

## I Don't Want to Talk About It

### How to Discuss Elder Care With Your Parents



Remember when you were assigned a book report back in school? Did you plan out your progress and diligently make strides toward its completion? Many of us waited until the night before and got it done in a panicked frenzy.

Procrastination in discussing elder care options with parents later in life can lead to avoiding crucial conversations. Failing to plan for potential serious illness or incapacity may result in unforeseen emotional and financial consequences. Initiate discussions now to prevent these challenges.

#### What's Elder Care?

Elder care refers to the support and assistance given to elderly or infirm individuals, which can be provided through residential institutions, paid daily help at home, or by family members.

We all want to maintain our independence as we age. A 2019 study found that 78% of people over 50 worry about losing their independence.<sup>1</sup> We want to make our own decisions about where we live, where we go, and who we spend time with. But aging, and its effect on our bodies, can take away that independence. We never know when that will happen. It could happen quickly as a result of a fall or illness or it could happen gradually over time. At that point, we'll need help, and the probability of us, and our parents, needing help is

### We *Really* Don't Like Discussing Elder Care with Our Parents

# 53%

of adult children anticipate that talking through senior care options with their loved ones will be difficult



Source: *When mom or dad wants move in with you: How to decide and what to say if the answer is no*, Care.com, 7/20/23

high. About 70% of people over the age of 65 are expected to need some long-term care services at some point in their lives.<sup>2</sup>

### **We Avoid Discussing Elder Care With Our Parents**

Fifty-three percent of adult children surveyed anticipate that talking through senior care options with their loved ones will be difficult.<sup>3</sup> It's human nature to not want to discuss things we fear, don't understand, or anticipate will result in conflict. Elder care discussions could cover all three. It's so scary that over 50% of aging adults would rather die than go to a nursing home.<sup>4</sup> No wonder we don't want to discuss the topic with our parents.

We may be concerned about how an elder care discussion could affect our relationships with our parents. We want to respect our parents' privacy. Will our parents think we're trying to put them away in a nursing home? Fifty-five percent of people in a 2016 survey said they don't plan on discussing senior care options until there's a need.<sup>5</sup>

### **We Don't Like to Discuss the Cost of Elder Care**

Most of us have no idea what elder care costs. Sixty-seven percent of people surveyed didn't know the cost of a nursing home, and 57% didn't know the cost of non-medical home care.<sup>5</sup> Finding costs for senior housing options isn't easy because most communities don't publish

### **Many Adult Kids Think Aging Parents Want to Keep Their Independence**



**42%**  
believe that independence is the most important thing for our aging parents

Source: *How Senior Care Impacts Families Financially, Emotionally and in the Workplace*, Care.com, 5/19/21. Most recent data available.

their prices online. These facilities may be afraid of scaring off prospective residents and their families with sticker shock. As a result, many people have misperceptions about the costs of elder care.

For example, when people were asked how much they thought it would cost to cover assistance with activities of daily living (walking, grooming, toileting, dressing, and eating) for a year, the average guess was \$25,000.<sup>6</sup> The actual cost of a year in a nursing home in 2021 was \$108,405.<sup>7</sup>

### **We Don't Want to Discuss the Possibility of Us Providing Care to Aging Parents**

For some families, providing care themselves can reduce the cost of elder care. Dr. Joe Coughlin, director of the MIT AgeLab says that caregiving for aging parents tends to fall on the oldest daughter.<sup>8</sup> However, that can be a challenge since 40% of women with children under 18 are now the primary breadwinners in US households.<sup>9</sup> They may not be able to stop working to care for aging parents because it could put their families' financial stability at risk. Additionally, there are fewer family caregivers because of smaller families and demographic trends.<sup>10</sup>

### **We Don't Want to Discuss How Parents Will Pay for Elder Care**

You may be wondering if your parents are prepared to pay for their elder care. This can be a tough topic to discuss because you'll be inquiring about how effectively parents have saved, budgeted, invested, and planned. If you sense that they haven't prepared, you may wonder if the government can help them. You, and other family members, may feel a responsibility to help pay for your parents' elder care, but doing so could make you concerned about putting your retirement at risk. If your parents have saved for elder care, there's still a risk that its high cost could wipe out their life savings.

If your parents' income is low enough, Medicaid might pick up the cost of elder care. Or, if they're wealthy or have a substantial pension, they may be able to pay for elder care themselves. Everyone between these two extremes may try combinations of self-insurance, long-term care insurance, financial help from families, Medicare, and VA Benefits. It's important to understand the rules, regulations, and fine print for each of these options. For example, Medicare doesn't cover home care, and it only pays for 100 days of nursing home care under certain conditions.

