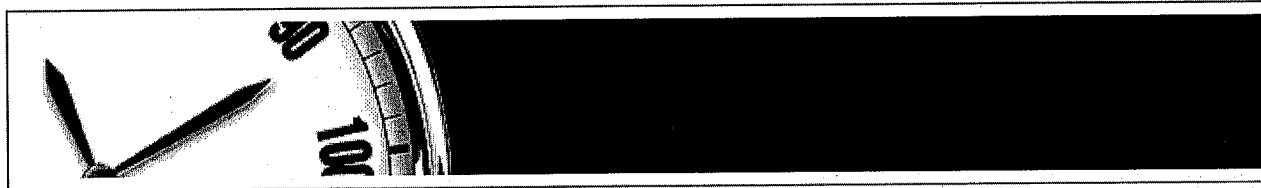


Heckerling ... It's a Wrap



The most least expected nuggets may be the most valuable

Thu, 2013-01-24 12:12

[Trusts & Estates](#)

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With the 2013 Heckerling Institute completed, perhaps a look back at the past week might be worthwhile. There have been, and will be, scores of articles and reports written about the proceedings. My guess is that the technical sessions are the draw for most. But there's much more. While there are many different reasons professionals attend Heckerling, the outstanding seminars are only one. Some of the others (leaving aside the golf and great bank dinners), include the non-technical sessions, networking and the exhibit hall. Personally, I find that some of the most valuable nuggets from Heckerling are those that are least expected. While what I found valuable may not appeal to you, perhaps there are a few nuggets that might be of interest.

Networking

According to Richard L. Harris, a life [insurance](#) consultant based in Clifton, N.J., "A lot of what Heckerling is about is networking. Seeing [people](#) you haven't seen and meeting new people. Face time remains important, even in our electronic world. It's much better than emailing or calling." He goes on to state that: "in the networking you also find out what people are doing in their practices and can pick up as much from that as from the actual programs."

A combination of factors make Heckerling such an incredible networking environment. Not only do so many people from every allied profession attend, but the structure of the programs is also incredibly conducive to networking. It's tough to commit the hours necessary for a "business development" lunch during the year. At home, to meet one potential referral source for lunch could take an hour plus drive each way, plus the time it takes for the lunch meeting. That can easily be a 4- hour [investment](#). In the same four hours at Heckerling, you can meet four different groups of people: one for breakfast, others for lunch and still another for a drink after the programs, all before attending an evening program and meeting even more people. There may be no other environment that condenses so many network meetings, so efficiently, in a week. This year in particular, it was helpful to be able to meet so many people as a follow up on the insanity of 2012 year end planning.

Hidden Nuggets

Too often, I hear friends and colleagues express a lack of interest in some of the more off beat presentation topics, especially the "fluffy" ones. There's a clear bias by many attendees in favor of hearing about complex generation-skipping transfers and other such topics. But, there are almost always valuable nuggets of ideas in even the most offbeat and non-

technical presentation. A number of years ago, I began taking copious notes at Heckerling. The process helped me stay focused on all of the topics. Invariably, I was amazed how even a topic that seemed irrelevant to my practice at the time, generated planning ideas years later for an off-beat (sometimes off-the-wall) client scenario.

Practice Management

Over the past several years, Jonathan Blattmachr, of Eagle River Advisors, New York, and Alan F. Rothschild, Jr., of Hatcher, Stubbs, Land, Hollis & Rothschild, in Columbus, Ga, both lectured about the future of law practice. One of Jonathan's themes was the importance of adapting technology to make practice more efficient and focus on the provision of advice, as opposed to the creation of documents. One of Alan's themes was the importance of rethinking the practice of estate planning as the exemption was to grow. I took both to heart and, over the years, have restructured our practice, broadened the scope of services, adopted document generation software (we use Interactive Legal) to reduce drafting time and permit a greater emphasis on client "face-time" and assisting with the implementation and administration of planning, both areas in which clients have always found great frustration. Both presentations turned out to be spot on.

With the new permanency of the \$5 million inflation-adjusted exemption and portability, I believe the fear of the estate tax for the vast majority of wealthy clients has been eliminated. Those clients who previously were willing to incur the cost and complexity of testamentary trusts and irrevocable life insurance trusts will demand more cost efficiency. Heeded the advice of these past presentations has put our firm in a far better position to service moderate wealth clients in light of the new reality of estate planning (that is, estate planning sans the tax "driver"), while still being able to serve the wealthier clients in need of more traditional planning to minimize the estate tax they continue to face.

