

Taking Care of Parents Also Means Taking Care of Finances

Peter Wynn Thompson for The New York Times

It had been three years since her 86-year-old mother, Eleanor Schwartz, moved in with her and her husband in their home in Johnsbury, Vt. Mrs. Schwartz has [Alzheimer's disease](#) and has trouble moving around, so Mrs. Egebrecht helps her mother with her shower each day, makes sure she's fed and takes her on small excursions to the mall in a portable wheelchair. The routine includes occasionally reminding her mother of what day it is and where she's living.

Mrs. Egebrecht does all this while also raising her 8-year-old daughter Jaqueline and juggling a full-time job.

"My mom took care of me all of my life," says Mrs. Egebrecht. "Of course I'm going to take care of her now. She'll live here as long as she's able."

But money was an issue. For a time, Mrs. Egebrecht was out of work, having lost her job last year. Although her husband was still employed, without her salary she found it increasingly difficult to pay \$180 a week for the adult day care center Mrs. Schwartz attends regularly.

Then, through the Family Alliance office in her town, Mrs. Egebrecht heard about a \$1,000 "respite care" grant sponsored by the [Alzheimer's Foundation of America](#).

Intended to give primary caregivers the break they so often need, the grant money must be used to pay for temporary substitute care, said Carol Steinberg, executive vice president of the Alzheimer's Foundation. Mrs. Egebrecht applied for and received the grant, which meant her mother could continue to go to the adult day care center and Mrs. Egebrecht had time to find another job, which she has.

Mrs. Egebrecht is one of the growing numbers of Americans facing the financial squeeze that can come from caring for elderly parents.

About 30 percent of adult children in the United States contribute financially to their parents' care, according to the [Pew Research Center](#). On average these children pay \$2,400 a year on everything from uncovered medical expenses to making sure the refrigerator is stocked each week. The money often goes to parents who diligently saved all their lives, but in the face of longer life spans and chronic illness, the savings just isn't enough.

With all of the overwhelming emotional and medical aspects of caring for elderly parents, it's natural to ignore the consequences of spending large amounts of money on them. But so often adult children end up ignoring their own savings and [retirement](#) accounts or, worse, go into debt,

because they're taking care of their parents, says Tim Casserly, a lawyer in Albany who specializes in issues of elderly care.

And if you jeopardize your own finances now, you risk putting your children in the same tough spot down the line.

One way out of this bind? Take full advantage of the hundreds of government and nonprofit programs and services geared to the elderly throughout the country. "There's lots of help out there, but also lots of reasons why families don't use it," said Mr. Casserly.

Some people may think their parents have too much money to qualify even though many of the programs are available to elderly people with incomes of more than \$100,000. Or the parents may be too proud to accept help.

What's more, these services can be difficult and time-consuming to find. And it can be a challenge to deal with the paperwork and red tape, especially when you're already overwhelmed by the daily demands of taking care of an older parent.

To help make the search for help easier, here is expert advice and several resources that will help you find what you need to take care of your aging parents.

THE FIRST STEP Have the hard talk.

"So often I see clients who are in the middle of this situation but know very little about their parents' finances," said Henni Fisher, a Brooklyn clinical social worker who specializes in geriatrics. Your parents may be unwilling or unable to give details. Or you may be uncomfortable bringing up the subject.

"It isn't easy making the transition from the one being cared for to the one giving the care," said Ms. Fisher.

But you can't put the conversation off any longer. Reassure your parents that you're not trying to take control away from them. You're simply trying to make sure that they have everything they need and that you understand everything they want.

During this conversation, or series of conversations, be sure to ask about one of the largest expenses for older people: assisted living or nursing home facilities. Do your parents have long-term care [insurance](#) that can help with this monumental expense? If they don't, should they get it? (For more information, see our previous article ["Getting Insurance for One's Frailest Years."](#) (There is a link to it with the online version of this column.)

THE DOCUMENTS You'll also want to make sure your parents have the proper paperwork in place. In an emergency, you'll need legal authority to act on your parents behalf. Make sure your parents have signed a durable [power of attorney](#) authorizing you or some other trustworthy person to take over financial decisions — including signing checks and paying bills — on their behalf.

And keep in mind these other necessary documents: A durable power of attorney for health care (also called a health care proxy) authorizing someone to make medical decisions when your parents cannot; and a living will outlining your parent's wishes if life support is needed.

These forms may be available at your local senior center. Or, a lawyer who focuses on elderly issues can answer questions and help put this paperwork in place. To find one near you, go to the National Academy of Elder Law Attorneys (www.naela.org). (If you live in New York State you may need a lawyer's help sorting out a new 12-page complex power of attorney form, advises Mr. Casserly.)

HIRING AN OUTSIDER Many families find relief when they hire a geriatric care manager. These consultants, which can cost anywhere from \$50 to \$200 an hour, will assess your parents' situation, offer counseling and help you find the local services you need.

So vital are these new professionals that my colleague Lesley Alderman will be devoting next week's Patient Money column to tips on finding the right care manager for your parents' situation.