



INDEPENDENT WEALTH MANAGEMENT

Helping to Care for Aging Parents

Description:

Tips on helping elderly parents find resources and assistance, as well as information you can use to make sure they have adequate financial counseling to help protect their assets.

Synopsis:

Many adults are finding that their aging parents are in need of health care assistance. Luckily, there are many options available today to help your parents grow old gracefully, either in their own home or in a facility, and several ways that you can finance the costs of the care. If your parents are healthy seniors who can look after themselves, they generally are eligible to enter an assisted living community. They may also live with family. While living alone is also an option, there are a number of considerations they will want to contemplate first. If sending your parent to a nursing home is inevitable, make sure you research each home extensively. Medicare offers only limited financial support for elder care, and Medicaid is available only to those with very limited resources. The government offers some tax breaks to caregivers, but there is little in the way of financial help for those families paying for nursing home care. As a result, financial planning has become even more crucial to the economic well-being of adult children responsible for the care of their elderly parents.

Body:

Many adults are finding that their aging parents are in need of health care assistance. Luckily, there are many options available today to help your parents grow old gracefully, either in their own home or in a facility, and several ways that you can finance the costs of the care.

Assisted Living If your parents are healthy seniors who can look after themselves, they generally are eligible to enter a continuing-care retirement community that allows them to buy or rent an apartment and ensures them lifetime nursing care when it is necessary. Another option for healthy seniors is private long-term care insurance, which can help cover nursing home costs or the cost of an in-home aide.

Living with Family Many families opt for moving an aging parent into their own home. If you are able to coexist peacefully with your parent, this may be a good idea because the arrangement frees you from worry about the upkeep of a second home. For parents with dementia or more serious health issues, adult day care is also an option and a good way to get your parent to socialize with other adults.

Living Alone When living together is not a workable plan, maintaining your parent in his or her own home is also an option. There are, however, several fairly expensive things that may be required to make a home environment safe and suitable for an aging person. Various safety features may be necessary, including first-floor bathrooms, grab bars in hallways and bathrooms, and a personal emergency response system in case your parent needs assistance while alone. If your parent is in

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need of daily assistance with meals or chores, he or she can apply for several services such as Meals on Wheels, which may be free for anyone over 60. If your parent needs more personal assistance, you may want to look into hiring an in-home aide at a skill level appropriate for the amount of help needed.

Nursing Home If sending your parent to a nursing home is inevitable, make sure you research each home extensively. Reservations at the home selected should be made at least a year ahead of the time that you expect your parent will need it, as waiting lists are typically long at well-respected facilities. Keep in mind, too, that the government offers limited financial help for those families paying for nursing home care.

1. Online Support for Eldercare

The federal government's [Administration on Aging](#) offers a variety of print and online materials for elders, their families, and professionals regarding housing, medical, caregiving, and services for seniors.

[ElderWeb](#) has a rich collection of resources for the elderly and their caregivers on financial matters, health care, living arrangements, and social, mental, and legal issues.

There are other online support services, publications, and resources available that may meet your needs. Check your local library or senior services agency for information.

2. Financing Long-Term Care

One of the biggest worries of those caring for an aging parent is how to pay for the care needed.

Medicare will only pay the full cost of professional help if a physician certifies that your parent requires nursing care and if these services are provided by a Medicare-certified home health care agency. Medicare will only pay for nursing home care on a short-term basis, and benefits are restricted to low income individuals with very limited assets.

Tax Considerations If you provide more than half of a parent's support and his or her gross income is less than \$3,950, you can claim your parent as your dependent, giving you a tax exemption for each parent so cared for and allowing you to write off much of the medical expense. (Note: The dependent exemption phases out at higher income levels. Check with your tax advisor.) You may also be able to claim a federal tax credit that will enable you to take up to \$3,000 off the cost of in-home care or day care. Another option is the flexible spending account (FSA), which lets you pay for a certain amount of care each year with pretax dollars.

With elder care costs continually on the rise, financial planning has become ever more crucial to the economic well-being of adult children responsible for the care of their elderly parents. Don't wait until the last minute -- start planning now to ensure the future care of your parents.

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