



Don't Sweat It!

New breeds of micro-experts are springing up everywhere, and they can fix your nastiest money headaches

Ellen McGirt November 2004 Vol. 33 No. 11

It happens whenever your financial life is finally humming like a well-oiled machine: the proverbial wrench. Your hospital bill arrives in a tangle of errors. Your neighbor backs up over your prized rose trellis and won't pay what it's worth. Grandpa takes a tumble, and it's time to think about putting him in a home. You don't have the energy or the expertise for any of it. All you want is some aspirin and someone to help you figure out the right thing to do.

Well, take a breath. At your fingertips is a whole new world of "micro-experts"—highly helpful specialists who can make a real difference to your pocketbook, not to mention your peace of mind, when big and scary problems arise. Some of these experts, like geriatric-care managers, are an emerging breed of professional who can help families assess health needs and options for their older loved ones. Others, like new pay-as-you-go financial planners, are offering traditional assistance in a fresh, low-cost way, without asset minimums, retainers or hefty portfolio fees.

A quick reminder, however: Nabbing a friendly helper with a newfangled credential is not the end of your search. Since many of these fields are relatively young, doing solid background checks will be key to finding good help at a time when you or a family member can be especially vulnerable.

In assembling this list of emerging fields, we did what you can't easily do—scanned the public-records databases looking for lawsuits, disputes or criminal activity. But you can and should ask for credentials and references from everyone you interview. That means checking any licenses they hold with the agencies or groups that issued them. Once vetted, make sure the expert you choose has the specific skills—and personality—your problem requires. "Ask lots of questions," says Nan Mead of the National Endowment for Financial Education. "Ask why they joined this profession, and always, always, always get references."

Health care

As health insurance rules get nuttier and nuttier, new types of problem solvers have emerged to help you cut through red tape, decode medical jargon and deal with the emotional realities of illness and aging.

MEDICAL-BILLING ADVOCATES When unintelligible hospital bills and rejected insurance claims threaten to chomp through your checkbook, call in your own attack dog. "I've seen it all," says billing advocate Cindy Holtzman of Marietta, Ga. "Most medical bills are either wrong or padded

beyond belief. An 'oral administration fee'? That's a pill in a paper cup." Advocates know the arcane lingo of medical billers, a hazy hybrid of hospital codes and insurance argot. Some are even accountants or registered nurses. Holtzman worked daily for a month to sort out a labyrinth of claims denials and billing errors on \$12,000 in hospital charges for client Beverly Browning. The result? A refund of \$1,000 for Browning. "I couldn't have gotten it without Cindy," she says.

How much?

Hourly rates: \$30 to \$150. Complex projects may involve a commission on the savings the advocate produces. His or her cut: As much as 10% of the savings. "They found a VA benefit I didn't know I was eligible for," says Jack Toney of McDonough, Ga. "I was facing \$16,000 in bills that I couldn't pay."

How to find them

Claims.org

Billadvocates.com

How to check them out

Zero in on specific credentials and experiences. Are they trained medical coders? Have they worked in a health-care setting? Extra points if they've tackled problems similar to yours.

PERSONAL PATIENT ADVOCATES The newest trend in navigating the health maze is simply to do an end run. Personal patient advocates offer premium services—like finding cutting-edge specialists and booking your appointments, joining you on doctors' visits, keeping your medical files up to date, coordinating follow-ups—often at premium prices. If you're managing a chronic condition, it's like a personal shopper for health care. "It's expensive but worth it," says Richard Rossi of Washington, D.C., an entrepreneur who subscribed to Pinnacle Care International after watching a chronically ill friend's struggles. "I know they're finding the best doctors and procedures I need, whenever I need them." Advocacy firms such as Care Counsel, Health Advocate and Patient Care often market their services through employee-benefits offerings at large corporations.

How much?

Patient Care charges \$180 annually for an individual and \$300 for a family. At the ultrahigh end, Pinnacle charges a minimum of \$5,000 a year on top of a \$10,000 initiation fee.

