

Life stages and relationships

Money talks with chosen family: who decides, who gets what

Chosen family deserves a plan too. How to talk about money, roles and paperwork with the people you trust.

6-minute read • Updated October 2026 • Checked against its sources



The short version

- ✓ Without a will, state law decides who gets what you own, and chosen family can be left out. The same goes for medical decisions.
- ✓ Name your people on paper: a health care proxy, a financial power of attorney, a will, and the beneficiary on each account.
- ✓ Ask before you name anyone, and respect a no. Then tell your people where your papers are, and review them once a year.

From a nonprofit. Every volunteer adviser is a fiduciary, which means they must put your interests first. We never sell your information.

Rather talk it through?

A volunteer financial adviser can help with your situation, one-on-one, for free.



Point your phone's camera at the code, or go to:

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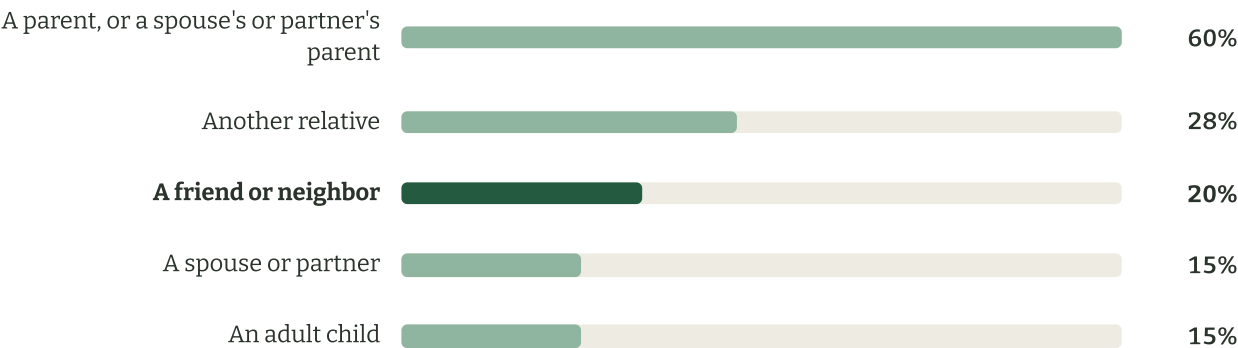
Family isn't always defined by biology

For many people in the LGBTQ+ community, family is chosen. It's the people you trust, rely on and love most. That's true for plenty of others too: a partner you haven't married, friends who became family, or the people who showed up when relatives didn't.

Chosen family often does the work of family. In 2025, 18% of adults regularly gave unpaid care to an adult who needed help because of aging, disability or illness. One in five of those caregivers was caring for a friend or neighbor. ¹

One in five caregivers looks after a friend or neighbor

Who adults cared for, among those who regularly gave unpaid care to an adult because of aging, disability or illness, 2025



18% of adults gave this kind of care. Caregivers could name more than one person.

Source: Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (May 2026)

Money moves between the people we love, too. In 2025, 23% of adults got help from someone outside their household to pay an expense.¹ But when nothing is in writing, the law's default choices for your money and your health care tend to follow marriage and blood ties. That's why honest talks, and a little paperwork, matter so much.

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What happens if nothing is written down

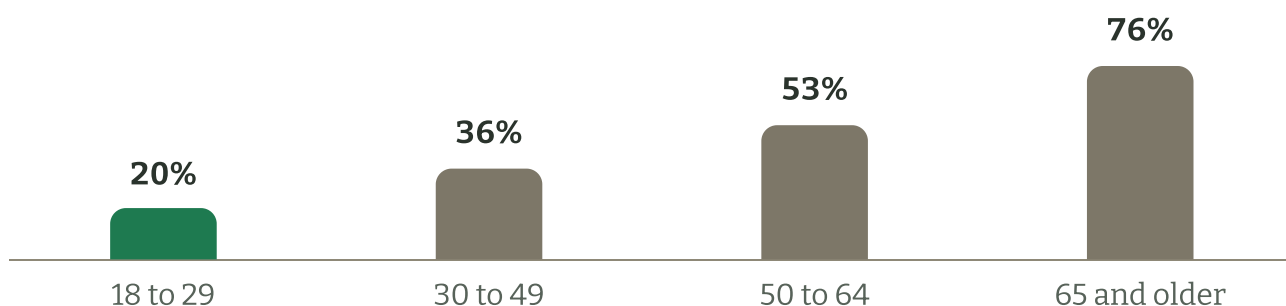
If you don't have a will, the laws in your state decide how your estate is divided. Your estate is your property, money and other things you own.² In Illinois, for example, the law divides an estate based only on marriage and blood relations. Without a will or other planning papers, unmarried partners and friends get no part of it, a legal aid group there explains.³ Rules differ from state to state. In California, for example, registered domestic partners have the same rights as spouses under state law.⁴ But the point holds: if you want chosen family included, write it down.

