



STEPFAMILY DAY: SMART ESTATE PLANNING FOR BLENDED FAMILIES

In This Issue:

- **Stepfamily Day: Smart Estate Planning**
- **RWay Symposium**
- **National Centenarians Day**
- **Heart Walk**
- **Welcome Rebecca!**
- **Pumpkin Patch**
- **This Season in History**
- **Mark Your Calendars**

Happy National Stepfamily Day to all who celebrate it!

Amid shifting family structures, there's a good chance that you are part of a stepfamily – or know somebody who is – which makes September 16 a perfect day to celebrate.

At its heart, National Stepfamily Day is a celebration of second chances and the resilience it takes to embrace the unique challenges of blending families.

Those challenges extend beyond simply trying to get along as “one big happy family” and into financial and legal realms, where planning for the future requires as much care and sensitivity as navigating the family relationships themselves.

The Evolution of Stepfamilies

The “traditional” American family—two parents, first and only marriage for both, all children in common—is no longer the dominant household structure and has not been for decades. With higher divorce rates, increased remarriage rates, and evolving social attitudes, today's families are increasingly diverse. In 2025, an estimated 41 percent of first marriages will end in divorce. As of 2021, more than 2.4 million stepchildren live in US households, according to the US Census Bureau. However, even as the ranks of nontraditional families are expanding, the term stepfamily is falling out of favor. Some say that it carries a stigma and confers second-class status on stepparents and stepsiblings. More families have adapted to embrace terms such as blended or bonus families to reflect their unique dynamics in a positive light and foster a sense of inclusion and connection. The law, however, has not evolved as quickly.

How the Law Treats Stepchildren

You may see no distinction between step- and blood relatives, but the law often does, and that can affect how your estate plan works.

- In most states, stepchildren do not automatically inherit from a stepparent under the default rules (intestacy laws) that decide what happens when someone dies without a valid will or trust. Wisconsin law generally directs your accounts and property to biological or legally adopted children and a surviving spouse. Stepchildren are usually omitted by default.
- Formal legal adoption of a stepchild is typically the only exception. Without it, even decades of parenting a stepchild may carry no legal weight.

Blended families are also vulnerable to unintentional disinheritance. One common scenario occurs when a stepparent leaves assets outright to their surviving spouse, the stepchild's biological parent. If that spouse later remarries, changes their estate plan, or simply spends down the inheritance, there is no guarantee that your stepchildren, or even your own biological children, will receive what you intended them to have.

Estate Planning Steps for Including (or Excluding) Blended Family Members

Steprelations can present some of the most personally sensitive and legally complicated estate planning conversations. It is important to be clear about whether you want to include stepchildren in your plan, exclude them, or structure inheritances to balance the needs of a surviving spouse, biological children, and stepchildren.

Including Stepchildren

You may want to treat stepchildren as equals to biological children in your estate plan for the following reasons:

- You have developed deep bonds.
- Your stepchildren may have little or no other family support.
- You value fairness or want to avoid divisions and treat all children equally.



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Strategies and Tools

If you want to be certain that your stepchildren are included in your legacy, you will need to use particular planning tools to make your wishes legally enforceable. When engaging in proactive planning, remember the following:

- Specific naming and instructions. Use full legal names and clear instructions in your will or trust. Terms such as my children will usually refer only to biological or adopted children.
- Living trusts. A trust can be drafted to specifically name your stepchildren as beneficiaries, ensuring that they receive the share you intend and bypassing default state laws that would otherwise exclude them. With a living trust, you can decide whether your stepchildren receive the same shares as your biological children or different ones and set identical or tailored distribution terms for each.
- Qualified terminable interest property (QTIP) trusts. Incorporating QTIP trust provisions in your living trust can be a creative way to balance priorities—providing for your surviving spouse’s needs while ensuring that your children and stepchildren ultimately receive their intended share of your estate.
- Beneficiary coordination. Review and update beneficiaries on retirement accounts, life insurance, and payable-on-death (POD) or transfer-on-death (TOD) accounts to achieve the right balance of distributions or integrate a living trust that you have created.
- Lifetime gifts with purpose. Consider giving to stepchildren during your lifetime for milestones, educational goals, or other meaningful needs. This not only supports them in the moment but also reinforces your intent, helping to reduce the likelihood of misunderstandings or disputes after you are gone.

Excluding Stepchildren (or Managing Inheritance Indirectly)

Not every stepfamily is close, and your estate plan does not need to pretend otherwise. You may choose to exclude stepchildren from your estate plan for the following reasons:

- There is emotional distance or past conflict.
- Your stepchildren will inherit from their own biological parent or family.
- You want to preserve your money and property solely for your biological children.