## Cost of Various Senior Housing Options

Most of the prices below (not independent living or Continuing Care Retirement Communities) are national averages from Genworth's 2021 Annual Cost of Care Survey.<sup>7</sup> You can see pricing by state on their website.

Housing option	Costs	Other Information
Aging in place	<ul style="list-style-type: none"> <li>• Normal costs of living at home, e.g. insurance, taxes, maintenance, etc.</li> <li>• Homemaker services*\$59,488/year<sup>7</sup></li> <li>• Home health aide** \$61,776/year<sup>7</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Caregivers need to be carefully vetted for trustworthiness and capability.</li> <li>• The home may also need to be renovated to meet a resident's changing needs for a more accessible bathroom, bedroom, etc.</li> </ul>
Living with family	Depends on arrangement with family members	<ul style="list-style-type: none"> <li>• Don't assume that family members will be willing to provide housing and care</li> <li>• There are fewer family caregivers because of smaller families and demographic trends<sup>10</sup></li> </ul>
Independent living	\$15,000/year <sup>11</sup>	<ul style="list-style-type: none"> <li>• Residents include seniors who do not require assistance with daily activities or 24/7 skilled nursing, but may benefit from convenient services, senior-friendly surroundings, and increased social opportunities</li> <li>• Hospitality and care services available for an additional monthly fee</li> </ul>
Assisted living	Assisted living \$54,000/year <sup>7</sup>	<ul style="list-style-type: none"> <li>• Long-term facilities that provide partial care options such as meals, transportation, and assistance with bathing and dressing</li> </ul>
Nursing home care	Private room \$108,405/year <sup>7</sup>	<ul style="list-style-type: none"> <li>• For people who may need a higher level of supervision and care than in an assisted living facility. They offer personal care, room and board, supervision, medication, therapies, rehabilitation, and skilled nursing 24/7.</li> </ul>
Continuing Care Retirement Community	\$42,660/year <sup>12</sup>	<ul style="list-style-type: none"> <li>• Single properties that offer several types of living arrangements, from independent living to assisted living to skilled nursing home care</li> <li>• Residents can stay in the same community even if their health declines and they need a higher level of care</li> <li>• The average initial payment is \$402,000, but it can top \$1 million in some communities.</li> </ul>

\* Helps complete household tasks that residents can't complete on their own, including cleaning house, cooking meal, or running errands

\*\* Help those who live in their home instead of residential care facilities. Offer more extensive personal care than family or friends are able to or have the time or resources to provide

## Resources That Provide Senior Living Community Pricing Options and Evaluation Tips:

- **LivingPath** Find info online about independent living, assisted living, and memory care communities. Compare cost, services, and capabilities of senior living communities across the country. Interact with senior living communities by watching community videos, asking questions, and scheduling visits.
- **MyLifeSite** Educational content to help consumers and those who advise them make better informed decisions about senior living. Filter search results such as available amenities, hobbies and interests, nearby hospitals or universities, type of residency contract, and more.
- **Genworth's 2021 Annual Cost of Care Survey** Tracks the cost of long term care services nationwide to help families understand and plan for their long term care needs
- **A Place for Mom's "Senior Housing Costs"** Discover price ranges in your area to compare the costs of in-home care to assisted living in your town and to compare the prices of different kinds of care types.
- **Gerry**—They can help you find a senior living community for your loved one. And they'll negotiate discounts for you—free of charge (search for meetgerry)
- **AARP—"Assisted Living Facilities: Weighing the Options"** Article about what family caregivers need to know about services, costs and finding the right place

Long-term care insurance can also help cover the cost of elder care, but only 7% of Americans have purchased it.<sup>13</sup> It's expensive, and the number of providers keeps dropping, and premiums have been spiking recently.

## Long-Term Care Insurance Can Help With the Cost of Elder Care, But Few of Us Buy It



ONLY  
**7%**  
of Americans  
have purchased  
long-term care  
insurance

Source: *What Is Long-Term Care Insurance?* Forbes, 2/20/23

To find resources that could help your parents pay for elder care, check out the National Council on Aging's BenefitsCheckUp webpage. It provides resources and assistance programs organized by state.

## How to Start the Elder Care Discussion With Parents

One method is to use your situation as a conversation starter. Let your parents know that you're starting to plan for your elder care, and you're wondering if they've done any planning yet. You want to find out if they have long-term care insurance and how they plan to pay for home care or assisted living if they ever need it.

