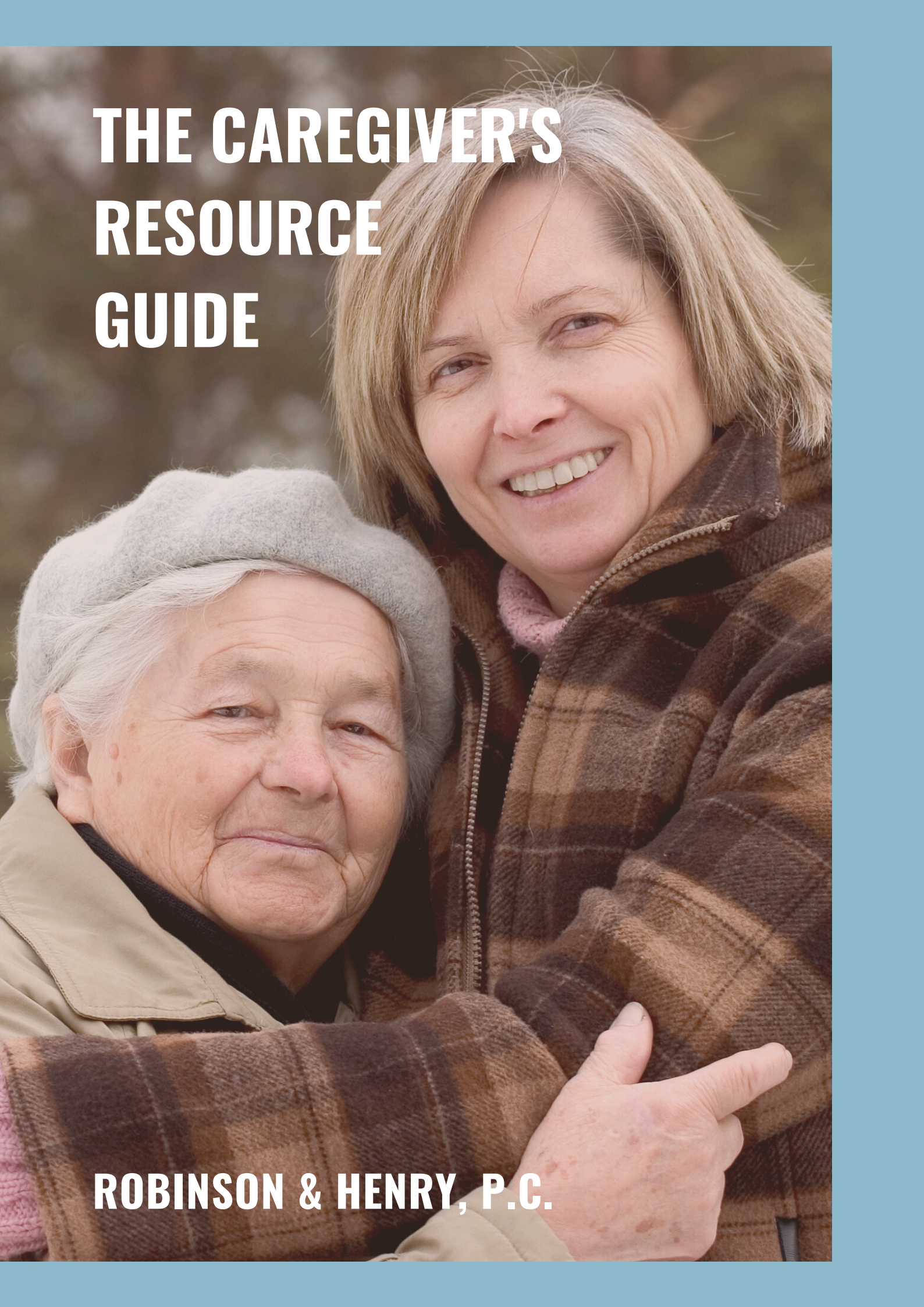




THE CAREGIVER'S RESOURCE GUIDE

ROBINSON & HENRY, P.C.

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Disclaimer: This guide and workbook is not a legal document. It is intended to be utilized for general advice only. Downloading this workbook does not constitute an attorney-client relationship.

RobinsonAndHenry.com



Plan Now for Your Cost of Caregiving

Many people become caregivers after a loved one has an acute medical incident - a serious fall or illness. Often times, what was supposed to be a short stint in caregiving shifts to a long-term need. Other caregivers start off in a permanent situation; for instance, a loved one is diagnosed with early-onset Alzheimer's.

Whatever your situation, it's important to understand the costs associated with your caregiver role.

Caregiving, particularly long-term care, involves considerable costs. Developing a plan that lays out how your loved one's needs will be financed now and in the future will provide peace of mind and help stymie your financial stress.