Strategies and Tools

If you exclude stepchildren from your legacy, it is important to make that intent clear and legally binding. Consider the following when structuring your estate plan:

- Clear and affirmative language. If exclusion is the goal, say so outright in your will or trust. Simply omitting someone from your plan can invite confusion and conflict.

- Living trusts. Use proactive planning tools such as a living trust to limit inheritance to your biological children and descendants while still caring for your spouse. If the goal is to not completely disinherit a stepchild, you could leave them a specific monetary gift or a smaller percentage of the overall estate.
- Guard against the “second spouse” problem. Avoid leaving everything outright to a surviving spouse if your true intent is to benefit your biological children, since your surviving spouse will have no legal obligation to pass along any remaining inheritance to them.
- Keep up with change. Regularly update documents and beneficiary designations after major life events such as remarriage, estrangement, or reconciliation to take into account new family dynamics and changing wishes.
- Prenuptial and postnuptial agreements. If your current marriage is a subsequent one, these agreements can specify how assets will be divided at your death, protecting children from prior relationships and preventing unintended disinheritances.

The Next Step: Talk to an Estate Planning Attorney

Blended families bring added complexity, and with it, more opportunities for miscommunication or disputes. Unequal treatment of biological children and stepchildren can create tension or resentment, especially when estate plans are vague, outdated, or unclear.

Keeping your plan current and talking openly with your family can help reduce conflict and ensure that your legacy is passed on the way you intend. However, these conversations can be highly emotional and nuanced. There may be thoughts you hesitate to say out loud, such as “They are not really my kids,” “My spouse will take care of them,” or “We want to treat everyone equally.”

We can help you create an estate plan that reflects your intentions—whatever they may be. Anything you tell your attorney will be kept confidential, and any estate plan documents you create can be kept private until they are needed.





RWay Symposium

All classes are
offered
EXCLUSIVELY
to our
RWAY
members and
their guests.

RSVPs are Required!

Wilson Law Group combines
our most valued educational
workshops into two
convenient half-day events!

Where:

Spark by Hilton
(formerly Clarion Suites)
2110 Rimrock Road
Madison, WI 53713

When:

Saturday, April 25th, 2026

Three Ways to Register:

Phone

608-833-4001

Email

mail@wilsonlawgroup.com

Website

wilsonlawgroup.com

8:15 a.m. – 9:00 a.m.

Trustee Training: Trust Process

This program will provide attendees with an understanding of estate planning concepts, the value of trusts in comprehensive planning, and an introduction to the trust administration process. Attendance is a must for every Trustee and successor Trustee. A Trustee Handbook will be included. This program is a precursor for the Trustee Training (The Administration Process) program of estate planning concepts, the value of trusts in comprehensive planning, and an introduction to the trust administration process. Attendance is a must for every Trustee and successor Trustee. A Trustee Handbook will be included. This program is a precursor for the Trustee Training (The Administration Process) program.

9:15 a.m. – 10:00 a.m.

Trustee Training: The Administration Process

The Trust Administration workshop provides Trustees with a detailed description of the decisions to be made and the tasks to be completed following the death of a Trustmaker. These include valuing assets, administering retirement plans and annuities, dividing and distributing trust assets, and preparing estate and fiduciary income tax returns. It is important to know how to handle these responsibilities before the need exists. Prior attendance at the Trustee Training (The Trust Process) program is highly encouraged.

10:15 a.m. – 11:00 a.m.

Are you Ready for Your Future?

As we all know, finding a senior living community is often an overwhelming and daunting task. Tracy Doeppers, who works for Care Patrol, works with families to learn about their needs, concerns, and preferences before making recommendations for safe and appropriate living options that fit their unique situation. Her goal is to empower seniors and their families as they make important decisions about their next chapter in their lives. During this exclusive presentation, she will be discussing all aspects related to planning for care after retirement.

11:15 a.m. – 12:00 p.m.

Pre-Planning Your Funeral

Planning ahead for funeral arrangements offers peace of mind and can be a vital component of a comprehensive estate plan. Did you know that pre-paying for funeral expenses can also be a key strategy in Medicaid spend-down planning? By establishing a irrevocable funeral trust, you can set aside funds for your arrangements, and these funds are typically not counted as an asset for Medicaid eligibility purposes. This allows you to responsibly allocate resources for your future needs while preserving other assets that might otherwise be subject to Medicaid spend-down requirements. Join Melissa Theisen from Gunderson Funeral Home to learn more about how advanced funeral planning can benefit your overall financial and estate strategy.

