



**AGING/
PARENTS & ADULT CHILDREN
TOGETHER**

A/PACT

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INTRODUCTION

An estimated 22.4 million U.S. households — nearly one in four — now are providing care to a relative or friend aged 50 or older or have provided care during the previous 12 months. So says a recent survey by the National Alliance for Caregiving and AARP. Other surveys suggest that today's Baby Boomers — adults born between 1946 and 1965 — likely will spend more years caring for a parent than for their children.

If you're 40 or older, you may be among this new generation of caregivers, which is dedicating enormous time, energy and spirit to ensure that aging loved ones are safe, secure and maintaining the best possible quality of life. And chances are you know firsthand the meaning of the term "Sandwich Generation"— used to describe the growing number of adult children feeling squeezed between the needs of an aging parent, relative or friend and the demands of their own children, spouses and careers.

Juggling these competing demands is not easy, but it can be done. Help is available from public, private and non-profit organizations, even if you're trying to provide eldercare long-distance.

A/PACT is a series of 10 articles produced by the Federal Trade Commission in partnership with AARP. The series will introduce you to eldercare issues you may confront and help you help aging loved ones investigate options and make decisions that can help maximize their independence, comfort and quality of life.

The series begins with an article about protecting elders against fraud. Subsequent articles will introduce care needs like daily money management services, making homes safe for elders, alternative living arrangements, and long-term care insurance. The articles are written by medical, legal, financial and gerontology experts, as well as caregiver support organizations. Each article includes a list of resources for more information.

Trying to care for an aging parent may seem overwhelming. Don't be shy about asking for help from your family, seeking guidance from professionals, or talking to other caregivers. Caregiving is a universal experience.

CONSUMER FRAUD AGAINST THE ELDERLY

During a visit with your mother, you notice a stack of wire transfer receipts totaling more than \$65,000. When you ask what they're for, she says she's investing in a new hi-tech company. After you investigate further, you think she's being scammed by fraudulent telemarketers. What can you do?

Consumers lose more than \$40 billion a year to telemarketing fraud. People over 50 years of age are especially vulnerable and account for about 56 percent of all victims, according to a recent study by AARP. Scam artists often target older people, knowing they tend to be trusting and polite toward strangers and are likely to be home and have time to talk with callers.

You can help empower your parents and others who may be targets of fraudulent telemarketers by describing some tip-offs to rip-offs, letting them know their rights and suggesting ways they can protect themselves.

TIP-OFFS TO PHONE FRAUD

Many scams involve bogus prize offers, phony travel packages, get-rich-quick investments and fake charities. Con artists are skilled liars who spend a lot of time polishing their sales pitches. As a result, it can be difficult to see through their scams.

Alert those you care about to be on their guard if they hear the buzz words for fraud. Among the tip-offs are:

- ◆ You must act “now” or the offer will expire.
- ◆ You’ve won a “free” gift, vacation or prize — but you must pay for “postage and handling” or some other charge.
- ◆ You must send money, give a credit card or bank account number or have your check picked up by courier — before you’ve had a chance to consider the offer carefully.
- ◆ It’s not necessary to check out the company with anyone — including your family, lawyer, accountant, local Better Business Bureau or consumer protection agency.
- ◆ You don’t need written information about the company or its references.
- ◆ You can’t afford to miss this “high-profit, no-risk” offer.

It's the Law

It also is helpful for people who are the targets of fraudulent telemarketers to know their rights. Anyone who is troubled by calls — whether abusive, deceptive or simply annoying — should know that, under federal law:

- ◆ It's illegal for a telemarketer to call you if you have asked not to be called.
- ◆ Calling times are restricted to the hours between 8 a.m. and 9 p.m.
- ◆ Telemarketers must tell you it's a sales call, the name of the seller, and what they are selling — before they make their pitch. If it's a prize promotion, they must tell you that you don't have to pay or buy anything to enter or win.
- ◆ Telemarketers may not lie about any information, including any facts about their goods or services, the earnings potential, profitability, risk or liquidity of an investment, or the nature of a prize in a prize-promotion scheme.
- ◆ Before you pay, telemarketers must tell you the total cost of the goods and any restrictions on getting or using them, or that a sale is final or non-refundable. In a prize promotion, they must tell you the odds of winning, that no purchase or payment is necessary to win and any restrictions or conditions of receiving the prize.
- ◆ Telemarketers may not withdraw money from your checking account without your express, verifiable authorization.
- ◆ Telemarketers cannot lie to get you to pay.
- ◆ You do not have to pay for credit repair, recovery room or advance-fee loan/credit services until these services have been delivered.

HOW TO PROTECT TARGETS OF TELEMARKETING FRAUD

You also can help people you care about develop responses that will end an unwanted sales call. Possible responses to unwanted callers include: “I don't do business with people I don't know,” “Please put me on your ‘Do-Not-Call List,’” “I'll need to see written information on your offer before I consider giving you money,” or “You can send that information to my attorney's office at . . .” Perhaps the easiest response is, “I'm not interested. Thank you and good-bye.”

Urge your parents or anyone else troubled by calls to resist high-pressure sales tactics. Legitimate businesses respect the fact that a person is not interested. Remind an older person to:

- ◆ Say so if they don't want the seller to call back. If they do call back, they're breaking the law. That's a signal to hang up.
- ◆ Take their time, and ask for written information about the product, service, investment opportunity or charity that's the subject of the call.
- ◆ Talk to a friend, relative or financial advisor before responding to a solicitation. Their financial investments may have consequences for the family or close friends.
- ◆ Hang up if they're asked to pay for a prize. Free is free.
- ◆ Keep information about their bank accounts and credit cards private unless they know who they're dealing with.

