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Radio Station Call-In Number (410) 922-6680
"Discussing your senior housing & elder care options"

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Caring for Your Aging Parents

What is it?

Caring for your aging parents is something you hope you can handle when the time comes, but something you probably hope you never have to do. Caring for your aging parents means helping them plan for the future, and this can be overwhelming, both physically and emotionally. When the time comes for you to take care of your parents, you may be certain of only two things: Your parents need you, and you need help.

Start planning

Talk to your parents about the future

Start caring for your aging parents by talking with them about their needs and wishes if they are able. In some cases, however, they may not be willing to talk to you about their future, either because they are afraid to face it or because they resent your interference. You may need to do as much planning as you can without them, or, if their safety or health is in danger, step in as caregiver anyway. In either case, **Chesapeake Retirement Solutions** can provide you with the independent, professional advice that is critical to making wise decisions.

Prepare a personal data record

The first step you should take is to ask your parents to help you prepare a personal data record (if they are unable to help you, you'll have to search for the information yourself). A personal data record is a document that lists information that you might need in case your parents become incapacitated or die. Information that should be included is financial information, legal information, medical information, insurance information, and information regarding professional advisors and the location of important records. Example(s): When Marcia and her mother prepared a personal data record, Marcia realized that her mother did not have an advanced health care directive (living will and health care proxy) in case she became incapacitated and could not make decisions about

her medical care. The next day, Marcia called (410) 830-9415 to make an appointment with **Chesapeake Retirement Solutions** to discuss this issue.

Get advice

You can't know everything, and you probably don't have enough time to learn everything you need to know to care for your parents. That's why you should seek advice from **Chesapeake Retirement Solutions** (CRS). Some advice will be free, and some you will have to pay for. If you live far from your parents or are too overwhelmed to handle all your parents' affairs, CRS can help you hire a geriatric care manager who will evaluate your parents' situation, suggest options, and coordinate the health care professionals who can help. In addition, talk to your employer. Some employers have set up employee assistance programs that offer advice and assistance to people who are dealing with personal challenges, including caring for aging parents.

Get support

Don't try to care for your parents alone. Many local and national caregiver support groups and community services are available to help you cope with caring for your aging parents. If you don't know where to start finding help, call CRS or the Eldercare Locator, an information and referral service sponsored by the federal government that can direct you to resources available nationally or in your area. Call CRS at (410) 830-9415 or call the Eldercare Locator at (800) 677-1116.

What kind of advice will you need?

Housing and health care advice

If your parents are like many older individuals, where they live will depend upon how healthy they are. As your parents grow older, their health may deteriorate so much that they can no longer live on their own. At this point, you may need to find them in-home health care or health care within a retirement community or nursing home. On the other hand, you may want them to move in with you. For a detailed discussion of senior housing options make an appointment to speak with attorney and former retirement industry executive, **Steve Bailey**. In addition, you will need information on managing the cost of health care, long-term care insurance, major medical insurance, Medicare, and Medicaid. **Steve Bailey** can answer your questions on all of these subjects and more.

Other Contacts:

- National Association for Home Care
- Visiting Nurse Associations of America
- Centers for Medicare & Medicaid Services (formerly known as the Health Care Financing Administration)
- American Association of Homes and Services for the Aging
- American Association of Retired Persons (AARP)
- Health Insurance Association of America

Financial advice

If your parents need help managing their finances, you may need to contact professionals whose advice both you and your parents can trust. Chesapeake Retirement Solutions can answer many of your basic questions and help you identify issues that you may not have spotted or concerns that may be looming just over the horizon. We will help you prepare a comprehensive plan and will work with:

- Your financial planner
- Your banker
- Your investment counselor
- Your tax attorney
- The Social Security Administration

If you don't have a professional advisor we will recommend one from our extensive network of elder care specialists.

Legal advice

CRS attorney, **Steve Bailey** will help you plan for your parents' incapacity (including preparing documents such as powers of attorney and advanced health care directives), contact nursing home ombudsmen, set up and monitor guardianship, prepare wills, and provide bill payment and representative payee assistance. You may also want to contact:

- National Association of State Units on Aging
- American Bar Commission on the Legal Problems of the Elderly
- Legal Counsel for the Elderly

What kinds of support and community services will you need?

Caring for your aging parents will be easier if you know what kinds of support and community services are available and where to locate them. The following is a list of the kinds of support and community services you can find locally. **Chesapeake Retirement Solutions** has investigated and is prepared to discuss with you many of the providers of the following services:

Adult day care

If you need to work or run errands and you can't leave your parents alone, consider using adult day care. These programs are located in hospitals, churches, temples, nursing homes, or community centers. Many are private nonprofit organizations. Adult day care is an often overlooked cost effective way to care for a loved one who wants to remain at home with you. In addition, Medicare, Medicaid, long-term care insurance, or your health insurance may pay part of the cost.

