

# What To Do About Aging Parents: A 15 Pt Check-List

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A hundred years ago people in the US were extremely old if they lived past 65. What a difference living in 2016 makes! Reaching age 65 now represents just the 2/3 mark for many people expected to live to 95 and beyond. Health, exercise and medical advances all make this possible in a way unimaginable through most of human history.

That's wonderful news, but what happens if your aging parents weren't expecting to live into their 80s and 90s? It could mean they become an emotional and/or financial burden to their adult children, placing some adult children in a stressful "sandwich syndrome" that requires supporting both parents *and* children. Lack of preparation on the part of aging parents also means siblings sometimes end up fighting each other while the parents are alive, and also after they're gone.

If you're an adult child of an aging parent, it's vital you address various issues now since at least 40% of adults over 65 will require some sort of extended care to get through their last decades. Here's a handy 15-point check list to consider:

1. Do you have a good understanding of how long your parents' investment assets will carry them into the future? Have they budgeted for the spiraling cost of health care for areas not covered by insurance or Medicare?
2. Do you have open discussions with your parents about their financial means? Or do you duck the issue or hear them telling you "I'm just fine" until you find out you

need to bail them out financially?

3. Do they have long-term care insurance – including a home health care provision if they can be cared for at home?
4. Have you (or another relative or friend) been given power of attorney in the event your parent(s) become sick? Do your parent(s) have medical health directives and living wills so you can make informed medical decisions on your behalf?
5. Are you aware there is a 5 year look-back in the event your parents gift most of their assets away and want to tap state and federal resources? If they gift away assets in 2016, they can't fully tap funded state/federal care resources for 5 years.
6. Do your parents have the means and inclination to move to an assisted living facility if it's no longer viable for them to live at home?
7. Have you and your siblings discussed who will pay for what services – if needed – and who will spend more or less time being an advocate for an aging parent?
8. If you have a spouse, is he/she on-board with your plans? Or does this create friction and discord?
9. Have you considered “adult day care” for an elderly parent if he/she needs to be attended to during the day but is well enough to still live at home?
10. Have you or your siblings considered having your parent(s) move in with you to avoid sending them to a nursing home?
11. Are you aware that your parents can be listed as dependents if you provide over 50% of their living expenses? If you and your siblings together provide over 50%, you can rotate the privilege to deduct your parents as dependents.
12. If you're self-employed, did you know you could deduct the eligible portion of a long-term care insurance premium – even if you don't itemize deductions?
13. Are you up-to-date re: what Medicare covers? (and what it doesn't cover)? Medicare covers the first 20 days of

skilled nursing or home care and some coverage for the subsequent 80 days. After that, coverage ends unless your parent qualifies for Medicaid.

14. Eligibility for Medicaid (which helps individuals with low incomes and smaller resources) varies state by state but qualifying for long-term care generally means a person has to spend down his or her assets to a very modest level.
15. Have you considered seeing a financial planner WITH your parents so you have a neutral partner to facilitate difficult discussions about the present and future?

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