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HEALTH ECONOMY



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Health, wealth and planning: The keys to embracing change

An internationally acclaimed thoracic surgeon, Anthony Yim, MD was forced by poor health to give up his successful medical career. And while most people might consider a Parkinson's disease diagnosis to be one of the worst scenarios that could befall a surgeon, Dr Yim responded differently.

Although his illness brought an end to his work, Dr Yim saw through the dark clouds into a brighter future. In choosing to follow a childhood dream and return to his passion for art, he opened the door to what he now sees as a happier time in which he has been able to appreciate "the finer details in life".

"Art gives me a fresh perspective on life. The way I look at medicine is very different. Many people consider age-related conditions like arthritis as diseases. However, ageing is like childbirth; it is an integral part of life itself and a natural process. Patients would find it easier to accept their conditions if these are viewed from a new perspective which relates them to nature as opposed to diseases."

Dr Yim emphasises that to embrace change, one must first accept the reality of what clearly cannot be changed, because pondering why things happened is unhelpful and is not going to guide you forward.

Beyond Art, Dr Yim took up taekwondo in March this year for posture, stamina and speed training. Determined to succeed, he underwent two-belt-rank ascension in less than four months to yellow/green belt.

Rising longevity, new considerations

There's nothing new about ill health changing the course of lives. But as people live longer, there will be increased emphasis on health and wellness, and ensuring we age with dignity, both in terms of healthcare provision and financial wellness.

By 2050, over-60s are expected to account for almost 22 per cent of the world's population, up from 12 per cent in 2015.¹ Projections suggest that by 2050, one in four people in the Asia Pacific region will be over the age of 60. By 2030, one in five Americans will be 65 or older, while the share of people aged 80 or older in Europe is forecast to more than double by the end of this century.

This demographic shift poses a serious and complex challenge for policymakers around the world, particularly when it comes to the provision of health and social care.

But individuals and businesses also have to consider what rising longevity means for them, not just with regard to health and wellbeing but also in terms of the potential financial consequences.

How can individuals make the most of longer lives while also ensuring they are protected against incapacitation, illness and conditions such as dementia and cognitive decline? After all, any changes to health in later life can affect not just the individual, but

also their direct family, younger generations and, potentially, their business.

Feisal Alibhai is a third-generation family business entrepreneur. When he was young, he wanted to be a part-time doctor and part-time businessman. He eventually joined the family business and enjoyed a very successful career up until the age of 35, when he was diagnosed with stage three cancer. In a twist of fate, Dr Yim operated on his cancer and saved Alibhai's life. The crises that Alibhai experienced led him to set up Qineticare, the world's first family health office empowering individuals to build resilience and transcend life's challenges through an integrative approach to health and wellbeing.

Embracing change with grace

World renowned surgeon Anthony Yim, MD cut short his illustrious career due to Parkinson's disease. Instead of lamenting about what could not be changed, he found peace and renewed purpose in life through his second career as an artist and a philosopher.

AGEING AND HEALTH

Talking it through

“The experiences of Dr Yim and Alibhai show us that life-altering events can happen to anybody, regardless of one's age or accomplishments,” says Ann Ling, Team Head of Wealth Planning (Hong Kong, Philippines and International Market) at Aura Global Private Banking. “Therefore, it should be part of our life strategy to build a contingency plan for such occurrences.”

It's an uncomfortable subject, and often families procrastinate, seeking advice only when a health crisis hits. Yet ageing or an unexpected illness could affect individuals' ability to hold important

conversations and make major decisions – not to mention emotions becoming a distraction and clouding judgement.

“Our role as wealth planners is to facilitate these conversations and to guide our clients to arrive at holistic solutions to fulfil their objectives,” Ling adds. “Part of growing old gracefully is to have a plan in place.”

This may include preparing a plan or wealth structure for the lifestyle and healthcare costs associated with longer life expectancy or unexpected illness, as well as wealth transfer and legacy planning. Entrusting a professional trustee with experience in managing client matters in accordance with their wishes and to act in their best interest is another option.

Changes in health also can affect the continuity of a family business and potentially the future of employees.

“It’s never easy for elder generations to relinquish control of the family business, especially when they are forced to do so because of health reasons,” Ling notes. “We also see situations where family members don’t wish to or are not capable of taking over. This is where family governance comes in.”

Succession planning when family members are still in good health means they can actively participate in the process, and decisions can be made in alignment with family values and goals. Experienced advisers can facilitate this, giving alternate perspectives and sharing best practices to establish a framework for future ownership, control and management of the family business.

Facing up to it

The uncertainties of later life aren't always easy to think about – but nor can they be avoided.

“Planning can be a rewarding experience. It can help you to focus on what matters most in life and sometimes allow you to reflect and appreciate other family members’ points of view,” Ling notes.

A wealth plan can bolster your financial resilience, ensure a strong legacy, protect your family’s assets and support successful transitions between generations. The financial and emotional benefits of accepting that life is unpredictable and planning accordingly are therefore very significant, says Ling.

“Ageing is a process to embrace – as we get older we should accept the changes and plan for them, then we may see things differently. When you have a plan in place you have peace of mind and you can focus on your health and other matters.”

Early wealth planning can help you cope with unexpected circumstances that could affect you, your family or your business, so you can find the opportunity in life’s challenges.

Ageing and health

Key facts

- All countries face major challenges to ensure that their health and social systems are ready to make the most of this demographic shift.
- In 2050, 80% of older people will be living in low- and middle-income countries.
- The pace of population ageing is much faster than in the past.

- In 2020, the number of people aged 60 years and older outnumbered children younger than 5 years.
- Between 2015 and 2050, the proportion of the world's population over 60 years will nearly double from 12% to 22%.