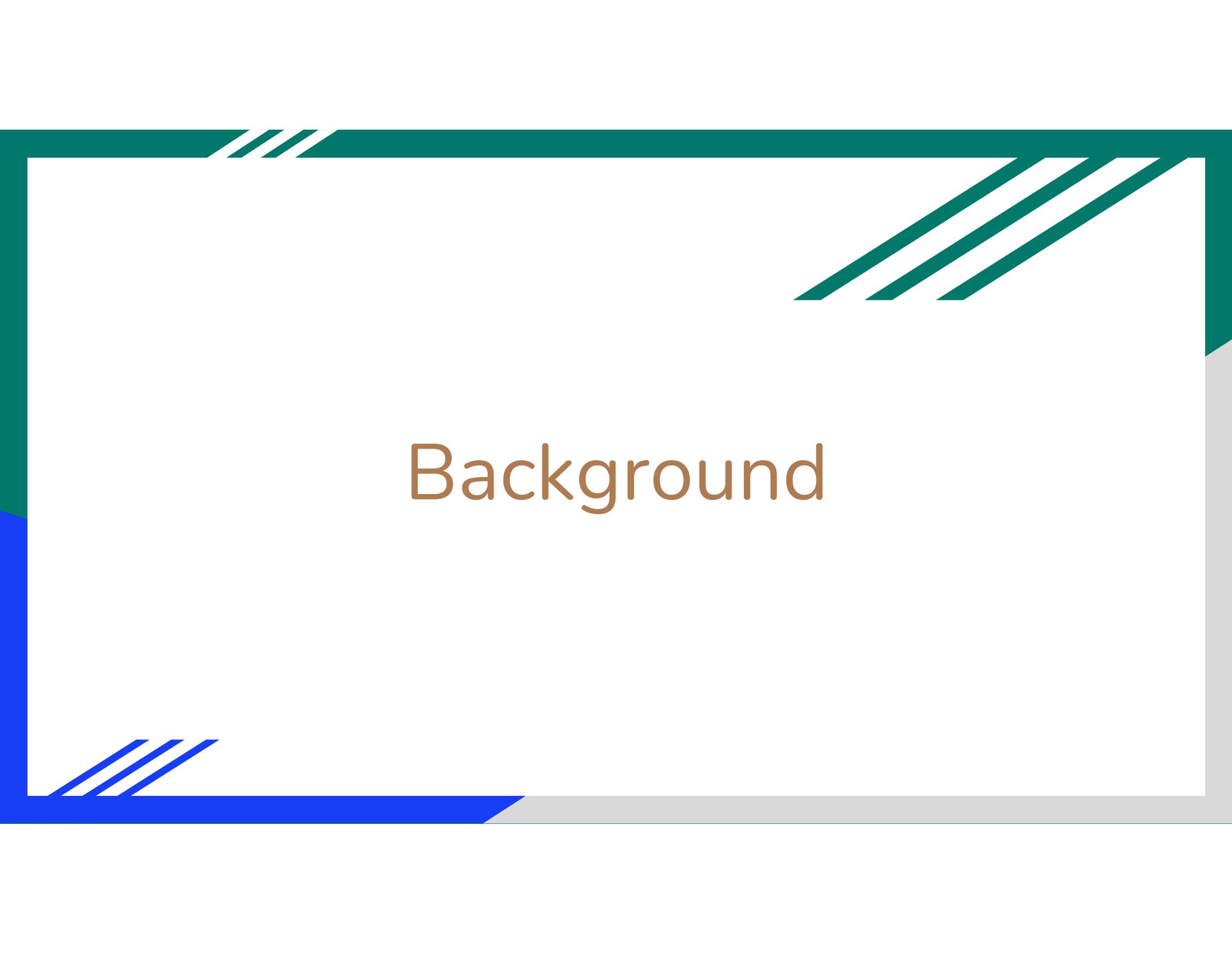
## Goals

1. Proactive ways to discover and work with people who have mental health issues

2. Productive ways to work with people who have mental health issues when you don't know in advance...

# Challenges

- Clients may be in denial, embarrassed, or uncomfortable.
- Mental illness is seen by society as a moral failure instead of a disorder
- Clients may not appreciate the important role their advisory team can play in crafting plans which help their loved ones facing mental health challenges.
- Some trustees, even professional institutions, endeavor to avoid certain decision-making as to beneficiaries with challenges, whether it be an addiction, mental health, or other realities of the human condition.