- ◆ Hang up if a telemarketer calls before 8 a.m. or after 9 p.m.
- ◆ Check out any company with the state and local consumer protection office before they buy any product or service or donate any money as a result of an unsolicited phone call.
- ◆ Finally, remind an older person not to send money — cash, check or money order — by courier, overnight delivery or wire to anyone who insists on immediate payment.

If you suspect a scam, call your state attorney general. The Federal Trade Commission's Telemarketing Sales Rule gives state law enforcement officers the power to prosecute fraudulent telemarketers.

FOR MORE INFORMATION

Consumer Response Center
 Federal Trade Commission
 Washington, DC 20580
 202-FTC-HELP (382-4357); TDD: 202-326-2502
www.ftc.gov

You also can file a complaint with the Commission by contacting the CRC by phone, by mail, or by e-mail; use the complaint form at www.ftc.gov.

National Consumers League
 1701 K Street, NW
 Washington, DC 20006
 202-835-3323
www.natlconsumersleague.org

The National Consumers League and AARP conducted research on telemarketing fraud targeting the elderly and offer suggestions for older people and their families in a brochure, *They Can't Hang Up*, available from the National Consumers League.

To *stop telephone sales calls* from many legitimate national marketers, send your name, address and telephone number to:

Direct Marketing Association
 Telephone Preference Service
 PO Box 9014
 Farmingdale, NY 11735-9014

To *remove your name* from many national *direct mail lists*, write:

Direct Marketing Association
 Mail Preference Service
 PO Box 9008
 Farmingdale, NY 11735-9008

Prepared by the Federal Trade Commission

DAILY MONEY MANAGEMENT PROGRAMS

You live in a city far from your 75-year-old mother. In telephone conversations during the past year, you've begun to suspect she's growing increasingly forgetful, but she assures you everything is fine. Now a neighbor has called to say your mother hasn't paid her utility bills in three months and the utility company is threatening to cut off the power. What should you do?

If your parent is having trouble managing money, he or she is not alone. An estimated 500,000 older people in the United States need help with their financial affairs. As a result, a new field is evolving to provide daily money management services on a fee-for-service basis.

Daily money managers offer a variety of services:

- ◆ Organizing and keeping track of financial and medical insurance records;
- ◆ Establishing a budget;
- ◆ Helping with check writing and checkbook balancing; and,
- ◆ Serving as a representative payee or fiduciary with authority to administer the benefits of people who can't manage their own financial affairs.

Some money managers also make medical appointments for older clients and help arrange for other assistance, such as locating necessary in-home care. Money managers do not provide financial planning or investment counseling services.

Daily money managers typically charge \$25 to \$100 an hour, depending on the client's locale and the complexity of their financial affairs. While it is difficult to generalize the total cost, many clients require only a few hours of services each month to keep on top of their finances. Some local governments and community organizations also offer reduced-fee or free services for low-income clients.

Unfortunately, many people do not turn to a daily money manager until after a crisis, such as a threatened eviction or utility cut-off. However, there are ways to tell whether an older person needs a money manager before an emergency occurs. Here's how:

With your parent's help or permission, review his or her checkbook, bank statements and canceled checks. Look for:

- ◆ Inappropriate payments, such as payments for medical bills that already have been paid;
- ◆ Numerous payments to credit card companies, home shopping networks, sweepstakes or other contests;
- ◆ Unusually large donations to charitable or fraternal organizations;

- ◆ Failure to list or otherwise track deposits and income;
- ◆ Failure to record checks or otherwise track expenditures;
- ◆ Lost checkbooks or bank statements;
- ◆ Numerous transfers from savings to checking accounts;
- ◆ Consistent or unusual payments to a person unknown to you, a possible sign that your parent is being exploited financially.

Then review bills and correspondence, watching for letters from creditors or past-due notices. The review may indicate that a daily money manager is needed.

If you and your parent decide that a daily money manager would be helpful, interview several candidates. Get references and talk with their clients. Also contact the local Better Business Bureau, Chamber of Commerce, local consumer protection agency or area agency on aging. Ask if they have any unresolved consumer complaints on file. One caveat: No record of complaints against a particular provider doesn't necessarily mean no previous consumer problems. It may be that problems exist, but have not yet been reported, or that the money manager is doing business under several different names. In addition, ask the providers you interview for their company's financial statement to make sure the provider you choose has a solid financial history. Make sure the provider is familiar with the special needs of older people.

FOR MORE INFORMATION

The Eldercare Locator — a nationwide, toll-free assistance directory sponsored by the National Association of Area Agencies on Aging — will refer you to the area agency on aging nearest to your parent or other older adult. 800-677-1116, www.aoa.dhhs.gov/elderpage/locator.html.

American Association of Daily Money Managers
 PO Box 755
 Silver Spring, MD 20918
 301-593-5462
www.aadmm.com/listof.htm.

The association can provide names of daily money managers in an older person's community or nearby. The association also publishes *Daily Money Management: What It Is and How Can It Help Me?*

Federal Deposit Insurance Corp.
 801 17th Street, NW
 Washington, DC 20434-0001
 800-276-6003 or 202-416-6940; fax: 202-416-2076
 e-mail: publicinfo@fdic.gov
www.fdic.gov/consumer/consnews/sum97
 The FDIC publishes *Financial Caregiving: A Survival Guide*.