How to find them

Patientcare4u.com

Pcistaff.com

How to check them out

Look for someone who is familiar with your illness or care needs, and is current on the providers and treatments you may require. Talk to more than one manager at the firm.

GERIATRIC-CARE MANAGERS Here is advice and comfort for seniors and their families when it's arguably needed most—from conducting assessments before a loved one is admitted to an elder-care facility to explaining benefit complexities to both senior and junior. "We often get calls when there's a crisis," says Linda Aufderhaar, vice president of the National

Association of Professional Geriatric Care Managers (NAPGCM). "There's been an accident, a cognitive change, or families are simply having difficulty managing someone's chronic-care needs." Managers are typically trained as social workers, registered nurses, therapists or benefits experts, and are familiar with the caregivers, agencies and health networks in their zip codes. Some families use care managers just a few hours a month; others rely on them full time. Lillian Buck of Wethersfield, Conn. hired a firm to supervise care for her widowed mother, a stroke patient who lives 3,000 miles away. "They meet her at her doctor's, coordinate her medication and paperwork and do spot-checks on her home health aide," Buck says. "They call me once a week to keep me posted—whatever we need." NAPGCM now has more than 1,700 members and says its ranks are currently growing 30% a year.

How much?

Hourly rates range from \$75 to \$150. Larger practices can offer direct nursing services in addition to your typical bureaucracy-busting.

How to find them

Caremanager.org

How to check them out

Call several care managers, make sure their licenses are current, and get a sense of how well they know the facilities, resources and providers in your area. Do a gut check: Do you like this person? You're hiring a surrogate family member, so chemistry counts.

Finance

Comprehensive—and pricey—financial plans are so 1999. The hot idea now is **"spot financial planning,"** where a specific need can be addressed by buying a few hours of unbiased, personalized advice.

SPOT FINANCIAL PLANNERS Is a Roth IRA right for you? Should you borrow from your 401(k) to buy a home? Do you have enough life insurance? In the past, financial planners were too expensive (or required a serious commitment of assets under management) to be a ready resource when life's conundrums surfaced. Not so with today's spot financial planners. "It's a trend that works for both the professional and the client," says Glenn Hermanson, a certified financial planner affiliated with myfinancialadvice.com, a website that matches clients with advisers. "I get clients that I can now serve in a cost-effective way for me—online—and people who might not ordinarily have access to a credentialed professional can get real help." Theresa Ivey, a newlywed in Fort Meyers, Fla., wanted some budgeting advice, a suggested portfolio mix for her savings and an insurance review, but little else. For \$75, she says, "I got exactly what I wanted: an abbreviated financial plan and great service." With no pressure to buy products, she felt comfortable with the advice. "I wasn't belittled or intimidated."

How much? And how to find them

Myfinancialadvice.com offers an online database of nearly 100 vetted advisers (and growing), complete with specialties, credentials and photos. You can pose your question or project to as many planners as catch your eye, then review competitive bids for your business. Phone consultations help you make your decision. Small tasks can be handled for anywhere from \$15 (a quick tax question) to a few hundred dollars (a

college savings plan for your family). Hourly rates vary for tougher undertakings.

Garrettplanningnetwork.com is a growing collection of fee-only planners operating in 45 states. These planners do not accept commissions from insurance vendors or mutual fund companies, and they don't have onerous asset minimums. Hourly fees (\$120 to \$250) are clearly explained.

How to check them out

All the rules apply: Ask for references, check credentials, and read their federal Form ADV, which shows education, services and any customer complaints. (Forms are posted online at myfinancialadvice.com.)

Real estate

These days, home is where our hearts—and our financial security—are. Here's how to get the most out of our most emotional investment at times when emotions run highest.

HOME STAGING EXPERTS Like a brilliant idea hiding in plain sight, your humble home is actually an elegant showplace. Only problem is, no one can tell from the way you decorated it. "The way you live in your home and the way you market your house are two different things," says Barb Schwarz, founder of the 3,000-member International Association of Home Staging Professionals. "Once you put your house on the market, it becomes a product." Staging professionals help make your house appeal to a wider audience by eliminating distractions (see ya later, old La-Z-Boy; outta here, teenage ephemera). The result is a neutral but attractive environment that lets the bones of the home shine through. "We were about to pull a town house off the market—it just wouldn't sell," says Dominick Dutra, a real estate agent in Fremont, Calif. "After a one-day staging, it sold for full asking price: \$545,000." Most stagers work with objects you already have; some truck in their own pieces.