The image features a white central area framed by a teal border at the top and a blue border at the bottom. Diagonal lines in teal and blue are positioned in the corners. The word "Background" is centered in a brown font.

Background

## General Mental Health Stats

- 1 in 5 adults will experience mental illness in their lifetime
- 1 in 25 adults are diagnosed with serious mental illness, such as schizophrenia or bipolar disorder
- 1/2 of all chronic mental illness begins by age 14, and 3/4ths by age 24

# Wealth and Mental Health

- Ultra high net worth individuals are subject to becoming more at risk for developing higher rates of substance use disorders, depression, eating disorders, and anxiety
- Children in affluent families suffer anxiety at 20-30% higher rates than the less affluent and are more likely to display anti-social behaviors such as cheating and stealing.

## Potential Reasons For These Outcomes

- Suniya Luthar, a Professor at Columbia University, points to the pressure to achieve and isolation from parents as two potential causes for these outcomes.
- Annette Lareau, a sociologist at the University of Pennsylvania, describes the parenting styles of the rich as “Concerted Cultivation.” The goal of this parenting style is “to accrue skills that will lead to greater opportunity later on.” Ultimately, the end result is that the wealthy children end up lacking practical skills and the parents run their children’s lives in a way that prolongs adolescence.

## Potential Reasons Cont'd

- Paul Piff and Dacher Keltner, psychologists at the University of California at Berkeley, conducted research which found that as people accumulate wealth and power, their empathetic feelings towards people begin to decline.
- Other psychologists labeled the personalities of billionaires a “dark triad” of Machiavellianism, psychopathy, and narcissism. In studies of extremely wealthy people, results show greater tendencies towards engagement in various unethical behaviors as well as “self-promotion, emotional coldness, duplicity, and aggressiveness.” These traits undeniably influence parenting styles and decisions.

# Goal 1

Proactive ways to  
discover and work  
with people who  
have mental health  
issues

# How do you start the conversation?

- Make it a part of your initial onboarding process
- Be direct in preparing them for your line of questioning and why it's important
- Get agreement along the way by asking "is that okay with you?"
- Tell current clients who are beyond the onboarding process that you went to this presentation and recognize the importance of improving your practice in this way
- When something comes up, use these questions and agreements as something to refer back to down the road

## Client questionnaires should include:

General questions that can solicit information on possible mental health issues.