Prepared by AARP

MAKING THE HOME SENIOR-FRIENDLY

Your parents are healthy and living in their home, but you worry about the danger of falls and other household injuries. What if one of them becomes ill or disabled? How would they manage? What can you do now to improve their safety and comfort or mitigate any possible injury?

It's wise to address concerns about your parents' safety and comfort in their home before a problem arises. Your parents probably share your concerns. Great strides have been made in designing and retrofitting public and private spaces to allow greater freedom and access for people with limitations and disabilities. These elements also can be used to enhance a home and eliminate safety hazards.

Evaluating your parents' home begins with a general safety check. Use this checklist to identify problem areas:

Throughout the home

- ◆ Are handrails securely fastened on both sides of all stairways?
- ◆ Are all areas, including stairways, well lit? Are switches easy to operate?
- ◆ Do outside lights illuminate entrances and exits?
- ◆ Is a telephone accessible at all times? You may want to suggest a cordless telephone with charger.
- ◆ Are outside doors protected by security locks that can be easily operated?
- ◆ Are smoke detectors and carbon monoxide detectors strategically located?
- ◆ Are batteries replaced on a regular basis?
- ◆ Are floors and stairs kept free of cords and loose objects?

Bathroom

- ◆ Is safety equipment properly installed? The basics are grab bars for the tub, shower and near the toilet.
- ◆ Do the tub and shower have non-slip surfaces?
- ◆ Is the hot water heater set to prevent scalding?
- ◆ Can you remove tripping hazards, such as cords and throw rugs?
- ◆ Is there a night light?

Bedroom

- ◆ Is there a sturdy bedside table with a non-tip lamp and space for eyeglasses?
- ◆ Does furniture placement allow a clear path between the bathroom and bedroom?
- ◆ Do rugs have non-slip backing?
- ◆ Is there a comfortable chair with arms for rest or comfort when dressing?

Kitchen

- ◆ Can frequently used items be reached without using a chair or stool?
- ◆ Is a fire extinguisher within easy reach of the stove?
- ◆ Is there a work area where a person can sit while preparing food?

Simple improvements identified through the checklist are inexpensive, barely affect the appearance of the home, and can make all the difference in an aging person's ability to continue living at home.

For older people with health problems, a home evaluation by an occupational therapist also can be helpful. This health professional can identify ways to improve home safety, arrange resources and modify the environment to compensate for specific disabilities. For example, home improvements for someone with severe arthritis could include installing lever-action faucets in sinks and tubs, replacing door knobs with lever handles, equipping the kitchen with an under-cabinet jar opener and electric can opener and replacing knobs or small handles on cupboards and drawers with larger "C" handles. Similarly, an avid gardener with knee or hip problems could continue gardening by having raised plant beds installed that can be reached from a standing or sitting position.

While some improvements can be done by the homeowner, others, such as a wheelchair ramp, may require a builder or contractor.

FOR MORE INFORMATION

The American Occupational Therapy Association
4720 Montgomery Lane
Bethesda, MD 20824-1220
800-668-8255 or 301-652-2682; fax: 301-652-7711
www.aota.org

The AOTA has information on: home safety for people with health problems, including Alzheimer's disease, adapting homes for older people, driver safety, and locating occupational therapy resources.

National Association of Area Agencies on Aging
1112 16th Street NW, Suite 100
Washington, DC 20036
202-296-8130
www.ncoa.org/lcao/members/naaaa.htm

NAAAA provides information on locating community resources for older adults.

Alzheimer's Association National Headquarters
919 North Michigan Avenue, Suite 1000
Chicago, IL 60611
800-272-3900
www.alz.org

AARP
601 E Street, NW
Washington, DC 20049
www.aarp.org/programs/connect/orderform.htm
AARP pamphlets include, *Home Modification: Independent Living Kit*, Stock No. D16427; *DoAble Renewable Home*, Stock No. D12470; and *Consumer Tipsheet: Home Modification*, Stock No. D16236. Refer to the stock numbers when ordering.

Prepared by the American Occupational Therapy Association

ALTERNATIVE LIVING ARRANGEMENTS

Your mother is 78 years old and lives alone. Her eyesight is failing, she's becoming forgetful and she's finding it difficult to keep up with housekeeping, home repairs and maintenance. You fear that she can't manage on her own much longer.

Many older people find it necessary or sometimes just more convenient to move to housing where housekeeping, recreational and other services are available. Fortunately, housing options abound. Among the choices these days are *independent living facilities*, *continuing care retirement communities*, *supportive housing* and *congregate care*. Some facilities are privately owned; others are government supported or sponsored by religious or other non-profit groups. The distinctions among facilities aren't always clear cut: the way a facility describes itself may provide little or no indication of the services it offers.

Here are some general guides to help you explore housing options with someone you love. *Independent living facilities* offer recreational and social programs, but few services. However, an independent living facility might be found within a *continuing care retirement community (CCRC)*, where housing options vary by need. A CCRC lets seniors enter while they're still active and independent, knowing that if they become infirm, services are available to meet their changing needs.

Housing options that fall between independent living facilities and nursing homes include *supportive housing*, *congregate care*, *board and care*, *personal care* and *assisted living facilities*. All provide housing and varying levels of health or supportive services. For example, assisted living may refer to a single-family home that provides shelter and care to a small group of residents or a large complex that houses hundreds of people.