How much?

A standard staging costs \$1,000 to \$2,000, though a written report with do-it-yourself staging steps can be purchased for a few hundred bucks.

How to find them

Iahsp.com
Stagedhomes.com
Interiorarrangement.org
Weredesign.com

How to check them out

Ask local real estate agents about their work. Client references count, but so does personality—if they're Bubble-Wrapping your thimble collection, you'll want to like them.

PUBLIC INSURANCE ADJUSTERS When disaster strikes—fire, flood, nature gone wild—sorting out the insurance aspect of your property loss can be like reliving the tragedy. A public insurance adjuster assesses the damage to your home or business, organizes your claim and then works with your insurance company to maximize the return on your policy. "There are always honest differences of opinion as to what is damaged and what is a legitimate claim," says Ron Papa, chairman of National

Fire Adjuster in Amherst, N.Y. "We level the playing field for the insured." Members of the National Association of Insurance Adjusters must pass a certification course and follow a code of ethics. "They don't sell insurance products or represent anyone else but the insured," says executive director David Barrack.

How much?

You typically pay them a percentage of your claim, often 10%. Because public insurance adjusters are regulated by the states, fees will vary.

How to find them

Napia.com/search/index.asp

How to check them out

Call your state government's insurance commission for a background check on any public adjuster you're considering.

Legal

Here's an increasingly popular way to avoid high-priced lawyers: what legal types call "alternative dispute resolution" (ADR). These pros negotiate agreements so that you avoid drawn-out court cases.

MEDIATORS Neutral third-party facilitators help conflicting camps hammer out issues and reach a legal agreement. Not the stuff of Hollywood drama, but who needs more drama in life? "There are mediators who can help with every type of problem, from family issues like custody or divorce to conflicts in the workplace," says Troy Morgan, president of CLC Mediation Network, which supplies mediation services to 22 million households, mostly through corporate employee-assistance programs. Charles Kim, owner of a six-month-old business in Santa Fe Springs, Calif., panicked after he was threatened with a patent-infringement suit. "We import candles from Korea and didn't know one of the products had a patent problem with an American company." When he consulted a lawyer, sticker shock sent him running to a mediator. "It was \$300 just to talk," Kim says. "I cannot afford big money for legal services." For less than \$150, his mediator was able to offer audited statements verifying that no sales had been made of the items, and negotiate a full refund from the Korean vendor. "I was worried," Kim says. "There are many legal suits in America. But this was a happy ending."

ARBITRATORS, one step up the legal food chain, offer something more binding: They review evidence, listen to both sides and issue a decision, often in business or labor disputes.

How much?

Hourly rates: \$80 to \$250. There are now 20,000 ADR practitioners, says the Association for Conflict Resolution. If you're hiring one for a group problem, you'll pay about \$400 for a half-day session, \$800 to \$1,000 for a full day. If the problem is rough—like an employment lawsuit with serious money at stake—expect to pay more.

How to find them

Acenet.org

Mediate.com

Mediationnetwork.net

How to check them out

Licensing requirements for mediators and arbitrators vary from state to state, although all must pass degree programs and certification tests for their ADR specialties, so check backgrounds carefully. Remember to find someone who matches your needs—a business expert can't help you if you're facing a nasty estate fight with your siblings.