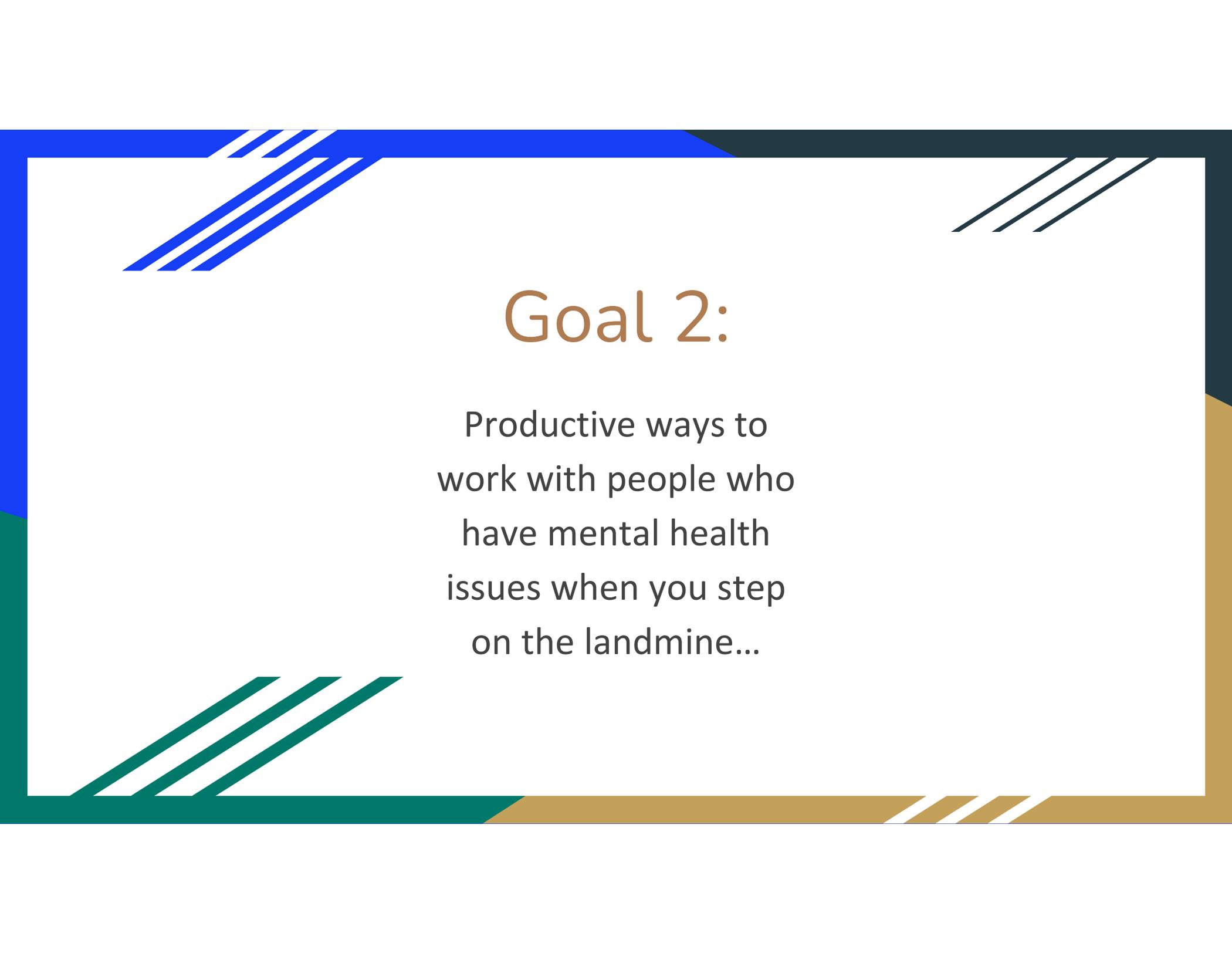
- Do you, your family, or anyone you may name as a beneficiary have any mental health challenges that may affect your plan?
- Do you, your family, or anyone you may name as a beneficiary have drug, alcohol, or other addictions that may affect your plan?
- Do you, your family, or anyone you may name as a beneficiary struggle to find direction, motivation, and ways to add meaning to your/their life?

## Questions cont'd

- Do you have any overarching concerns for yourself, your family, or anyone you may name as a beneficiary if they had access to large sums of money? If applicable, what are these concerns?
- What are your goals in providing money to the people you'd like to name as beneficiaries? Are you open to achieving that goal in a way that doesn't provide them access to large sums of money without guardrails in place?

## Importance of Trust Administration Policy and Procedure

- The second added layer is a series of mutual agreements a client can make and sign in order to use the advisor as an ally in protecting the beneficiary when they become symptomatic.
- By “customized” the intent is that the trust instrument be tailored to address the specific issues facing that person and their unique challenges related to their symptoms.
- Slow down impulse and protect against destructive symptoms



## Goal 2:

Productive ways to  
work with people who  
have mental health  
issues when you step  
on the landmine...