What programs are called, and the care and services they provide, vary by state — sometimes even within a state. Some facilities offer at least one meal a day and light housekeeping; others include transportation to shopping and medical appointments. Some have staff that administer medication and coordinate residents' health care; in others, staff provide skilled nursing care. Add *federally subsidized apartments* to the mix. While these facilities for low-income seniors don't provide services, they may have a *service coordinator* to help residents get services.

The federal government regulates nursing homes and federally subsidized housing. By contrast, state governments are responsible for regulating and licensing assisted living and other housing programs for older people, but the laws that apply and the agencies that are responsible vary by state. However, every state has a long-term care ombudsman program to investigate issues involving nursing homes, board and care homes and other long-term care facilities. Some long-term care ombudsman programs also help residents of assisted living facilities.

The state or local area agency on aging can help you explore housing options. Many agencies distribute directories or guides to housing options for older people and people with disabilities in their service areas. Area agencies on aging also can direct you to the long-term care ombudsman program, which in turn can supply information about a particular facility. In addition, your parents may have friends and relatives living in senior housing facilities who can provide suggestions and recommendations.

When you consider alternative housing arrangements, think about the older person's needs and preferences. Start with the basics:

- ◆ What living conditions does a housing program offer?
- ◆ What services are provided?
- ◆ How much will it cost?
- ◆ Will the program meet this person's current health and safety needs and those you may anticipate?
- ◆ Who will decide the services the person receives?
- ◆ How much independence will he or she have?
- ◆ What are the older person's legal rights if he or she disagrees with the facility?

Before deciding on a facility, visit the premises and talk with staff, residents, and family members — theirs and yours. Before you sign a contract, read it carefully and ask a lawyer to review it.

FOR MORE INFORMATION

AARP

Fulfillment

601 E Street, NW

Washington, DC 20049

www.aarp.org/caregive/cgsgaarp.htm

AARP offers several free pamphlets about housing options for older adults. Particularly helpful is *Home Away From Home: A Consumer Guide to Board and Care Homes and Assisted Living*, Stock No. D12446. Refer to the stock number when ordering.

American Association of Homes and Services for the Aging

900 E Street, NW, Suite 500

Washington, DC 20004-2937

800-675-9253 or 202-783-2242

www.aahsa.org

This provider organization offers consumer information about continuing care retirement communities and assisted living on its Web site and publishes *Consumer's Directory of Continuing Care Retirement Communities*, which is available for \$33.50, including shipping and handling.

Assisted Living Federation of America
10300 Eaton Place, Suite 400
Fairfax, VA 2030
703-691-8100
www.alfa.org

This provider organization offers consumer information about assisted living on its website.

Consumer Coalition on Assisted Living
2342 Oak Street
Falls Church, VA 22046
703-228-5243

This grassroots membership organization was founded in 1995 by consumers, providers, advocates, researchers and others to explore critical issues in assisted living.

Institute for Health Policy
Heller School, Brandeis University
415 South Street
Waltham, MA 02254
800-456-9966

www.brandeis.edu/heller/ihp/ihp.html

This university affiliated research institute on assisted living publishes a consumer guide, *Finding the Assisted Living Program for You*. It also offers additional information and discussion groups on its website.

American Bar Association Commission on Legal Problems of the Elderly
740 15th Street, NW
Washington, DC 20005-1022
202-662-8690; fax: 202-662-8698
www.abanet.org/elderly

The Commission publishes the *ABA Legal Guide for Older Americans*, containing information about consumer legal issues, including housing options. The cost is \$13.00.

For the state or local area on aging, check the government listings in the telephone book or contact the Eldercare Locator 800-677-1116; www.ageinfo.org/elderloc.

Prepared by The American Bar Association Commission on Legal Problems of the Elderly

LONG-TERM CARE INSURANCE

At ages 59 and 61, your parents are independent and self-sufficient. Still, they realize that an accident, sudden illness or simple aging could trigger the need for long-term care. They nursed your grandmother through her 10-year bout with Alzheimer's and are well aware that a loved one's illness can cause heartbreak and financial strain for the entire family. Can a long-term care insurance policy for your parents help protect everyone concerned?

As the senior population grows and health care costs escalate, adult children are becoming increasingly concerned about caring for their aging parents. Many families are dealing with the challenges of mental or physical disability or prolonged illness. For thousands of others, these realities may be just around the corner.

The challenge for these families is to provide the best possible long-term care for a parent without causing severe financial hardship for the rest of the family. In most cases, families must plan ahead without knowing the answers to key questions: Will a parent need round-the-clock nursing home care or assistance with daily activities such as bathing and dressing? Will home health care be enough? Will Medicare pay for it? Does the parent qualify for Medicaid? What cost will the family incur?

One thing is certain — long-term care is very expensive. Unlike traditional medical care, which seeks to rehabilitate or correct certain medical ills, long-term care aims to help people with chronic conditions compensate for limitations on their ability to function independently. Long-term care involves a wide variety of services and, generally, older people often need more care than they anticipate.

Government assistance programs may offer little help. Medicare — the federal health insurance program for people over the age of 65 — provides very limited long-term care benefits and can require substantial co-payments. Medicaid — the public health care program for low-income Americans — has strict financial eligibility criteria and generally requires beneficiaries to deplete their savings, or “spend down,” before it will pay for services. Other public services may be available but typically are offered on a sliding-fee scale, based on ability to pay. There also may be waiting lists.

While long-term care insurance is not for everyone, it is an attractive form of security for many people. Depending on the policy, long-term care insurance can cover nursing home stays, home health care and community-based services.

People usually buy long-term care policies from private insurance companies. However, a growing number of employers are now offering policies to their employees, employees' parents and retirees.

