

## Learning FROM A Long Life

Milo Tedstrom, a pioneering physician, lived to age 104. His final years enriched his family—and offer essential lessons about aging in America.



**STAYING CONNECTED** Dr. Tedstrom had a knack for enjoying other people



Milo Tedstrom is 104 (shown) and with grandson Peter, grand-nephew Wesley and son Milo Jr. in 2003 (top right)

By KELLY GREENE

**M**ILO TEDSTROM arrived in California in 1925 with his wife, a doctor's bag and all their possessions in a Ford Model A, which he had steered across wood-plank roads through the desert.

The first certified cardiologist in Orange County, Dr. Tedstrom, an Arkansas native, would spend the next 50 years studying—and introducing in California hospitals and

clinics—some of the biggest advances in 20th-century medicine, including electrocardiogram machines, intensive-care units and pacemakers.

Dr. Tedstrom retired in 1977, at age 76. What he and his family couldn't know at the time was that Dr. Tedstrom would end up a pioneer of a different sort: one of 61,000 centenarians in the U.S. He died last July at age 104—after almost three decades in retirement.

Those three decades are a story in themselves, and they speak volumes about the considerable rewards and challenges of aging in America. While much has been written about extended life spans and the need to prepare for longer-than-expected retirements, many families remain unprepared when savings accounts, insurance policies and personal ties are stretched to the breaking point.

The Tedstroms were among the more fortunate; family members found themselves drawing closer as their father and grandfather aged. But even they grew alarmed as a nest egg that once totaled \$3 million approached its end.

Dr. Tedstrom's long twilight offers a number of valuable lessons about the myriad concerns of later life, including

money, inheritance, health care, living arrangements—and working through differences of opinion to stick together as a family.

### Avoiding a Financial Bucle

Dr. Tedstrom, who first practiced medicine in Corinth, Miss., made the cross-country journey to Anaheim, Calif., to join a large clinic and, ideally, see more complicated problems than he could treat as a country doctor in the South. In 1932, amid the Depression, he opened his own practice in nearby Santa Ana, sometimes taking payment in oranges or lima beans, and often making house calls on nights and weekends.

His hard work and investments paid off: by the time he retired four decades later, he owned his medical office building, a commercial building that housed a men's store that later sold for about \$1 million, and a three-bedroom house paid for in cash.

(over pages)

The rest of his money was tied up in stocks, which he traded at a quick pace. But his grandson Peter Tedstrom, 44, Denver, firmly convinced him that frequent trading of individual stocks with the investment strategy.

Dr. Tedstrom had been holding shares in 20 to 30 companies, and would get down down a half, and so forth, says his grandson. When a stock fell, he would buy more. When it rose, he would sell.

My grandfather was telling me about Amgen, a biotech stock, he would say. Peter Tedstrom recalls. "As amusing as that sounds, it was far from a strategy we would ever recommend to any of our clients." Mr. Tedstrom, who mainly owns diversified assets and prefers mutual funds over individual stocks.

The commissions on all that trading added up to a hefty \$2,000 to \$3,000 a month, says the doctor's son, Milo Tedstrom Jr., age 71, a retired chemical plastics executive. "In retrospect, his broker wasn't doing much to help," he says. "My father finally made a fairly big mistake on Amgen, and that scared him." At that point, in 1989, the doctor asked son to help him assess his portfolio.



If Dr. Tedstrom still had owned nothing but stocks when the tech bubble burst in 2000, "it would have been much more challenging for us emotionally and financially to help him" as his health faltered, says Peter Tedstrom. "Because we had bonds in the portfolio, we had another place to draw his support from. We didn't have to move through the cycle of decline and recovery."

The experience of working with his grandfather's investments helped shape the younger Mr. Tedstrom and his partner, Shing Lee, who hung out with the doctor's Mark Brown, who made friends with his grandfather. Mr. Tedstrom Brown says they like to build "shock absorbers" into their clients' retirement sav-

ings; ideally, a nest egg will be 20% larger before the client starts to tap his or her half stock and half bonds. "In a portfolio that can go down by 40% and still not violate the minimum amount you'll need to live on," Mr. Brown says. "It protects people who live 'too long.'"

For the same reason, the pair also discourage their clients from counting on Brown: "I have this talk all the time with 50-year-olds who say 'I don't care if I spend my principal down to zero. I'm not die.' I say, 'Well, I have estate when I working with people in their 80s. If you're are a happy person. It's a very fragile feeling. Every tick of the stock market has you fearful, and you don't know how you going to live.' We'd rather counselize down to zero."

### Giving It Away

A few years before Dr. Tedstrom's wife died in 1989, their daughter, June Denning with her oldest son, Peter, then her then 57-year-old father wanted to revise his will. At the time, an estate of federal estate tax exclusion this year is \$2 million.)

So, Dr. Tedstrom started making gifts to his children—and set up a "charitable remainder trust," an irrevocable permanent investment vehicle. Through the trust, he would be able to sell highly gains tax, diversify into more conservative stocks and bonds, take a lifetime income stream (8% of the trust's earnings) and choose when he died.

"He would tell me sometimes that the only reason he wished he had had more money was so he could give more away."

his retirement, he walked an (in stress sneakers), because he had spent years of his healthiest old of walked to work. And, until months of his life, the only the took were an aspirin and each day.

He had hamburgers at steak for dinner, and was a phobic. When he died, he (165 pounds on a 5-foot-10). He developed diabetes 70 years of his life, but the few years of his pressure drop, he had blood pressure drop, it, switching for example, to chocolate ice cream.

are health concerns more in people 30 years younger. He couldn't bear wool, but he fell, and he didn't suffer from disease, cancer or other ailments that often strike with Mrs. Dennis. "I take more medication than Daddy ever took."

his children and grand-children, that can fray in retirement for widowed men. He connected with family and fellow members, played bridge for the last two weeks before he died—and his wife was alive. But his real gift was in which he enjoyed other daughter says. "He never told himself. He always wanted to be the person he was talking to. I'm interested."

people at his funeral, none of age. The oldest were 20 years says Peter Tedstrom, who act that he's spent a lot of time out living to 100 himself. And times in his clients' financial will live to be 100—"unless

I've given that long 'doesn't a, because I've seen my grand-My greater concern is to help cause he's 70 and could live years," Peter Tedstrom says, that every day I make some to put some money away re. My wife would rather go but I tell her she might have a really good guy."

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### tal Bottom Line

Dr. Tedstrom's body gave assets did. Dr. Tedstrom on July 21 because his aging. Twelve hours later, a cognitive heart failure—a con-ognitive cardiologist said before the medical staff told daughter says.

### al Bottom Line

ten years into it, we really "causing," the younger Mr. "But already a \$40,000 had been made. Then we again when Grandy turned decided to keep the policy. Dr. Tedstrom started pay- term care benefits, and used \$95. In the end, the cost of had the benefits paid out \$200,000 was basically a wash. had an intangible value that he hadn't expected, he says: her really anticipated when it month. Every month when it he would say to me or my I received my check for it. I'm emotional my best or be- fact waiting for him each

how long his father was Tedstrom Jr. and his wife term care insurance in the Dr. Tedstrom plans to start