

Planning for Your Elder Years

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If we were to ask an older person what his or her most important concerns for aging are, we would probably get a variety of different answers. According to surveys frequently conducted among the elderly, the most likely answers we would receive would include the following three principal concerns or life wishes:

1. Remaining independent in the home without intervention from others
2. Maintaining good health and receiving adequate health care
3. Having enough money for everyday needs and not outliving assets and income

To address these concerns or wishes and maintain the quality of life wanted in the elder years, it simply takes a little preplanning.

Few people do this kind of planning.

It is human nature not to worry about an event until it happens. We may prepare financially for unexpected financial disasters by covering our homes, automobiles and health with insurance policies.

However, no other life event can be as devastating to an elderly person's lifestyle, finances and security as needing long term care. It drastically alters or completely eliminates the three principal lifestyle wishes listed above.

The majority of the American public does not plan for this crisis of needing eldercare. The lack of planning also has an adverse effect on the older person's family, with sacrifices made in time, money, and family lifestyles.

Because of changing demographics and potential changes in government funding, the current generation needs to plan for long term care before the elder years are upon them.

Let us look at some facts.

- The population of the "very old,"--older than age 85--is the fastest growing group in America. This population is at highest risk for needing care. (Statistical abstract of the United States, 2008, population)
- Medical science is preventing early sudden deaths, which means living longer with impaired health and greater risk of needing long term care.
- The Alzheimer's Association estimates the risk of Alzheimer's or dementia beyond age 85 to be about 46% of that population.

- It is estimated that 6 out of 10 people will need long term care sometime during their lifetime.
- Children are moving far away from parents or parents move away during retirement making long distance care giving difficult or impossible.
- Government programs--already stretched thin for long term care services--will experience even greater stress on available funds in the future.

One of the important things for planning is how to maintain your lifestyle as you age. You may be healthy enough to stay in your own home with help provided for the following activities of daily living:

maintaining a home,
providing meals,
supervision,
companionship,
transportation and
shopping services.

This type of care at home is non-medical and must be provided free of charge by family, friends, or volunteers or the care must be paid for out-of-pocket by the family.

Government programs, in most cases, will not pay for this kind of care. It is estimated that 80% of all long term care is non-medical, with 90% of that care provided in the home. It is most likely that your long term care will begin with home care.

It is wise to plan now how you will pay for care when it is needed. In evaluating your future income you may find it necessary to add some resources such as long term care Insurance to pay for assisted living or nursing home costs. Long term care insurance must be purchased while you are younger and healthy. Failing health, stroke or other aging issues will not allow you to qualify for this insurance.

A reverse mortgage will also help pay for home care if staying in your home is an option.

Consider where you may want to live in your elder years. Many assisted living facilities offer complete care alternatives with a nursing home wing if needed. Senior retirement communities also offer many amenities with some including home care options.

Now is the time to do estate planning. A professional estate planner will give you direction on how best to protect your assets for future needs and for Medicaid planning.

Do your paper work. Now is the time to create your trusts, will, medical directives in a living will and any other documents you want noted for future use. Gather Insurance policies and bank records where they can be found by family members in case you are not able to get them yourself.

We don't like to think of our elder years in terms of health problems, but a sudden stroke, heart failure or onset of dementia could make it impossible to carry out our own wishes if preparation was not made ahead of time.

The process of long term care planning involves the following four principles:

1. Knowledge and preparation are the keys to success.
2. Having funds to pay for care expands the choices for care settings and providers.
3. Using professional help relieves stress, reduces conflict, and saves time and money.
4. Success is assured through a written plan accepted by all parties involved.

(The above excerpt is quoted from ["The 4 Steps of Long Term Care Planning,"](#) National Care Planning Council)

The National Care Planning Council's website -- www.longtermcarelink.net -- provides over 700 pages of information for long term care planning and lists services of professional care providers in estate planning, long term care insurance, reverse mortgage, home care and many other important long term care services.

The National Care Planning Council's book, "**The 4 Steps of Long Term Care Planning**," provides information on what Medicaid and Medicare will cover as well as an overview of professional long term care service providers and how their services can help you create and execute your long term care plan. A check list of what to do to create a plan and forms for creating necessary paperwork are also included in the book.