Policies vary widely in coverage and cost. Some only cover nursing home care; others only home care. Shop around and consider the following factors before buying a policy:

- ◆ The age, health, overall retirement objectives and financial resources of the person who is to be insured;
- ◆ The financial stability of the insurance companies you're considering; and,
- ◆ The “triggers” each company requires to start coverage.

Existing health problems, such as Parkinson's or Alzheimer's, might prevent some people from obtaining long-term care insurance due to medical underwriting standards that insurance companies use to keep their rates affordable. Without such provisions, most people would not buy coverage until they needed services.

FOR MORE INFORMATION

While buying long-term care insurance can be an intimidating process, state insurance departments and senior counseling programs can help.

National Association of Insurance Commissioners

PO Box 87-7870

Kansas City, MO 64187-7870

816-374-7259; fax: 816-471-7004

www.naic.org

NAIC publishes *A Shopper's Guide to Long-Term Care Insurance*, containing information on all aspects of long-term care insurance and the addresses and telephone numbers for every state insurance department, agency on aging and insurance counseling program.

United Seniors Health Cooperative

409 Third Street, SW

Second Floor

Washington, DC 20024-3212

800-637-2604

www.ushc-online.org/html/pubs_bookshelf.html

USHC publishes *Long-Term Care Planning: A Dollar & Sense Guide*.

AARP

Fulfillment

601 E Street, NW

Washington, DC 20049

www.aarp.org/caregive/2-ltcf.htm

AARP publishes, *Before You Buy — A Guide to Long-Term Care Insurance*, Stock No. D12893.

Prepared by the National Association of Insurance Commissioners

ALTERNATIVES TO GUARDIANSHIP

Your 82-year-old father is overwhelmed with financial documents and gets confused and frustrated when he sorts through them. He often accidentally overdraws his checking account or forgets to pay bills. His only income is Social Security, so he has to be careful with his money. You're concerned he can't manage his financial affairs any longer. Should you petition for guardianship?

Adult children often are faced with evidence that a parent is no longer keeping up with his or her personal finances or is making financial decisions that are inconsistent with past spending habits. Your immediate reaction should not be to petition a court to appoint a guardian.

A guardian or, in some states, a conservator, is a person appointed by a court to decide financial or personal matters for another person who is unable to manage his or her own affairs. A guardianship, or conservatorship, however, is a severe deprivation of a person's right to make his or her own decisions. It should be considered only after other methods of protecting the person fail.

You can explore various legal options with your parent to help manage their assets. Your parent can choose from several simple legal documents designed to give you or someone else — an agent — the authority to manage some or all matters, usually financial, on their behalf.

A *power of attorney* lets your parent appoint a person they trust — an *agent* or *attorney-in-fact* — to help manage their finances. It's fairly simple and inexpensive to create a power of attorney. Urge your parent to talk with a lawyer about the specific responsibilities that can be given to an agent. It may be reassuring for them to know that the agent they select is there to help them carry out their wishes.

A person who signs a power of attorney is called a *principal*. To sign a power of attorney, a person must be mentally competent. That means the principal must understand what he or she is doing and want to delegate certain decision-making responsibilities to someone else. Importantly, the agent can continue handling the principal's finances if the principal becomes incompetent but only if the power of attorney specifically states that the principal wants the document to remain in effect after his or her incapacity. This crucial clause makes the power of attorney *durable*. An ordinary power of attorney becomes useless when the principal becomes mentally incapacitated.

A person also can designate when the durable power of attorney goes into effect. It can start when the document is signed or at some other time, say, when the principal becomes incapacitated. This latter type of power of attorney is called *springing*, because it springs into effect in the future. With a springing power of attorney, a principal must clearly define how others should determine that the springing event has occurred. All powers of attorney end when the principal dies, unless the document specifies an earlier date. The principal also can change or revoke a power of attorney at any time.

A power of attorney can be very specific or very general, depending on the principal's wishes. He or she can authorize just one thing, like selling a car, or include everything that the principal could do him- or herself. Suggest that your parent get legal advice to help understand how to tailor the power of attorney to fit his or her wishes and needs.

There are several other protective tools. A person who receives income from Social Security may ask the Social Security Administration to appoint a *representative payee* to receive the monthly checks and use the money to pay his or her living expenses. The payee must open a separate bank account where the checks will be deposited electronically by Direct Deposit. The representative payee has no authority over any of the recipient's other funds and must report to the Social Security Administration annually, showing how the money was spent to meet the beneficiary's needs.

To have a representative payee appointed, you or your parent must fill out a form stating that your parent cannot manage the Social Security benefits. Include a letter from your parent's doctor as confirmation. The Social Security Administration will accept recommendations concerning who should be appointed the payee, but is not required to follow them.

Your parent can establish a *living trust* — a legal arrangement by which he or she transfers ownership of assets to another person — the *trustee*. The trustee must manage the assets on behalf of the people designated as the trust's *beneficiaries*. The same person can simultaneously serve as the creator of the trust (the *grantor* or *settlor*), the trustee and the beneficiary. However, older people who are not prepared to be the trustee can still be the beneficiary during their lifetime, and direct the trustee to distribute any remaining assets to secondary beneficiaries after their death.

More complex trusts also are available, but usually are not appropriate for people with limited assets. You and your parent should consult with a lawyer to evaluate whether a trust would be suitable and to determine the most appropriate type of trust.