\$7,400/yr.
THE AVERAGE
OUT-OF-POCKET
EXPENSE FOR
FAMILY
CAREGIVERS

AARP Study



The Surprising Costs of a Family Caregiver

**20% OF
YOUR INCOME
WILL BE
SPENT
TO CARE FOR
YOUR LOVED ONE**

AARP Study

An [AARP study](#) finds, on average, caregivers spent \$7,400 of their own money in 2019 to help cover the health care needs of their elderly parent or ill loved one.

From health insurance **co-payments** and prescription **medicines** to **wheelchairs** and other **medical supplies**, caregivers can be hit hard financially.

When a loved one needs long-term care, whether in-home or at a nursing facility, the costs increase substantially.

In Colorado, **one month** in a **nursing home** costs **\$8,758**. Most retirees do not have enough money in the bank to cover long-term care expenses.

Even if your parent doesn't need a nursing facility right away, a caregiver and their elderly parent can still experience financial strain.

AARP finds **caregivers often make cuts to their personal finances** so they can afford to take care of their family member.

Caregivers report eliminating vacations or dining out. **Nearly one-fifth forgo their own medical checkups** and don't buy as many groceries. Others don't fill their own prescriptions to save money.

Personal savings and retirement accounts can take a hard hit, especially when a loved one has an ongoing medical need.

Caregiver Statistics

1 in 10

TAKES OUT A LOAN TO PAY FOR
THEIR LOVED ONE'S CARE

3 in 10

DIP INTO THEIR
PERSONAL SAVINGS

1 in 7

NEGLECT THEIR
PERSONAL HEALTH



Financial Planning: Tips for the Caregiver

DETERMINE COSTS

The cost of your loved one's care greatly depends on their diagnosis and the progression of the illness. Everyone should consider the cost of:

- Medical Appointments
 - Treatments
 - Medications
- Home Modifications
- In-Home Assistance
- Residential Care

IDENTIFY PAYMENT SOURCES

You and your loved one may not have to borrow from savings accounts or take out loans, as your parent may already have or be eligible for:

- Medicaid Programs
- Veterans' Benefits
- Social Security Programs
- Long-Term Care Insurance
- Medicare Options

DEVELOP A BUDGET

It can be uncomfortable, but *now* is the time to **be candid about money**. Consider including your parent(s), spouse/partner, and any siblings or family members who may share caregiving expenses, such as:

- Health Care Costs
- Travel Expenses
- Time Off from Work
- Parent's Living Expenses

MORE TIPS

Keep your job if possible. In addition to a steady stream of income, you'll retain your employer's benefits, and maintain regular retirement contributions.

Utilize FMLA leave. In Colorado, eligible employees are entitled to take off 12 weeks (unpaid) a year to care for a family member and afterwards return to their job.



Alzheimer's care costs an average of \$341,000 from diagnosis to death.

70% of that cost is paid out of pocket.

Alzheimer's Association



Managing Your Loved One's Finances

At some point, most caregivers handle much, if not all, of their loved one's finances. Be prepared to:

- pay bills
- deal with insurance claims
- oversee checking & savings
- manage investments
- file taxes

Loved One With a Progressive Illness

Expect for their reliance on you to increase over time. Your parent should have a legal framework setup that allows you or another loved one to step into a money management role when it becomes necessary.

A durable financial power of attorney is the tool you'll need. Powers of attorney are discussed in more detail on the following page.

In the Meantime...

While your parent is still able to manage their finances, the following electronic options can be very helpful for them now and for you in the future:

- direct deposits
- automatic bill pay
- automatic transfers
- computer safety software

Protect Your Parent & Their Money From Their Illness

Elderly individuals are already at a higher risk of losing money due to scams. When they're ill or develop dementia, their ability to maintain their own finances diminishes. Add in ongoing medical bills, and these factors can lead to financial disaster.

Powers of Attorney

Make sure your aging loved one has the appropriate powers of attorney in place *before* they become incapacitated.

Two important powers of attorney are financial and medical. A **durable financial power of attorney** ensures you, or another trusted individual, has access to their financial accounts and can:

- manage real estate
- make investments
- pay bills
- buy insurance

Your loved one should also have a medical power of attorney. This document will let you, as their caregiver, receive their medical information and work with doctors about their treatment if they become incapacitated. As their medical agent, you'll ensure their wishes are followed.

Finally, in Colorado, medical powers of attorney are considered "**durable**" unless otherwise stated in the document. That means it is triggered the moment you become incapacitated.

A "**standing**" power of attorney takes effect the moment it is signed.

A "**springing**" power of attorney is activated upon a certain event listed in the document, such as an illness.

The person assigned to these roles has a legal duty to act in your parent's best interest. An elder law attorney can assist you with this process.

Note: Ever-changing can affect long-term care plans. So it's important to ensure your loved one's financial power of attorney is in accordance with current laws.

*A little more than half of
American adults have
created a health care power
of attorney.*



Caring.com Survey

Plan Now for Your Loved One's Long-Term Care

Many family caregivers watch their elderly parent spend down a lifetime of savings to qualify for long-term care financial aid. If the other parent is living, they can be left with very little money on which to survive.

