

How to Deal with the Increasing Pressures of Serving as a Caregiver for Parents

By John Jenkins, AEP, EA, CFP®

Maybe you've found your childhood home in disrepair or inadequate food in your parents' refrigerator. Maybe your father has trouble carrying on extended conversations or your mother has stacks of unopened mail on her desk. Red flags that Mom or Dad may need help forces many Baby Boomers to come to grips with the fact that a role reversal has begun. They will now become the caregivers for their aging parents.

While the transition to caretaker is always difficult, that stress has been exacerbated by the financial burdens created by the recession and the uncertainty in our transitioning market. For example, the *Evercare® Survey of The Economic Downturn and Its Impact on Family Caregiving* released last spring found almost 20 percent of caregivers reported a decline in the quality of care their loved ones receive as a direct result of the recession. Another 14 percent said the amount of care they have been able to provide for others has decreased.

Additionally, a recent survey of caregivers by Caring.com found 45 percent of respondents reported they are providing some kind of financial support to elderly parents as a result of the recession.

Today's economic strains are making it increasingly difficult for the 30 million plus Americans who the AARP and the National Alliance for Caregiving estimate are caring for an elderly parent. All the more reason to plan ahead for the legal, financial, medical, housing and emotional logistics of caring for your parents. I offer the following advice to my clients:

- **Focus on what you can control.** As the nation ages, elder care is rapidly becoming the biggest family issue. Instead of worrying about what you cannot control, such as your parents' declining health, center on what you can do. Before a crisis hits, plan ahead to help your parents draft wills, create trusts and write advance medical directives. You and your siblings also should designate a family member to handle medical and financial affairs. Additionally, take the time to review your parents' health insurance benefits, including Medicare and Social Security, and find out where they keep their legal documents.
- **Communicate.** Family dynamics can be one of the most challenging aspects of caring for a parent. Childhood resentments resurface and families can fall into old, negative patterns. Keeping the primary goal of caring for your parent in mind, hold regular family meetings to assess your parents' assets, divide the labor and costs, and keep everyone on the same page.
- **Minimize risk.** Most caregivers assess their parents' insurance, but if you are providing care and financial support for parents in their 60s, you also need to ensure that you have adequate life insurance and disability income insurance to maintain your parents' lifestyle as well as your own family's. If you don't have long-term care insurance on yourself, you might consider purchasing a policy so funds remain available not only for your spouse, but for the care of your parents should you require long-term care.
- **Review your options.** Keep your options open as you navigate between meeting your parents' needs and yours. For many families, that involves having mom or dad move in with them, at least temporarily. According to data released last fall by the U.S. Census Bureau, the number of parents who've moved in with adult children rose 67 percent between 2000 and 2007 to 3.6

million people. Interesting from the long-term financial planning standpoint is that the number of parents under 65 living with adult children rose by 75 percent.

Of course, staying in their home may be the preferred option for your parents, but that takes additional effort to coordinate necessary services. Other choices include assisted living, nursing homes and continuing-care centers. When you evaluate a care facility, talk to staff and residents rather than concentrating on the appearance of fancy lobbies or restaurants. And have the contract reviewed by an attorney before you sign it.

- **Ask for help.** Consider engaging a geriatric case worker to help navigate the maze of public and private sector programs. Ask your parent's hospital discharge planner or an elder law attorney for recommendations. You also can consult with National Association of Professional Geriatric Care Managers at www.caremanager.org. Note that as of January 1, 2010, all NAPGCM members are required to have at least one of four professional certifications: Care Manager Certified (CMC), Certified Case Manager (CCM), Certified Social Work Case Manager (C-SWCM) and/or Certified Advanced Social Work Case Manager (C-ASWCM). Additionally, there are all sorts of programs to support the financial and emotional needs of caregivers. (See sidebar for resources.) Caring From a Distance (CFAD) (www.cfad.org) is a Washington D.C. -based nonprofit committed to aiding long-distance caregivers.
- **Don't overlook your own finances and retirement.** Juggling parenting, a full-time job, and your role as a caregiver will be tough, but do not make a snap decision to quit your job. With high unemployment, it could be tough for you to get back into the workforce. Also you could lose out on valuable benefits such