CERTIFIED DIVORCE FINANCIAL ANALYSTS A relatively new subspecialty of the ADR and financial planning fields, a certified divorce financial analyst (C.D.F.A.) combines money disciplines like accounting, financial planning and tax planning and applies them in the potentially superheated environment of a divorce. Who should take the pension? Should you sell the house? What are the tax implications of alimony? Who pays for life insurance? "Where an accountant may understand some of the elements in isolation," says Fadi Baradihi, president of the Institute for Divorce Financial Analysts, "a certified divorce financial analyst can help an individual understand the ramifications of all the things they're attempting to negotiate." More informed decision-making can ease the inevitable anger, grief and fear, and help the players focus on the financial integrity of all the family members. "You don't have to spend an arm and a leg this way, and it's better emotionally," says Jeannie Conklin of Boulder, Colo., who used a C.D.F.A. to mediate her divorce in 2002. "Our C.D.F.A. knew the whole package, had the financial training, and she was able to bring to light lots of things I didn't know. She helped us come to a good, civil decision." Depending on the laws in your state, a C.D.F.A. may work as a mediator, representing both parties in a divorce, or as the representative of just one person.

How much?

The average C.D.F.A. spends 10 hours working on a case. Hourly fees range from \$120 to \$150, with a retainer of between \$1,000 and \$1,500.

How to find them

Institutedfa.com. The Institute for Divorce Financial Analysts has been around since 1993 and has turned out more than 1,500 graduates who work in all 50 states. Members must pass a rather rigorous exam—the first-time pass rate is around 70%.

How to check them out

All C.D.F.A.s have other credentials—accountant, financial planner, legal. Make sure those designations are current and that there are no complaints. Then make sure their skills and philosophy work for your situation.

Education

School cutbacks have left guidance counselors badly outnumbered: The student/counselor ratio now averages an eye-popping 800 to 1 nationwide. Consultants have begun to fill the void, helping parents and kids find the best schools for their money.

INDEPENDENT EDUCATION CONSULTANTS Whether you're raising a future Nobel prizewinner or a kid who can't seem to stay out of trouble, there's an education consultant who can help you match your progeny to the perfect school. "Our job is to find an environment where every kid can be successful," says Carol Loewith, a consultant in Fairfield, Conn. For Carl and Betsy Hedlund, that meant hiring Loewith to find a high school

for their son with learning difficulties (and later, to find him a college). "If your public school system doesn't meet the needs of your child," says Betsy, "it is very hard to assess what else is out there."

Good consultants know college admissions trends and maintain significant ties in the field. They assess your child's skills and personality (expect lots of handouts and checklists) and offer comprehensive advice on essay writing and admissions-interview techniques. Some families work with a consultant for a few visits, fine-tuning their college plans and strategies to make the best match. Others develop a relationship that takes their child from sophomore year until the acceptance letters roll in senior year.

How much?

Hourly rates: \$80 to \$300; lifetime retainer average: \$2,600.

How to find them

lecaonline.com. These consultants must have a master's degree in a related field (not just education), at least three years experience, and make at least 50 campus visits a year. Although not all education consultants are affiliated with the Independent Educational Consultants Association, it's a good place to start.

How to check them out

Ask questions. How many families do you take on a year? What's your placement track record? How much time do you spend on campuses talking to educators? Observe. Does your kid respond to the candidate? For a student who has specific problems, make sure the consultant has relationships with top schools in related areas.

NOT WORTH IT

Some problems you're better off handling yourself. Say no to:

PROFESSIONAL LIFE COACHES Stuck in a rut? You're not going to fix it by spending \$100 to \$250 an hour to fill out checklists, set goals and talk about your feelings. A good personal coach may indeed change your life. But chances are a good vacation would offer more for less. (For serious career-fueled anxieties or depression, consider seeing a physician.)

CREDIT-REPAIR EXPERTS No one can legally remove negative but accurate information from a credit report. You can dispute information in your file if it's inaccurate or incomplete. For no charge. If you've been turned down for credit, you can also see a copy of your report. For free. Everything a credit-repair outfit can do, you can do yourself. Gratis.

IDENTITY-THEFT SERVICES These operations claim to monitor your credit file for suspicious activity and cover the cost of straightening out your records. But you can monitor your own credit report, and federal law already limits your liability in fraud cases. Instead of paying for insurance, aim for prevention. Shred sensitive papers before dumping them. Thieves are more likely to get your valuable digits from the trash than the Internet.