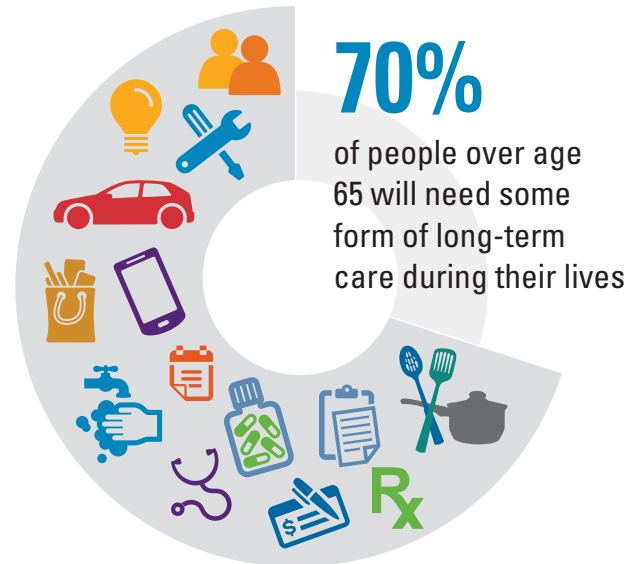
Don't rush the conversations. Don't feel like it's only one conversation. It's better to have several conversations over time. Adult children who rush the conversation tend to push too hard for getting care or moving to an assisted living community prematurely, rather than finding solutions that could help parents stay independent as long as possible. For ideas on how technology helps people remain independent as they age, check out this article at hartfordfunds.com.

Research the cost and options available for elder care in your area. Any conversations about the costs of these options should focus first on what your parents want. Set expectations with them about what you'll be able to contribute without harming your retirement.

Be careful about asking your parents to tour a facility after you've already made an appointment. They may perceive this approach as if you're trying to "put them away." If you're concerned about your parent's health risk, like falling, consider enlisting the help of people your parents' trust, like their doctor, to help them understand the need to get additional care.

Be ready for resistance. Your parents value their independence and may strongly resist the idea of moving out of their home or getting help in their home. Let them know that your concerns come from love. Inform them of what care options are available in your area. They may have a horrible perception of institutional senior care. Tell them that assisted living facilities have changed. Many facilities provide a higher quality of life by thinking outside the box and offering technology that keeps residents connected to their families and caregivers.

## There's a Good Chance Our Parents Will Need Long-Term Care—and We Will Too



Source: *Long-Term Care Statistics: A Portrait of Americans in Assisted Living, Nursing Homes, and Skilled Nursing Facilities, A Place for Mom, 9/13/23*



## Get Help From a Financial professional

If you're thinking about helping pay for your parents' elder care, a financial professional may be able to help you:

- Understand the costs of elder care
- Maximize public resources to preserve family assets
- Understand how the impact that helping parents financially could affect your retirement



If you're **40** and your parents are **70**, it's time to talk about eldercare

Source: *'The Talk' With Mom and Dad*, The Wall Street Journal, 2/23/11. Most recent data available.

## When to Start the Elder Care Discussion With Parents

A general principle of when to have the discussion about future housing for an aging loved one is the 40-70 Rule. If you're 40 and your parents are 70, it's time to start talking about elder care.<sup>14</sup> Don't expect to reach an agreement during your first conversation. Plan on having several discussions. And remember, ultimately, it's your loved one's decision.

Watch for other clues that may indicate the need to have a conversation. Pay attention to your parents' home. Is it neat or a mess? Are they hoarding? Do you notice any memory challenges, confusion, or physical unsteadiness?

## Are You Wondering if You Can Just Deal With Your Parents' Elder Care When You Have To?

As noted earlier, more than half of us plan on dealing with parents' elder care when there's a need. But if there's a health crisis, like a fall, family stress can go through the roof. Relationships can be get damaged. Family members can each have their ideas about how, when, and where care should be provided. Long-term care insurance options can also be limited or not available, especially if mental or physical health has declined. Experiencing the initial discomfort of having elder care discussions with parents is worth it if you can develop a solid plan for the future.

## Let's Summarize

1. Elder care is the care of people who are elderly or infirm, provided by residential institutions, by paid daily help in the home, or by family members.
2. Many people avoid discussing elder care with their parents
3. Costs of various senior housing options and how our parents will pay for them
4. How to start the elder care discussion with parents

## Procrastinating Senior Housing Discussions Is Natural

Just like putting off getting started on that book report in school, we've likely avoided discussing senior housing options with our parents. People avoid discussing things they don't like to think about. However, when asked whether avoidance strategies work, the same people say that they don't. Step up. Initiate these elder discussions with your parents.



## Next Steps

1. Begin the elder care conversation with your parents. Realize that it will be a series of discussions. Use a natural approach, something like, “We’re starting to plan for our future housing options for the future, and we wondered if you’ve done any planning.”
2. Meet with a financial professional. A financial professional can help you understand the costs of elder care. If you’re thinking of helping your parents pay for elder care, a professional can let you know that could affect your financial stability.
3. Research the cost and options available for elder care in your area. We’ve provided some general costs and links above, but finding accurate online pricing can be challenging. Make some in-person visits to local senior communities.

### Sources

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