

The First Steps in Planning Home-Based Care for an Elderly Relative

No one wants to see someone they love in a nursing home. That's why many older Americans and their families would opt for home-based care whether it's for a temporary illness or disability, or end-of-life.

Yet the best time to plan for such an event is exactly at the time when no one wants to – when everyone's healthy and in no mood to think of being sick.

Money is a big part of this decision. Financial planning professionals can take a big-picture look at all the money and structural factors that go into any long-term care decision – the retirement picture, tax situation and estate structure the elderly relative has already made or needs to make. But the money planning process needs to be concurrent with a process to determine what role family members will play.

Here are some ways to begin the process, whether it's for you or an aging relative.

Talk to family: Even before you start addressing financial concerns, it's important to understand how individual family members feel about the long-term care issues of an aging relative. Some family members will want to pitch in to care for them personally if they're nearby; others may want to but fear the disruption of their careers and their own family life. And keep in mind that the perspectives stated in a private conversation or family meeting might change over time. Family members also need to work out how siblings, cousins and others will collaborate and give each other respite, because caregiving is an exhausting job.

Start by evaluating the senior's finances: If you have time and a good rapport with the senior, you have a valuable opportunity to settle a lot of important details. If there's not a pending emergency, it's a good idea to schedule a family meeting between you, your spouse and the elderly relative to make sure you understand what assets they have and how they want those assets applied to their long-term care. And even if an elderly relative is older but in relatively good health, it might make sense to check the cost of long term care insurance as a backstop to their savings. The premiums will definitely cost more – sometimes considerably more – than the average 50-year-old would pay, but depending on the relative's situation, such a move might make sense.

Make sure key documents are in place: It's also important that you ensure that the elderly relative have critical documents in place such as a current will, relevant legal and health powers of attorney and any written instructions relevant to their care, their funeral wishes and other property issues. All that information should be stored in an agreed-upon place that all key decision-makers can get to easily.

Start researching care options now: For a good overview website, check out FamilyCaregiving101.org, the website of the National Family Caregivers Association. Meanwhile, in virtually all communities, there are guides to various community programs that ramp up services as the relative needs them. Your local department on aging will have resources in at least these four critical areas related to caregiving:

- Home care services: Guides to find certified professionals who can help with medical issues or personal care.
- Meals and transportation: At the very least, meals-on-wheels can help assure proper nutrition for individuals who need more help with that. Also, many communities offer door-to-door transportation to medical and community facilities.
- Adult day care: Similar to child day care, community centers offer a variety of programs for seniors to take part in during the day when caregivers need respite.
- Respite care: These programs bring trained caregivers into the home for either a few hours or a few days, allowing the full-time caregivers to get away for as little as a hair appointment or a weekend off.

Make sure the care option fits the stage of health as well as the budget: The options immediately above suggest there are different stages to home-based care. Home health aides obviously allow a relative to stay in the home and have company when traveling outside, but adult day care can be a cheaper option. Also, part-time caretakers can handle key tasks and supervision as needed – keep in mind that responsible college students need money more than ever and can help with grocery shopping, cleaning, meal preparation and supervision on health issues that medical personnel don't always need to be present for.

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