Other Contacts:

- Baltimore County Department of Aging
- National Institute on Adult Day Care
- The Alzheimer's Association

Caregiver support groups (self-help)

Many self-help groups are available to provide information and emotional support on broad topics (such as aging) or specific topics (such as heart disease). You may find these

support groups helpful if you know little about caring for your aging parents. Such groups might also provide an opportunity to help others by sharing your experiences.

Contact:

- The Alzheimer's Association
- Children of Aging Parents
- National Self-Help Clearinghouse

Caregiver training/health education

You may feel better about taking care of your parents if you are armed with knowledge. You may want to complete first-aid courses or take classes in gerontology.

Contact:

- Your local college or university
- Your local hospital
- The American Red Cross

Geriatric assessment

If you are uncertain of your parent's mental or physical capabilities, ask **Chesapeake Retirement Solutions** to recommend somewhere you can take your parent to undergo an assessment. These assessments can be done at hospitals or clinics. Your parent will be evaluated to determine his or her capabilities. The evaluation determines whether the individual can take care of himself or herself on a day-to-day basis, including such things as bathing, dressing, eating, using the telephone, doing housework, and managing money. Based on this evaluation, you and your parent will receive advice regarding senior housing and elder care options.

Respite care

When you are caring for your aging parents, you may feel guilty or even resentful because you don't have limitless energy. Taking care of your parents is hard work, however, and everyone needs a break once in a while. If you are caring for your aging parents, look into respite care. Contact **Chesapeake Retirement Solutions** to learn if Medicaid may pay for some respite-care services.

Contact:

- The Alzheimer's Association
- National Association for Home Care

Financial and tax considerations for you

Caring for your aging parents is not only an emotional burden for you but may be a financial one as well, depending upon how well off your parents are and how much caring for them costs. Because many adults today are becoming first-time parents in their thirties, and others are remarrying and rearing second families, increasing numbers of adults are finding themselves in the "sandwich generation." They face having to pay expenses of growing children (including college expenses), plan for their own retirement, and support their aging parents financially. Thus, it's important to plan not only your parents' finances, but yours. For this reason **Chesapeake Retirement Solutions** works

with a number of local wealth management and financial planning firms. Call us to ask for a referral to a chartered financial consultant with extensive experience planning for the challenges facing baby boomers and the "sandwich generation".

Financial planning for your parents

Making sure that your parents won't outlive their money is a critical step in ensuring that your own finances will remain sound. In particular, you'll need to make sure that your parent is receiving all the benefits to which he or she is entitled and that his or her money is invested wisely. You'll also need to create a financial profile for your parents, a statement that includes income, expenses, and net worth. For information on how to do this, see Budgeting. If, after considering your parent's financial condition, it's unclear whether they will have enough resources to pay for their own care, you'll need to plan to supplement their income. You may need to look at Supplemental Security Income (SSI), for instance, or ask other relatives for help. You'll also have to determine how much financial support you can give your parents. All of these concerns have tax and estate planning consequences. I urge you to call me to discuss your options before making any major lifestyle changes.

Financial planning for you

Besides caring for your parents, you have a lot of other financial obligations. Before you can determine the best way to help your parents financially, you'll have to look at your own financial picture. Not only will you need to consider your current expenses, but you'll have to look down the road a few years, considering how much you'll need to save for your own retirement and, perhaps, for your child's education. For more information on this subject, contact me to discuss Saving for College and Retirement and Determining Your Retirement Income Needs.

Tip: Due to the complexities inherent in providing adequately for several generations in the same family, after discussing your situation with you I may refer you to a financial professional.

Tax benefits for children supporting aging parents

Federal income tax law provides several tax benefits to you if you are supporting your parents financially. If you have a dependent care account at work, you can put pretax dollars into the account that you can use to pay for some costs associated with caring for your dependent parents. You may be able to claim an exemption for your parents as dependents, and you may be entitled to claim a dependent care credit. In addition, you may be able to file your taxes as head of household and deduct medical expenses you paid for your parents. For more information, contact me, or consult your tax advisor.

Questions & Answers

If you are financially supporting your parent, is he or she entitled to receive Social Security benefits based on your earnings?

If you are providing at least one-half of your parent's support at the time of your death, and he or she is age 62 or over and is not entitled to a retirement benefit that is equal to or

larger than the amount he or she would receive based on your earnings record, then he or she may be entitled to receive a parent's Social Security benefit equal to 82.5 percent of your primary insurance amount (PIA). For more information, see Social Security Survivor's Benefits and the Lump-Sum Death Benefit.

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