National Centenarians Day: Planning for a Longer Life (and Legacy)

Who wants to live to be 100? That depends on who you ask.

Whatever the answer, one thing is clear: The odds of reaching that milestone are rising, along with the length of retirement and the number of life changes that come with it.

Life expectancy gains in the US since the turn of the century are staggering, and they are straining retirement, medical, and support systems that were not designed for such longevity. The number of Americans who are 100 years old or older has nearly tripled over the past three decades and is expected to quadruple over the next 30 years.

Though an aging population is a public policy challenge, reaching age 100—and beyond—is also a personal milestone that more Americans than ever are celebrating. While few people plan to live 100 years, more of us will, and your financial and estate plans need to keep pace with that new reality.

Age 100 (and Counting)

Georgia resident Naomi Whitehead became the oldest living American when she turned 114 in September 2024.

Raised on a farm, Whitehead attributes her long life to hard work. Her story is also one of incredible change. She was born in 1910, when the average life expectancy for women was just 52 years. Only one in eight homes had electricity. Women could not vote, and income tax did not exist. During her lifetime, Whitehead has witnessed two world wars, the Great Depression, the moon landing, airline travel, civil rights milestones, and the digital age.

Now living in a senior care facility in Pennsylvania, Whitehead may have updated her estate plan a few times along the way, having outlived her husband and three sons.

And because of the trend toward longer life expectancies, the chances of her grandchildren reaching 100 are far higher than hers were. However, those added years are not always healthy years. Early gains in longevity came from decreased rates of infant mortality and improvements in public health; recent increases in life expectancy come from medical advancements that increase the odds of surviving later-life conditions.

But today we spend more years managing chronic illnesses such as arthritis, diabetes, and dementia than ever before. We are living longer lives but not healthier ones.

You probably already know from experience that your health directly impacts your wealth. The link between health and wealth becomes more important with age. A longer life means more years of expenses, more potential for incapacity, and greater pressure on your retirement and estate plans. Planning around life expectancy and “normal” aging is shortsighted. You also need to plan for longevity risk: the financial, medical, and legal challenges of living longer.

Financial Planning for a Longer Life

Statistically, most of us will not live to be 100, let alone become a supercentenarian (a person who lives to 110 or older) like Naomi Whitehead. However, Americans are expected to continue living longer.

Many people now expect to spend 30 or even 40 years in retirement. Deciding how you will cover living expenses and medical costs, and ensuring that you do not outlive your savings, has become an increasingly important part of financial planning.

The median retirement savings balance for people between ages 55 and 64 is \$185,000. A typical 65-year-old couple can expect to pay more than \$680,000 in lifetime medical costs. This figure represents only out-of-pocket costs, not expenses covered by Medicare. It also does not account for long-term care, which could cost upwards of \$100,000 per year, according to an RBC Wealth Management survey.

Only slightly more than half of survey respondents told RBC that they have factored the cost of healthcare into their wealth plans. Of those respondents, half say they are likely underestimating those costs.

Estate Planning in the Age of Longevity

Like retirement savings, estate plans are often not built for the long (and getting longer) haul. And that is assuming that you have an existing plan. The number of Americans who do not have an estate plan is double the number of those who do. Many who do have one have not updated it in years or decades.

Even if you updated your estate plan around the time you retired, it may now be out of step with your life and legacy goals.

Beneficiaries and trustees may have died, family dynamics may have shifted entirely, and new generations—grandchildren, great-grandchildren, and even great-great-grandchildren—may have been born and now need to be considered.

Living longer also increases the odds that something will go wrong, whether medically, financially, or legally, including:

- Cognitive decline or incapacity
- Outdated or missing powers of attorney or healthcare proxies
- Obsolete fiduciary appointments (trustees, executors, agents)
- Conflicting or outdated beneficiary designations
- Misaligned or forgotten asset ownership
- Unintentional disinheritance across multiple generations
- Unsustainable long-term care costs
- Gaps in incapacity or end-of-life planning

A longer life calls for deeper planning—not just to protect your quality of life but also to ensure that your legacy stays intact.

Planning for the Century Mark (and Possibly Beyond)

You might not expect to live to be 100, but planning as if you might is one of the best ways to protect your health, wealth, and family.