National Advocacy Resources

[Alzheimer's Association](#)

225 N. Michigan Avenue, Floor 17
Chicago, IL 60601-7633
(800) 272-3900
(local chapters throughout the U.S.)

[AARP](#)

601 E. Street, NW
Washington, DC 20049
(888) 687-2277

[Families USA](#)

1201 New York Avenue, NW
Washington, DC 20005
(202) 628-3030

[Family Caregiver Alliance](#)

National Center on Caregiving
180 Montgomery Street, Suite 1100
San Francisco, CA 94104
(415) 434-3388 or (800) 445-8106

[National Citizen's Coalition for Nursing Home Reform](#)

1828 L. Street, NW, Suite 801
Washington, DC 20036
(202) 332-2275

[National Senior Citizens' Law Center](#)

1101 – 14th Street, NW, Suite 400
Washington, DC 20005
(202) 289-6976
(Also in Oakland and Los Angeles)

[National Committee to Preserve Social Security and Medicare](#)

10 G Street, NE, Suite 600
Washington, DC 20004
(800) 966-1935

[Older Women's League \(OWL\)](#)

3300 N. Fairfax Drive, Suite 218
Arlington, VA 22201
(703) 812-7990

as company-sponsored health care and retirement savings program. Some progressive companies even offer elder services. Also, make sure that caregiving expenses don't stop you from funding your own retirement accounts.

It could be argued that we are in the situation of so many Americans caring for their elderly parents because of poor planning in the first place. Learn from the experience and do your own proper planning now to help avoid repeating history and having to rely on your children down the road.

Serving as a caregiver for aging parents is a significant responsibility, one that can take its toll on your career and family. However, the opportunity to care for an aging parent can also be a blessing. It can bring you and your parents closer and help your children to know their grandparents. A little advance preparation can ensure that these profound gifts will not be overshadowed by the stress that can develop when making quick decisions during a health crisis.

About John Jenkins and Asset Preservation Strategies, Inc.

John Jenkins is president and founder of San Diego-based Asset Preservation Strategies, Inc., which provides a team of financial professionals collaborating to address all of the elements of successful wealth management. He has conducted numerous financial planning workshops during his career and has been a guest on the PBS show "The Money Makers" and its successor, "The Financial Advisors," as well as the syndicated news magazine show "Heartbeat of the City." Jenkins has also authored and co-authored several financial planning books and publications. He is frequently quoted in the financial press, including Financial Planning News, The San Diego Union-Tribune, the La Jolla Light and the San Diego Business Journal. He has been named for three years in a row as a 5 Star, Best in Client Satisfaction Wealth Manager by San Diego Magazine based on surveys of more than 30,000 clients of wealth managers and data from more than 4,000 financial service professionals. Learn more at www.asset-preservation.com

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The FIVE STAR Wealth Manager list is created by Crescendo Business Services LLC. It includes less than 7% of wealth managers in the San Diego area in 2009 and reflects those scoring highest in client satisfaction. Wealth managers were identified by surveys conducted with 200,000 consumers and 10,000 financial professionals, and evaluated across nine attributes-customer service, integrity, knowledge/expertise, communication, value for fee charged, meeting financial objectives, post-sale service, quality of recommendations, and overall satisfaction. Favorable and unfavorable evaluations are included in the score. Each wealth manager is reviewed for regulatory actions, civil judicial actions, and customer complaints. Wealth managers do not pay a fee to be included in the research or final list. Scores reflect an average of all respondents and may not be representative of any one client's evaluation. Working with a FIVE STAR Wealth Manager does not guarantee investment success.

Written by John Jenkins, Securities America, Inc. Registered Representative, in conjunction with Impact Communications.

Sources:

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<http://evercarehealthplans.com/pdf/2009CaregiversSurveyPressRelease.pdf>

http://www.businessweek.com/magazine/content/09_28/b4139042343469.htm

<http://www.caring.com/blogs/caring-currents/recession-survival-guide-to-caring-for-parents-and-other-family-members>

http://www.caregiver.org/caregiver/jsp/content_node.jsp?nodeid=439