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Tips to Help Plan for your Aging Parents Long Term Health Care Cost by Life Bridge

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With a depressed economy in tandem with aging baby boomers and expensive elder care costs, the nation needs to start planning. It seems natural for the flow of wealth to go from older generation to younger generation. Parents leave remaining wealth to their children, right? While this has been the process for many years, the uncomfortable truth is that todayâ€™s version of retirement planning is quite a bit different. Itâ€™s actually quite common for children to have to provide financially for their parentsâ€™ senior care and living situations. And this role reversal has many families reeling as the financial blow is unexpected.

Why Is Financial Planning Different These Days?

Americans are living longer these days and the cost of senior care is expensive. Not to mention, many seniorsâ€™ retirement stocks and nest eggs were lost in the recent stock market crash and recession. Long-term planning not only has a new meaning because people are living 3 to 5 years longer, on average, but also because long-term planning was, in many instances, affected by the depressed economy. And the children of the aging are the ones who have to float the bill.

â€œThe percentage of adult children providing personal care and/or financial assistance to a parent has more than tripled over the past 15 years,â€• Aflac WorkForces report. To make matters worse, fewer than one person in five takes even the first steps needed to â€œprepare legally and financially for taking care of an incapacitated parent,â€• according to Jack Hetherington, a certified elder-law attorney in Philadelphia. Expectations have changed. Most people donâ€™t even think about, let alone want to discuss, such an unpleasant topic as the financial burden of caring for aging parents. Itâ€™s when the actual moment of crisis hits that families become blindsided.

People dread talking about it because we donâ€™t like to face our mortality fewer than 1 person in 5 takes even the first steps needed to prepare legally and financially for taking care of an incapacitated parent. This is why preparation is so important.

Here are some tips to help your family prepare:

â€¢ Start planning for caring for aging parents. Create a legal document designating someone as having â€œpower of attorneyâ€• to grant decision-making authority in case illness or memory loss occurs.

â€¢ Get advice on increasing savings. Many workplaces offer free financial planning for your family. If your workplace doesnâ€™t, contact a credit union or financial planner. Itâ€™s never too early to get exper investment and financial saving advice.

â€¢ Get advice on appropriate insurance. Insurance goes a long way when it comes time to finance senior care and senior living. Again, contact your work place or research which insurance plan might be right for your family through an insurance provider. Understand your rights for Life insurance policies, LifeBridgebenefits.com is a great resource for this.

â€¢ Do your own research! Public libraries and websites (they donâ€™t call this the Information Age for nothing!) are great resources

â€¢ So begin your planning today. Youâ€™ll be glad you did. You have your own retirement planning to think of, let alone worrying about financing your parentsâ€™ care.

MetLife estimates that the average cost of parentâ€™s assisted living care is $3,500 a month. And this doesnâ€™t account for more expensive senior care services, such as memory and Alzheimerâ€™s care, which can cost $5,000 to $7,000 a month. With Americans living so much longer these days and with the record number of aging baby boomers reaching retirement age, the younger generations have to do more thinking about how they might care for parents who have either exhausted or lost their savings. The aging workforce is also straining Social Security and Medicare benefits, according to the Congressional Budget Office, leaving more of the financial burden on the individual families. So planning for your family and being cognizant of elder care costs is crucial.

Life Bridge - About Author:
LifeBridge Benefits offers seniors a distinct, creative opportunity, a Long-term care facilities include long term care benefits, death benefits, life settlement, a long term care benefit , policy exchange, conversion policy and insurance conversion.

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