Your estate and financial plan should account for the following considerations:

- Rising healthcare costs. Long-term care insurance or hybrid life policies with long-term care riders can help cover care at home, in assisted living, or in nursing facilities.
- Income longevity. Stress-test your retirement plan to ensure that your money will last. Strategies to incorporate into your plan may include guaranteed income sources such as annuities, conservative withdrawal rates, and delayed retirement to boost both retirement and healthcare savings.
- Incapacity planning. Keep durable powers of attorney and healthcare proxies current. Name trusted individuals who are able and willing to act on your behalf if needed.

Trust-based planning. Trusts can safeguard assets, reduce the risk of conflict, and carry out your goals well beyond your lifetime.

- Ongoing review. Estate plan reviews with an experienced attorney at regular intervals (typically every three to five years, but more often as you age) or when you experience major life changes (such as the death of a loved one, marriage, divorce, inheritance, or significant financial shifts) help ensure that your plan keeps pace with your circumstances, your family, and your long-term vision.

Let's Talk About the Long View

If you already have an estate plan, now may be the time to review it. Are your documents up to date? Are your chosen decision-makers still ready and able to serve? Have you included everyone you want to benefit?

If you do not yet have a plan, why wait? Living longer does not always mean that you will be able to manage everything yourself. Wisdom may grow with age, but so does the risk of chronic illness and disability. An incapacity plan is just as essential as a will or trust because, by the time you need one, it may be too late to create it.

National Centenarians Day is a reminder that while age tells a longer story, it does not tell the full story. Let us ensure that your plan is built to go the distance—no matter how long that journey may be.



**DID YOU
KNOW?**

If you live to age 65, there's a good chance you'll live much longer than you think — 1 in 3 women and 1 in 5 men will live past age 90!

That means your retirement could last 30 years or more, potentially making it as long as your entire working career. Financial planning isn't just about saving — it's about making your money last longer than you do!

INTERESTING FACT



A Walk to Remember: AHA Heart Walk

What a beautiful, inspiring day we shared at the 2025 American Heart Association Heart Walk! It was more than a walk—it was a celebration of community, courage, and commitment to health.

Wilson Law Group proudly participated in the 2025 AHA Heart Walk, **raising over \$6,000** in support of heart health and lifesaving research! **We ranked 4th out of 83 teams!**

Thanks to the incredible support from our team, families, clients, and friends, we exceeded our fundraising goal and walked together with purpose. This event wasn't just a walk — it was a statement of our commitment to a healthier community and a future free of heart disease and stroke.



WELCOME, REBECCA

Meet our new associate attorney!



Attorney Rebecca Coleman is a 2020 graduate of the University of Nevada, Reno, where she earned a Bachelor of Arts degree in English with a minor in Psychology. She earned her Juris Doctorate from Marquette University Law School and served as treasurer of Marquette's American Constitution Society and was an active member of the Real Estate Law Society.

Attorney Rebecca Coleman is licensed to practice law in the State of Wisconsin and is an active member of the WealthCounsel, ElderCounsel, and the State Bar of Wisconsin. As an estate planning attorney, she is committed to building lasting relationships with clients through compassionate service and trusted counsel. She seeks to bring a fresh outlook for individuals and families wanting to protect what matters by establishing estate planning strategies tailored to each client's unique needs.

Pumpkin Patch Season!



WHAT'S OCTOBER
WITHOUT A
PUMPKIN PATCH?



Enchanted Valley Acres
Cross Plains, WI

Sept 6th – Oct 26th

Treinen Farm
Cross Plains, WI

Sept 19th – Nov 2nd

Schuster's Farm
Madison, WI

Sept 20th – Nov 1st

Eugster's Farm Market Inc.
Stoughton, WI

Sept 27th – Oct 27th

MARK YOUR CALENDARS

DIWALI
October 20th



HANUKKAH
December 14th



CHRISTMAS
December 25th

HALLOWEEN
October 31st



Happy
Thanksgiving
THANKSGIVING
November 27th



VETERAN'S DAY
November 11th

THIS SEASON IN HISTORY!



September 26, 1960 -
The first-ever televised
presidential debate
occurred between
presidential candidates
John F. Kennedy and
Richard M. Nixon.



September 29, 1789 -
Congress created the United
States Army, consisting of
1,000 enlisted men and
officers.



October 3, 1863 -
President Abraham
Lincoln issued a
proclamation
designating the last
Thursday in November
as Thanksgiving Day.



November 17, 1558 -
Queen Elizabeth I
ascended the throne of
England at the age of 25,
reigning until 1603 when
she was 69.



December 31, 1879 -
Thomas Edison provided
the first public
demonstration of his
electric incandescent lamp
at his laboratory in Menlo
Park, New Jersey