

Critical Issues around Aging Parents

The baby boomer population currently faces some of the toughest times they have likely experienced. Not only are they worried about employment, putting kids through college and securing future retirement, they are also being drawn into many critical issues related to their aging parents.

For all involved parties, it can be a difficult transition when the relationship of parent to child begins to change. For your entire life, it is likely that your parents have been your guides, the people you looked to for solutions to your problems. What you may now be experiencing is a role reversal of sorts where you find yourself parenting your parents. Depending on the situation, this can be a slow shift that takes place over the course of many years or an overnight transformation. Your first priority is to help ensure that your parents remain safe and secure for their lifetimes, but it is important to understand your parents' desire to remain independent and in control of their own lives for as long as possible. Change is not easy for anyone, but for the older adult, the prospect of change can be paralyzing.

There are many issues to consider when dealing with your aging parents, some of which give rise to the potential for dangerous situations should they go neglected. It is important that you understand what sorts of changes your parents will face, and ways to go about helping them with these adjustments. Conversations regarding their health and ability to care for their personal matters can be difficult and awkward, so it is important that you approach these matters carefully and consider enlisting the help of a trusted financial advisor or mutual friend.

Well-being issues

- Basic home safety issues should be considered. Is their home outfitted with grab bars, non-skids under rugs, and sturdy railings? Is their home on a single level or will stairs potentially become an issue?
- Are they eating regularly and what are they eating? When you visit, check the fridge and the cupboards to see what's there. You may need to arrange for a meal delivery system if you find that the cupboards are essentially bare.
- Are you aware of the medications they are taking (dosage, frequency, etc)? Does anyone accompany them on doctor visits to listen and advocate for them? Are they still able to handle the complexity of a medication schedule for differing doses and timing? Are they reluctant to get necessary prescriptions filled due to the cost?

Oversight issues

- Eyesight/Hearing – For many older adults there is a natural degradation of these senses which can greatly interfere with daily life. Make sure that these issues are being addressed in routine doctor visits.
- Driving Safety – If you have concerns about whether your parents are safe behind the wheel, the best way to broach this subject is to let their doctor initiate the discussion as to whether a driving evaluation might be warranted. Some states mandate that all seniors undergo a road test after reaching age 65 or 70 in order to renew their licenses. There are also senior driving courses that can help older drivers adjust their driving habits for their differing eyesight and slower reaction times.
- Bill Payment – You can request notification on your parents' major bills so that you will be informed if a bill goes unpaid. In this way, you won't be trying to take over their ability to pay their own bills, but if they begin to have difficulty with paying bills on time, you will be able to intervene. You might suggest that you help them set up automatic bill-pay so that the recurring bills are set on autopilot, which would allow your parents to remain in control for as long as possible while still giving you peace of mind that there is nothing slipping through the cracks. A caution against adding one of the adult children's names to the parents' accounts: while this seems like an easy way to assist your parents with their finances, it can wreak havoc with the final intent of their estate plan. Consult their financial advisor or estate attorney before considering this method.

Protection issues

- Senior adults need to have current Health Care Power of Attorney and HIPAA waiver documents in place, and it is important to note that documents drafted many years ago are unlikely to address the revised privacy laws that are now in effect and should therefore be updated. It is also critical that your parents list contingent or alternate agents since it is likely that they have their spouse as primary agent; if your parents were to be involved in a common accident or if one spouse is already having cognitive issues, the contingent agent designation would become critical.
- Scams/Fraudulent Activities – The elderly are targets for the untrustworthy. A first step to protecting your parents is to make sure their phone numbers are blocked from solicitors by placing their numbers on the national “do not call” list (www.donotcall.gov). Also discuss with your parents the need to be vigilant about protecting their private information both online and over the phone: they should never link to anything from an unknown source nor provide personal information in any dialogue they did not initiate. You might also suggest that your parents allow duplicate copies of financial statements to be sent to a trusted advisor or responsible adult child as a means of providing oversight.
- Irrational Behavior – This can sometimes be a symptom of a medical issue and needs to be addressed. Has the typically frugal parent suddenly begun spending beyond their means? Has a parent become unnecessarily worried about finances and begun clinging to every penny? Because this type of behavior can be noticed first by their financial advisor, some advisors have all senior clients sign a form designating who should be contacted if the advisor notices any uncharacteristic behavior.
- Age in Place – Is it reasonable for parents to remain in their home and if not, what are the alternatives? This can be a tremendously emotional issue for parents, as it represents a huge loss of control and independence if they are forced to move. This also seems to be one of the discussions where the most stress occurs between the parents and children. There are conflicting priorities at work with this decision and sometimes the best solution is to engage a financial advisor who is well-versed in retirement housing/care options who can act as an unbiased third party to help consider the issues, the options and the best solution for the parents. It is important to note that each person’s situation is different, so there is typically no simple, easy answer. The goal is to avoid crisis planning, where a serious health event has occurred and decisions now need to be made overnight rather than after careful and deep consideration.
- Long Term Care – If your parents don’t have the resources to purchase long term care insurance for themselves, you and your siblings may want to consider taking on this cost yourselves if they still qualify medically. A high quality policy can enable your parents to have superior care if the need arises without exhausting the assets for the survivor. More importantly, it will allow you to keep your focus on your parents rather than on the high cost of a particular procedure.

Control Issues

- A primary consideration is that all of these issues being discussed have the potential to erode your parents’ ability to remain independent and in control of their lives. As the adult child, you need to tread carefully and respect the fact that these are extremely difficult conversations to have. These are very emotional issues and can be so overwhelming that some seniors will refuse to discuss them for fear of losing control over their lives.
- Involve your parents in discussions using your own financial planning as the basis for a conversation. You can seek their counsel on issues you are tackling while at the same time gaining an understanding of what they themselves have in place. Parents are quicker to share information if they are being solicited for advice rather than if they feel you are just prying into their private affairs. If during the course of the conversation you discover they haven’t taken some necessary steps, offer to get their documents prepared at the same time as your own.
- Many older adults are very hesitant to share the details of their finances with their children. While this may be frustrating to you as their child, your parents do have this right to privacy. As has been pointed out, there is much you can do to ensure that they are on the right path without needing to know the specifics of their financial situation. When more detailed knowledge is needed, the best approach may be to allow their trusted advisor to act as the intermediary on these issues. They can help to facilitate the necessary conversations to assist your parents in confronting and resolving potential problems before they reach crisis stages.

You will need to tread carefully and treat your parents with respect as you help them to transition through some difficult decisions for their future. Depending on your current relationship with them, sometimes the best thing you can do is to enlist the assistance of a trusted financial advisor to act as an advocate on many of these difficult topics. As an unbiased third party, the advisor can discuss many of the issues your parents face in the normal course of their relationship with them. This allows you to focus more of your attention on your relationship with them instead of on the issues.

Aging in today's society is difficult, at best. As you begin to notice issues arising with your parents, remember all the years that they were patient and encouraging to you as you faced difficult decisions. They won't want to have to rely on you for help, but when they really do need your assistance, the approach you take can make all the difference in the world.

Regards,
Cheryl Sherrard, CFP®