In our efforts to reduce overhead and administrative costs and boost efficiency, we began a multi-year process of reviewing all offsite and on site files, scanning all relevant documents, returning originals to clients and destroying the remaining documents. We've also brought in a document manager system to access those scanned files. Much of the decision process as to how to handle this project was based on notes of several prior ethics and malpractice programs that specifically dealt with document retention issues (although it was a bit disconcerting to hear rather different recommendations at one of this year's sessions!).

We've also started using web conferencing with certain clients, instead of holding in-office meetings.

Future Practice Considerations

Integral to practice management changes I've made based on ideas gleaned at past Heckerling Institutes, below are some of the ideas we're exploring from this year's Institute. These ideas also emphasize another valuable aspect of the Institute: while many practitioners believe the exhibit hall is for the purpose of replenishing their offices' supplies of mints and Post-It notes for the year, there are actually other nuggets to be had.

Client portal. Clients and their advisors have always called looking for documents. After the tidal wave of 2012 trusts and gift planning, the information needed by CPAs for their permanent files, to prepare gift tax returns, etc. will be dramatically greater than in the past. And clients, as so often happens, will call looking for copies of trusts or other documents, even if they were previously provided. One of the vendors, My Personal DataSafe, offers a possible solution. Create a cloud based client portal on which to store copies of key executed client documents that the client can access and possibly permit his other advisers to access. There are a host of potential issues that this presents, but the benefits seem pretty substantial. I met yesterday with my computer consultants for them to evaluate the above vendor's offering, as well as that of other competitors. The process is underway and we're likely to select an outside vendor and begin the set up over the next three months. We've already determined that we won't use this for any client that doesn't first sign a written authorization, including an acknowledgement of the risks involved. This client portal will create another service for clients desiring it and add more efficiency in terms of saving, looking for and transmitting documents to clients and their

advisors, long after the documents have been completed and disseminated. This is consistent with the practice efficiencies Jonathan spoke about at a prior institute.

Client personal needs. Merely creating a plan and documents, and even helping implement that plan, is often not enough. Coordinating with care managers to provide independent evaluations of clients, especially an elderly or ailing client whose family lives at a distance, can be a vital part of the planning process and even integrate with the mechanisms incorporated into a revocable living trust for the client's protection. By the way, if I do have a beef with this year's presentations, the comments almost always presumed that clients with these challenges were elderly. With 130 million Americans facing the challenges of chronic illness, these aren't elder issues, but people/client issues. It would certainly behoove the Institute to address planning for this large segment of all our client bases. IKOR USA, Inc. was one of the exhibitors. I spoke with Eric Maynard, Managing Director of IKOR of Northern New Jersey. Their focus is on helping advisors improve a client's personal well-being and quality of life by addressing medical management issues, environmental, psycho-social and other client needs. We plan to explore opportunities to better incorporate this type of expertise into our practice. This isn't the Medicaid planning Bernard Krooks, Esq. lectured about Monday morning, but a broader perspective on helping clients whose financial position puts them beyond those concerns.

Organizing client data. Another somewhat related topic is assisting clients in organizing their financial and other relevant data. It remains puzzling how so many wealthy clients can continue to maintain so many irrelevant odd bank accounts (do they still have the free toaster?) and other assets. Organizing the big picture has always been a critical part of estate planning and something all of us undertake at some level as part of planning. But there's much more. Another intriguing exhibitor was CareBinders, LLC, or CBData Life Inventory Solutions. Carol R. Kaufman's company, based in Ridgewood, N.J., markets software to facilitate organizing the usual financial and legal data for clients, and other important information, as well. This service appears to provide a great opportunity to minimize elder abuse by organizing and consolidating data, which a trusted family member, friend or advisor might be given access to monitor. It may significantly cut probate costs and time. What was especially interesting is that they have a concierge service that can input data and get clients up and running. I'm going to experiment with this service myself in the coming months and see if it's something that will be useful for clients. While they'll work with planners to provide the service under the planner's auspices, I doubt that approach would work for us.

Probate. Another product that we will look into on a more long-term basis is the Estate and Trust Administration System Vince Lackner offers through the Lackner Group, Inc. (LGI). Similar to some of the products above, LGI's integrated tax and fiduciary accounting system may facilitate our extending the scope and breadth of administrative assistance we can offer clients, consistent with the remarks Jonathan and Alan made at past institutes (see above).

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