Health care works in a similar way. If you can't speak for yourself and haven't named anyone to decide for you, state law decides who can. That's typically a spouse, parents or adult children. An unmarried partner you didn't name could be left out. If you have no family members, some states let a close friend help.⁵

If you haven't written anything down yet, you have plenty of company. In a 2021 Gallup poll, 46% of U.S. adults had a will. Among adults under 30, just 20% did.⁶

Just 1 in 5 adults under 30 had a will in 2021

U.S. adults who have a will, by age, 2021



46% of all adults had a will.

Source: Gallup, How Many Americans Have a Will? (June 23, 2021)

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Start with a gentle what-if

These talks can feel heavy, so start small. An open question works well: “If something happened to me, would you be willing to help with my bills?” A question like that often leads to the bigger ones.

A few things are worth sharing early, even if you share nothing else:

- **Where your papers are.** You don’t have to discuss your personal affairs. But someone you trust should know where to find your papers in an emergency. ²
- **Who can talk to your doctor.** You can give a doctor or lawyer permission, in advance, to talk with the person who helps you. You may need to sign a form. This is different from naming someone to make decisions for you. ²
- **How you help each other.** If money goes back and forth, say up front whether it’s a gift or a loan. Write loans down, with how and when they’ll be paid back. Clear terms protect the friendship.

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Choose who does what

A few roles do most of the work if you’re sick, hurt or gone. They don’t all have to go to relatives. For a health care proxy, some people choose a family member, and others choose a trusted friend, a neighbor or a lawyer. State rules on who can serve vary, so check yours with legal aid or your state bar association. ⁷

- **Health care proxy.** Makes medical decisions for you if you can’t make them yourself. You name this person in a form called a durable power of attorney for health care. ⁷
- **Financial power of attorney.** The person you name here makes financial decisions for you when you’re unable to. ²

- **Executor.** The person your will puts in charge after you die: collecting what you own, paying debts and giving out the rest. ³
- **Trustee.** If you set up a living trust, this person holds and hands out its property for you when you can no longer manage your affairs. ²

Ask before you name anyone, and take “no” as a real answer. Being close to you doesn’t mean someone is ready for the job. Thank them for being honest, and keep looking. For a health care proxy, you can also name a backup, and you can change your choice at any time. ⁷

If someone agrees to handle your money, point them to the CFPB’s guides for people named in a power of attorney or as a trustee. They explain the job in easy-to-understand terms. ⁸

*These decisions don't have to be made by biological relatives.
But the people you choose do have to be written down.*

**Try this: a who, what and where list**

On one page, write who you’d want in each role above, with a backup for each. Add which papers you already have and where you keep them. Then choose one person and have one what-if talk.

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Put it in writing

A friend’s promise is a good start, but it isn’t enough on its own. Legal documents help make sure your wishes are honored. The most common ones are: ²

- A will, and for some people a living trust
- A durable power of attorney for finances
- Advance directives: a living will, which says what medical care you want, and a durable power of attorney for health care, which names your proxy

Rules vary by state. You don’t need a lawyer for advance directives: most states offer the forms for free, and you can fill them out yourself. ² You may need witnesses or a notary, so read the directions closely. ⁷ In the U.S., a notary public’s job is to witness the signing of documents. That’s different from many Spanish-speaking countries, where a notario is a lawyer. ¹⁴ For a will, a trust or a power of attorney, you may want a lawyer’s help. Ask about the fees before you make an appointment. ^{2 3}

If cost is a worry, look for legal aid. The Legal Services Corporation funds legal aid groups for people with low incomes in every state, and its website can find one near you. ⁹ Your local bar association can also point you to free legal aid. ²

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Name your people on your accounts

Many accounts let you name a beneficiary: the person who gets the money when you die. It's common on life insurance, bank and retirement accounts, pensions and annuities. The person you name can usually claim it without going to probate court. ¹⁰

- **Bank accounts.** A payable-on-death account tells the bank to pay the money to the people you name when you die. ¹¹
- **Investments.** If your firm offers it, a transfer-on-death registration passes stocks and other securities straight to the person you name, without probate. ¹²

These forms work apart from your will. Property with a named beneficiary can't be given away in a will. ³ So a new will doesn't change who's named on your accounts. Check each account, and make sure your chosen family is listed the way you want. If you're married, a 401(k) or similar workplace plan usually goes to your spouse unless your spouse signs a waiver, so ask your plan before you name someone else. ¹³



An old form can outlast a relationship

A form you filled out years ago may still name someone you'd choose differently today. Review your plans at least once a year and after any major life event, like a divorce, a move or a big change in your health. ² The end of any close relationship is a good time to check, too.

If you'd like help sorting out the money side, like which accounts you have and who's named on them, a volunteer adviser can walk through it with you. Our advisers come from many backgrounds, including LGBTQ+ CFP® professionals, and we'll do our best to match you with one. The legal documents themselves are a job for a lawyer or legal aid.

Questions to bring to your adviser

A volunteer adviser is ready when you are.

A volunteer adviser can look at your numbers with you and help you decide what to do first.

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