

Elder Options, Inc.

Resource Library

Subject: Making Decisions

Now What? Getting Through Hard Times

Susan's mother was coming out of the hospital after a bad bout of pneumonia. Her mother, 84 lived with her husband in their own home. Susan's father was 86 and he was slowing down too. The doctor had talked to Susan about the couple needing more care. She wanted to help herself but she worked and had her own family to take care of too. Although her parents hadn't said much, she had a feeling the economy had hit her parents' retirement savings as it had everyone else.

Alice & Jim, Susan's parents were very worried. Retired for 20 years, they knew they could not return to earning a wage. They relied on their Social Security and the small pension Alice received from her years with the school district. Their parents had died at 70 and 74 so in one respect, they were surprised to find that they both were in their 80's and in relatively good health. "It feels like a double edged sword," Alice states quietly with her husband sitting close by. We're so lucky we're as healthy as we are but we're worried about our money running out. With a candor that belies her age, Alice went on to say, "We're afraid to spend a dime. We've lost so much and it has to last."

Of course, this conversation was held with geriatric care manager and the couple with the daughter not present. The family's dilemma surrounds money, how to talk about it and how to stretch the funds to work for the older couple who wish to be as independent as possible but who, at this point need some help to remain independent.

The recent economic changes have affected everyone and it's on everybody's minds. For those older adults who are retired and have been for a number of years, it is a real possibility that they'll outlive their savings. For some, that's already happened. Plans to move closer to adult children or relocate into a retirement home or assisted living can be on hold if the house doesn't sell. Or worse yet if the move has already taken place and the house is still on the market.

For those of us still in the workforce it may be a stretch to think about the inability to get a job or to return to the workforce if we choose to or have to. Jobs that are scarce to begin with and may be out of reach for an older adult who has to compete with younger adults who are physically healthier and will work for less than an older, experienced worker. For older adults in their latter 70's, 80's and 90's they may have been retired as long as or longer than their work years. With their increased age and health issues, they are unable to work any longer. They may have prior experience with scarcity or poverty having gone through the Depression years. They know how to make do, get by with less and not spend. The problem is that for many, they'll not spend at all and it takes an emergency or an accident to get this person moving about how best to spend for their own care. It's waiting for a "rainy day". It's now raining and time to use those rainy day funds.

It may take a crisis such as a fall, hospital stay or serious illness for the conversation to begin. In many cases the person(s) could have used some help before now. But they've resisted and the family has backed off. They don't know what funds are there and are afraid to ask. When the crisis occurs, the family rallies and decisions have to be made. Mom or Dad may not be part of the decision unfortunately and before they know it, their lives have changed drastically with huge financial ramifications.

With some thought and planning before the crisis occurs, the older adult(s) and their family can talk about all of this. With the losses in the stock market, the increased costs of healthcare and cost of living, this timely discussion is even more important.

Older Adults.

- Think about how you want to age, where and with whom.
- Initiate a discussion with your adult children about your wishes as you get older. Share financial concerns or worries.
- Talk about money with adult children to the degree they need to know. You don't have to give them Power of Attorney or allow them to take over your finances but they need to know what you're working with.
- Be aware of what services are available both through public programs and privately. With government short falls, don't depend on the government to provide everything. It won't.
- Live within your means but don't short cut yourself. Remember the adage: *"Spending in the short term will save in the long run."*
- Recognize that having a bit of help now can extend your independence even though you will have to pay for this help. All other housing choices will cost you considerably more.
- Don't wait until the crisis happens. Begin working on this now.

Adult Children

- Your parent(s) are getting older and will need your help and support if they don't already.
- Encourage them to talk with you about their wishes and needs.
- Don't try and take over. You may not agree with their decisions but if they are competent to make those decisions, you'll have to abide by them until they change their mind. Offer to help with little tasks.
- Look into community resources to know what's available, the costs and how these resources can help. Know that for many older adults; having help 3-4 hours/day several days a week may be all they need.
- Don't expect Medicare, Social Security or public programs to take care of all your parent's needs. These programs are helpful but were not set up to be the answer to everything.
- If you need help in sorting out complex or entitlement programs you're not familiar with, consider a family meeting with a professional Geriatric Manager who is an expert on these issues.
www.caremanager.org.
- Don't wait until the crisis happens. Begin working on this now.

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