When the alternatives discussed here and in "Daily Money Management Programs" (the second article in this series) have been exhausted, or if you know your parent is not capable of putting any plan into effect, you may need to consider a guardianship or conservatorship. Consult with an attorney to determine the appropriate course of action.

FOR MORE INFORMATION

Social Security: A Guide for Representative Payees, Social Security Pub. No. 05-10076.
Call 800-772-1213 to order.

AARP

Fulfillment

601 E Street, NW

Washington, DC 20049

www.aarp.org/getans/wills.html

AARP publishes *Tomorrow's Choices*, Stock No. D13479, and *Wills and Living Trusts*, Stock No. D14535.

National Academy of Elder Law Attorneys

1604 North Country Club Road

Tucson, AZ 85716

520-881-4005; fax: 520-325-7925

www.naela.com

Prepared by AARP

THE THREE MEDI'S: MEDICARE, MEDIGAP AND MEDICAID

Your mom is turning 65. She will be receiving Social Security retirement benefits but is very concerned about how to finance her health care. She owns her home, has a limited pension, and with Social Security, will be able to make ends meet but with little money to spare. Will she be eligible for Medicare? Does she need Medigap insurance? Can Medicaid help?

Medicare is the national health insurance program for Social Security recipients who are over 65 or permanently disabled. It is administered by the federal Health Care Financing Administration. Private insurance companies contract with the government to make payments to medical providers.

Medicare is not a welfare program. That is, personal income and assets are not considered in determining an individual's eligibility or benefits. Medicare coverage is similar to the coverage that private insurance companies offer: Medicare pays a portion of the cost of some medical care and the beneficiary — the patient — assumes the cost of deductibles and the co-payments to healthcare providers.

Medicare has two coverage components — *Part A* and *Part B*. *Part A* covers in-patient hospital care, hospice care, in-patient care in a skilled nursing facility and home health care services. *Part B* covers medical care and services provided by doctors and other medical practitioners, durable medical equipment and some outpatient care and home health care services. *Part A* is financed mostly through federal payroll taxes; the majority of beneficiaries do not pay a premium for this coverage. *Part B* is financed through monthly premiums paid by beneficiaries who choose this coverage and by general revenues from the federal government. Beneficiaries may be required to pay deductibles and make co-payments under both *Part A* and *Part B*.

Medicare recipients can choose to receive their health care services through Medicare's traditional *fee-for-service* system or through *managed care plans*. The fee-for-service system lets patients see any physician who participates in Medicare. Although generally less expensive, managed care plans limit patients to certain doctors and generally require patients to get referrals to specialists from their managed care plan physicians, who may be known as *gatekeepers*. Some Medicare managed care plans let beneficiaries see a specialist without prior approval, but they charge a premium for that. Generally, beneficiaries who choose a managed care Medicare plan must get all their care through the plan to receive coverage.

Beginning January 1, 1999, Medicare recipients will have additional options for financing their health care coverage under a new *Part C* of Medicare. Also known as *Medicare+Choice*, *Part C* options will include *coordinated-care plans*, *Medical Savings Accounts*, and *private fee-for-service* plans. Beneficiaries will not have to change their current Medicare arrangement, however, and should do so only after study and thought.

Medicare Supplemental Insurance — also known as *Medigap* — can help beneficiaries pay for medical care that Medicare does not cover, including deductibles and co-payments. While all Medigap policies must contain basic or “core” benefits, beneficiaries can get additional benefits for higher premiums.

In deciding whether Medigap or supplemental insurance makes sense for your parent, consider your parent’s current health status and likely future medical needs (as best you can) as well as the policy’s cost and any restrictions, such as benefit restrictions for pre-existing conditions. Also check for restrictions on the policyholder’s ability to switch from one policy to another. Before enrolling in any insurance company, check with the insurance commissioner in your parent’s home state to see if there are unresolved complaints against the company on file.

Medicaid is different. Based on need, it helps pay the medical care for low-income older or disabled people and other individuals, including some with moderate incomes but high health care expenses. Eligibility for Medicaid is based on an applicant’s income and assets. Medicaid is financed jointly by federal and state governments and, while each state must follow basic eligibility and benefit requirements, significant details vary among states.

Medicaid covers far more nursing home care than Medicare, and pays for custodial and skilled care. It doesn’t limit the time a beneficiary can stay in a nursing home or other care facility.

Both Medicare and Medicaid can be a source of funding for long-term home health care, but Medicare covers home health care only if the person is homebound and needs skilled nursing or therapy services.

To apply for Medicare, your parents should contact the nearest Medicare office in their state about three months before their 65th birthday. Those who are receiving Social Security disability benefits also should inquire about Medicare. For more information, contact the Social Security Administration at 800-772-1213, or the Health Care Financing Administration at 800-638-6833, www.hcfa.gov. HCFA publishes the *1997 Guide to Health Insurance for People with Medicare*, Pub. No. HCFA-02110. For Medicaid information, contact the state medical assistance office, often called the State Department of Social Services or Department of Human Services.

FOR MORE INFORMATION

The *Center for Medicare Advocacy, Inc.*, publishes a variety of materials on Medicare, Medigap and Medicaid, including items on how to pursue a Medicare appeal or home health care appeal. Write: Center for Medicare Advocacy, Inc., PO Box 350, Willimantic, CT 06226, or call: 860-456-7790.

National Academy of Elder Law Attorneys, Inc. (NAELA), 1604 N. Country Club Road, Tucson, AZ 85716-4005. 520-881-4005; fax: 520-325-7925; www.naela.com.