This can put a family caregiver in a tough spot financially, as they want to be able to take care of their loved one.

That's where advanced planning can help. Long-term care does not have to lead to financial ruin for your parents or your own family.

There are legal strategies that can be utilized to safeguard your parent's assets if or when they need long-term care. Your parent may be able to apply legal strategies to preserve their legacy, such as:

- caregiver agreements
- asset protection trusts
- income trusts
- irrevocable life insurance trust

Every family's circumstances are different, so it's advised to speak with an elder law and estate planning attorney to devise the best course of action for your loved one.



\$8,758

*One month at a
Colorado
long-term facility
in 2020.*



\$105,096

*One year at a
Colorado
long-term facility
in 2020.*



Well Parent Impoverishment Protection

Planning for long-term care can prevent your well parent from becoming impoverished should your sick parent require nursing home care.

Community Spouse Resource Allowance

Also called the "community spouse," your well parent can keep a portion of your parent's joint assets.

\$128,640 in 2020

This allowance is helpful when there is concern a couple's assets will prevent the long-term care applicant from receiving financial help from Medicaid.

I am concerned my parent's assets will prohibit him or her from receiving Medicaid. YES ☐ NO ☐

Minimum Monthly Maintenance Needs Allowance

Often shortened to MMMNA, this allowance is another impoverishment protection for well spouses. The MMMNA let's your



healthy parent receive a portion of your ill parent's monthly income. The amount tends to increase each year. Currently it stands at \$2,113 a month, but it is expected to increase in July.

\$2,113 a month

This figure increases July 2020.

Caregiving by the Numbers

\$140,120

The expected cost of a Denver-area private nursing home room in 2025.

Genworth Cost of Care Survey estimate

4

The average number of years a caregiver spends in their role.

Kaiser Permanente Organization

70%

The percentage of people who need long-term care after turning age 65.

Women typically need long-term care longer than men.

4 years of care

3 years of care

2 years of care

1 years of care

0 years of care

WOMEN

MEN

U.S. Dept. of Health & Human Services Statistics



Caregiver Stress & Burnout

Roughly one in five Colorado adults is considered a caregiver. On average, these family caregivers spend **3.5 hours a day** helping their elderly parent or family member who may or may not live with them.

Many caregivers juggle full-time jobs and their own family obligations with their caregiver duties. This can cause stress, health problems, and, finally, burnout.

CAREGIVERS	colds/flu
ARE MORE	depression
PRONE TO:	arthritis

Caregiver Stress

A caregiver's role can last months to years. So it's important, wherever you are in your journey, to monitor your physical and emotional wellbeing. Signs of caregiver stress include:

- insomnia
- feeling run down
- inability to focus
- resentment
- irritability
- anxiety

- depression
- poor diet

Caregiver Burnout

Burnout occurs when you experience too much overwhelming stress over a long period of time.

It's not surprising caregivers face burnout as their role can be demanding

Let's not confuse caregiver stress for caregiver burnout. They're very different issues.

Burned out caregivers report a change in attitude. Often their positive feelings about taking care of their loved one turn into apathy. Burnout can also have many other serious symptoms.

Build a Support Crew

Taking time out for yourself may seem impossible when you're caring for an ailing loved one. That's why it's important to create a support team *before* you become stressed out.

Ask trusted friends and family members to pitch in. Request someone to take a shift each week to give you a breather. **ASK FOR HELP WHEN YOU NEED IT!**

If you work, talk with your employer about your caregiving duties. You may be able to occasionally work from home.

It may also be helpful to seek out a



therapist. Sometimes its easier to speak candidly with someone who isn't a loved one.

Signs of Burnout

WITHDRAWAL FROM FAMILY/FRIENDS
HOPELESS FEELINGS
WEIGHT/APPETITE CHANGES
SLEEP DISRUPTIONS
PHYSICAL/EMOTIONAL EXHAUSTION
FEELINGS OF SELF HARM
FEELINGS OF HARMING YOUR LOVED ONE

Call 9-1-1 if
you feel you
may hurt
yourself or
the person for
whom you're
caring.

Resources for Caregivers

Your caregiver journey can last months to years. Caregivers are encouraged to build a support system and compile resources to have at your fingertips when you need help. You may find the following links helpful as you navigate your caregiving.

[The Basics of Caregiving.](#)

[Caregiver Stress & Burnout](#)

[AARP Caregiver Resources](#)

[Alzheimer's Association](#)

[Other Prominent Caregiver Organizations](#)

[State of Colorado Area Agencies on Aging](#)

A Caregiver's Checklist



Get legal documents:

health care power of attorney

financial power of attorney

advance health care directive

a will

Get important health info.:

primary doctor contact

specialists contacts

medications and doses

medical history

surgical history

insurance policies

QUESTIONS ABOUT CARING FOR YOUR LOVED ONE?



Feel free to drop me a line at
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ABOUT ROBINSON & HENRY, P.C.

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