## Why beneficiaries destabilize

- First psychotic break or bout of symptoms
- Relapse in addiction
- Decided to stop taking medications
- Stress and hormone shifts changed the effectiveness of meds

This can take you off guard and make you unsure how to relate to the person or what to do next

## Things you might notice

- Changes in communication style and consistency
- Random requests for money or liquidation of assets
- Abrupt changes in estate plan
- Illogical thinking
- Noticeable, frequent or incongruent mood changes
- Poor money management
- Higher medical bills
- The client tells you directly
- A family member tells you directly

# Things you might notice if a family member has a MH issue

- Client has urgent need to liquidate assets
- Adult children who still live with their parents and are not acting in a caregiver capacity
- A family member begins showing up to meetings with the client and helping to guide decision making to their own benefit
- Money or assets being funneled away from the client
- You become aware of legal issues related to the client's behavior
- The client wants to alter the estate to exclude one family member



How Do You Respond?

## How not to respond

- Avoid things which put people on the defensive
- Avoid coming across as defensive
- Avoid escalating your tone, volume, and body language
- Avoid shutting down the conversation with blanket statements  
(ex: that's just the way it is and you're going to have to accept that)
- Avoid making promises you can't keep

## How to respond

- Stay non-judgmental
- Understand your limits, their limits, and what their needs are that they're trying to get met in that moment
- Validate and restate their needs and perspective

## How to respond cont'd

- Ask relevant questions: Are you ok? Do you need help?
- Help them play the tape forward on their options
- Get clear on your goal, state your goal, ask client what their goal is and see if it aligns
- Create a mutual agreement to move forward

## How to respond cont'd

- Know the relevant resources available to help
- Take action
- Follow-up

# Calling 911: How To Respond When Issues Are Identified

What you do:	What you don't do:
Identify there is a problem	Diagnose the problem
Ask relevant questions: Are you ok? Do you need help?	Fix it yourself
Know the relevant resources available to help	Ignore it
Take action	Walk away before appropriate resources are in place
Follow-up	Play the hero

# Be Part of the Solution: 3 Effective Ways of Partnering with Clients With MH Issues

## Normalize

Normalize the discussion. Remember addiction is quite common, even among wealthy, successful and highly educated clients.

## Ask

Ask direct questions to the client about the issues.

## Provide

Provide support by offering reassurance, resources, and respect.

## Things To Remember:

- The situation, feelings, level of importance, and intensity feel very real for the beneficiary
- Questions to move you forward
- The Alamo



## Questions to move you forward

Good questions will help  
you get in alignment, lower  
defensiveness, and find a  
path forward.

## This could look like:

- I know how stressful it is for you every time you overspend and need to come to me for more money. I want to help you navigate this situation and prevent this from happening again in the future by being able to address the reasons you keep overspending. Are you willing to work with someone on this issue so that you don't end up in this position again?
- (state the parameters) are the parameters I can work within. I want to create a way for you to win in this situation without me jeopardizing my job. What does winning look like for you within the parameters I have to work within?
- I've noticed in the past month that you've sent me emails which feel urgent, aren't remembering conversations, and avoid getting on the phone with me. These changes seem abrupt and unlike you. I'm concerned and wanted to open the door to have a conversation. What do you think changed for you in the last month?

## Conclusion

Navigating the complexities of mental health disorders is an inevitable aspect of being a trusted advisor. By proactively understanding and preparing for this reality, you not only mitigate your own liability and stress but also safeguard the welfare of the client, the beneficiaries (depending on who you are representing), and their respective assets. Equipping yourself with the necessary knowledge and expertise enhances your reputation and positions you as a respected and sought-after advisor within families facing mental health challenges. Embrace this opportunity to elevate your role and provide invaluable support to those in need.

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