American Bar Association Commission on Legal Problems of the Elderly, 740 15th Street, NW, Washington, DC 20005-1022. 202-662-8690; fax: 202-662-8698; www.abanet.org/elderly. The Commission publishes *The ABA Legal Guide for Older Americans*, which includes information about consumer legal issues. The cost is \$13.00.

The Medicare Hotline at 800-638-6833.

Prepared by the Center for Medicare Advocacy

SELECTING A GERIATRIC CARE MANAGER

Your elderly aunt is widowed and lives alone. You're the only family member she has to care for her. Her long-time health problems have become debilitating. You know she needs help but, because you live far away, you don't know exactly what she needs or where to look for help. Someone suggests that you contact a geriatric care manager. What is a care manager and how can you find a good one?

A *geriatric care manager* (GCM) is a professional who specializes in helping older people and their families with long-term care arrangements. GCMs often have training in gerontology, social work, nursing or counseling. They also have extensive knowledge about the cost, quality and availability of services in an older person's community. As a result, GCMs can help:

- ◆ Conduct care-planning assessments to identify problems and determine eligibility for assistance and the need for services;
- ◆ Screen, arrange and monitor in-home help or other services;
- ◆ Review financial, legal or medical issues and offer referrals to geriatric specialists to avoid future problems and conserve assets;
- ◆ Provide crisis intervention;
- ◆ Act as a liaison to families living away from the parent, making sure things are going well and alerting families to problems;
- ◆ Help move an older person to or from a retirement complex, care home or nursing home;
- ◆ Provide consumer education and advocacy; and,
- ◆ Offer counseling and support.

Choose a GCM carefully. The field of geriatric care management is relatively unregulated and many people without specialized training identify themselves as care managers, care coordinators or care advisors. Therefore, it's wise to screen candidates to ensure that you're working with a person qualified in this new profession.

Ask about candidates' training, education and background in care management and geriatrics. Ask how long they've been a GCM and whether they belong to the National Association of Professional Geriatric Care Managers or any other professional associations.

A care manager's ability to be responsive is important. Ask candidates what their average response time is to return calls from clients and their families. Have them describe their communication system: Do they use pagers, portable phones, an answering service or voice mail? Learn about their agency's size, hours and staff composition. How are after-hours emergencies handled? What are the back-up systems for covering vacations and days off? Will you and your parent work with one GCM or several?

Determine the scope of the GCM's practice. Some GCMs or agencies specialize in assessments and care consultation but typically don't follow people on an ongoing basis. An assessment is a thorough review of the client's physical, medical and mental status, and financial resources. It serves as the basis for a comprehensive plan for the client. Other GCMs offer psychotherapy, money management, or home care. They also can act as conservators, appointed by a court to manage the financial and/or personal affairs of someone unable to manage his or her own affairs. It's important that the GCM's practice setting and specialties meet your needs and your parent's.

Investigate the GCM's track record and reputation. Ask for letters of reference or names of previous clients you may contact. Is the GCM active in professional associations? Does the GCM perform volunteer work?

While there are no licensing requirements for GCMs, there are certification programs. Ask each candidate you interview if he or she is certified, and by whom.

Confusion about fees and billing can be a problem. Be sure you understand the GCM's billing rates and how charges are calculated. Fees vary depending on the GCM's work setting — private practice, public agency or private non-profit agency. Get a written service agreement that outlines the fee structure and practices.

Finally, ask GCM candidates if they subscribe to a code of ethics or are guided by professional standards of practice. Get a copy of the standards. They should deal with the right to privacy, fiduciary responsibilities, full disclosure, fostering self-determination, fees, continuing education and professional relationships. Ask how complaints are handled.

FOR MORE INFORMATION

You can find GCMs through:

- ◆ The Area Agency on Aging in your parent's community
- ◆ Hospitals, senior centers, geriatric assessment centers and charitable organizations, such as the Alzheimer's Association
- ◆ The National Association of Professional Geriatric Care Managers at 520-881-8008
- ◆ The Eldercare Locator Service at 800-677-1116

Private non-profit organizations that promote standards for geriatric care managers include:

National Association of Professional Geriatric Care Managers

1604 North Country Club Road

Tucson, AZ 85716-3102

520-881-8008; fax: 520-325-7925

National Council on Aging

409 Third Street, SW

Suite 200

Washington, DC 20024

202-479-1200; fax: 202-479-0735

www.ncoa.org

Case Management Society of America

8201 Cantrell Road, Suite 230

Little Rock, AR 72227

501-225-2229; fax: 501-221-9068

Prepared by the National Association of Professional Geriatric Care Managers

CARING FOR THE CAREGIVER

Marcy is divorced with two teenage sons. Her 81-year-old widowed father lives nearby. Over the past two years, Marcy's father has experienced major bouts of forgetfulness and depression, with increasing frailty due to arthritis and congestive heart failure. He has fallen several times during dizzy spells and sometimes forgets to take his arthritis and heart medications.

Marcy's job requires her to work significant overtime. While she needs the extra money, she recently had to refuse work because her father needed her at her home, where he was recuperating after a fall. During his three-week stay, Marcy realized how difficult it would be to have her father and sons living with her in her small, two-bedroom house.

Her father is back in his own home now, but Marcy feels guilty and is concerned about leaving him alone. She calls several times a day and stops in to check on him before and after work. Now the calls and visits are creating problems at work and at home with her sons. Marcy is exhausted from trying to balance everyone's needs, and feels alone.

