

# 5 TIPS for caregivers

## PLANNING FOR LONG TERM CARE

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Long Term Care Costs. Often we associate these words with a pounding heartbeat or racing pulse. Anytime “long term” and “cost” are in the same sentence it can’t be good. Can we just keep the “care”? As much as we may want to avoid it, planning for long term care is an extremely important aspect of caregiving. And when you break it down into steps (and get people to help you!) it really can be manageable. Here are 5 tips for planning for long term care costs.

### 1 Set your goals.

The first step is always the hardest – start the conversation. Whether you are planning for your own family, or assisting your parents, siblings or other close friends, the first thing you need to do is set your goals and priorities. You and your spouse may have joked for years about retiring to a castle - complete with moat - but is that still what you truly want? For many, the main goal is to live comfortably. But you may need to consider how long term care factors into your plans. Do you wish to remain in your home? Should you consider a retirement community or assisted living? Do you have children that you want to provide for? These are all tough questions, and perhaps cannot be answered in one conversation. But start talking now, and that will help you decide where your priorities lie.

### 2 Put together your team!

You know how they say two heads are better than one? Then a whole team should be the best! Once you have a handle on your priorities, start assembling the team to make it happen. Look at your support network. Could a professional care manager help you navigate services available? Make sure you are aware of home health care, day centers, assisted livings, and nursing home options in your area. Find specialists you trust to help with additional matters, such as a financial planner, insurance provider, estate attorney and/or elder law attorney. Each situation is different; you may just need a small team or the entirety of the Redskins first

through third string. Having these people in your corner will help you both initially get your affairs in order, and you’ll know who to call down the road as any needs arise.

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### 3 Your finances can’t drive themselves.

You’ve set your goals, and if you’ve assembled your team, you may already have a financial planner to help you with this step. First and foremost, one of the most important pieces of planning for long term care is to know how much you’ll need. It’s easy to get caught up when planning for long term care, and simply focus on the cost of care, especially if you’re considering residential care. But remember, you still need to provide for both of you! Even if your spouse’s meals are provided at a facility, you may still want to go to the grocery store, or maybe even buy yourself a new pair of jeans once in a while! Don’t forget to take into account all your regular expenses, and even the “extras” it will take to help you live comfortably. Gather all the information you can on what you’ll need and what you have in your accounts. From there, a financial manager can help you simplify your finances, and make a plan to allow for the care you want.

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### 4 Update your legal documents.

Legal documents? Aren't we talking about finances?

Yes, but as you're going through this process, it's equally important to make sure your legal documents are up to date, especially if you've made any big changes in your goals or priorities. There's a whole other set of tips for legal planning, but in terms of your finances, you mainly need to consider who can make financial decisions for you in case of incapacity, and how you want your estate and assets handled. An attorney can help you draft or review your will, powers of attorney, revocable trusts, and any other documents needed to help ensure your wishes are met. Finally, they won't do much good if you can't find them! Once these documents are drafted, make sure that someone knows where they are safely stored when needed.

### 5 Plan how to pay for care.

You'll notice that in this whole process of planning for long term care costs, we haven't actually talked about how to pay for long term care. It's actually one of the last pieces of the puzzle! By first by knowing your goals, and getting your finances in order you'll be in a much better place to determine the best way for you to pay for long term care. There are three primary options that you'll want to consider: private pay, Medicaid, or long term care insurance. If you've gotten a good look at your finances, you may know right away if private pay or Medicaid could be options for you, based on if you put your money in the stock market during the Great Depression, or took it out during the Great Recession. Your

financial advisor can help you assess how much you really could afford each month privately, or if you would meet the qualifications for Medicaid. If you're somewhere in the middle (as many of us are!), then you may want to consider if long term care insurance is a good option. Plans can vary, and you'll have to look at what is affordable for payments, yet still provides enough coverage for your loved ones. A typical plan would cover 2 to 4 years or care with a benefit of \$200 to \$300 per day, and benefits begin when a person needs help with 2 to 3 activities of daily living. There are certainly options beyond these as well. With your finances in order, and your team behind you, you can make a good plan for long term care to meet your family goals.



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