While Marcy is a fictional character, growing numbers of adult children can relate to the situation described here. Perhaps you are caring for one of the 7.3 million older people — parents, relatives and friends — in this country who now need help with their daily activities.

A few statistics set the scene. Life expectancy at birth in the United States rose to 76.1 years in 1996, passing the record of 75.8 years in 1992. According to the U.S. Department of Labor, the “oldest old” — those aged 85 and older — were one of the fastest growing age groups between 1990 and 1995. The numbers help explain why a 1997 survey by the National Alliance for Caregiving and AARP found that in some 22.4 million homes in the United States — nearly a quarter of U.S. households — someone was caring for an older relative or friend.

What are these caregivers doing? Typically, they spend 18 hours a week taking the person they care for to doctors, managing the elder's finances, helping with grocery shopping and providing hands-on personal care. Two-thirds of the caretakers also are employed. Of these, slightly more than half have had to make workplace accommodations — such as coming in late, leaving early, dropping back to part-time work or even passing up promotions — to provide eldercare.

Previous articles in the A/PACT series addressed issues surrounding the needs of older people. What about you — the caregiver — stretched by the conflicting demands of jobs, families and caregiving? How can you find — and keep — that crucial balance that lets you help others without neglecting yourself? It's not easy, but help is available and the range and variety of support is growing.

If you work for a large company, chances are that your employer can be a good resource. Many corporations now are training line supervisors, human resources staff and employee assistance professionals to help employees find the resources they need to cope with caregiving. Small and mid-sized companies may not yet have eldercare programs in place. If your company does not provide services, consider talking with the personnel department about your needs.

Services that companies can provide to help their caregiver employees include flextime and telecommuting options, lunchtime seminars, counseling, support groups and information and referral services. In addition, under the Family and Medical Leave Act, companies with more than 50 employees must grant employees unpaid leave to care for a sick family member.

FOR MORE INFORMATION

Working or not, caregivers can take advantage of the vast array of information available for caregivers and care recipients, including *caregiver newsletters* such as the *Caregiving Newsletter*, *Caring* and *Today's Caregiver*.

Supportive groups include the National Family Caregivers Association and Children of Aging Parents. Some organizations have local chapters with support groups; others are available through hospitals, adult day-care centers and area agencies on aging.

Books and videos include: *How to Care for Your Aging Parents* by Virginia Morris, *Baby Boomer's Guide to Caring for Aging Parents* by Bart Astor, and *Survival Tips for New Caregivers*, a video available from AARP at PO Box 51040, Washington, DC 20091. Enclose a check for \$4.00, payable to AARP.

On the *Internet*, visit the Family Caregiver Alliance (www.caregiver.org) and the caregiving chat room sponsored by AARP (www.aarp.org). These sites offer tips and an opportunity to share experiences.

You also can contact the following organizations for additional information:

National Family Caregivers Association
10605 Concord Street, Suite 501
Kensington, MD 20895-2505
301-942-6430; 800-896-3650; fax: 301-942-2302
www.nfcares.org

Children of Aging Parents
 Woodbourne Office Campus
 Suite 302-A
 1609 Woodbourne Road
 Levittown, PA 19057
 215-945-6900

National Alliance for Caregiving
 Montgomery Building
 4720 Montgomery Lane
 Bethesda, MD 20814-5320
 301-718-8444

Well Spouse Foundation
 PO Box 801
 New York, NY 10023
 212-644-1241
 The Foundation provides referrals to support group of partners of the chronically ill.

Family Caregiver Alliance
 425 Bush Street, Suite 500
 San Francisco, CA 94108
 415-434-3388
www.caregiver.org
 The Alliance provides resources primarily for California residents.

Alzheimer's Association National Headquarters
 919 North Michigan Avenue, Suite 1000
 Chicago, IL 60611-1676
 800-272-3900
www.alz.org

Eldercare Locator Service
 800-677-1116
www.ageinfo.org/elderloc

Prepared by the National Alliance for Caregiving and the National Family Caregivers Association

COMMUNITY-BASED SERVICES

As the elderly population grows, so, too, do community services for older people. Services may be provided by government, non-profit or for-profit organizations. Urban and suburban residents usually have a broader range of services than people who live in rural areas; the quality of services also can vary among communities. However, anywhere an elder lives, services of some sort are likely to be available.

You generally can count on community *senior centers* or local *community centers* to offer companionship. That's in addition to other services, including classes, recreational opportunities, travel, volunteer opportunities, flu shots and meals. Often, senior centers are the heart of activities for older people and a good resource for additional information.

Many communities offer *transportation services* for visits to the doctor, grocery store or senior center. Trips may be limited, though, and sometimes, transportation services are available only to those within certain income levels.

Community groups may sponsor *friendly visitors* or *companions* programs, where volunteers make scheduled visits to isolated seniors in their homes. There also are *telephone reassurance* programs: volunteers call people to chat or check on their well-being.

A number of *home maintenance and repair* services specialize in installing devices that help older people better manage in their homes.

Older people who are homebound may get *meal delivery* through Meals-on-Wheels programs or private food service businesses. *Chore/personal care services* can be arranged to provide help with routine homemaking tasks, such as cooking and cleaning, or for activities like bathing and dressing.

Some public utilities and the U.S. Postal Service offer *gatekeeper/home observation* programs, in which service people who visit the home regularly are trained to notice anything unusual or any indication of need and report it for investigation and action.

Other services that may be available include *home health care*, *adult day programs* and *respite care*, which is designed to give caregivers a break from their responsibilities.

The Eldercare Locator Service — a nationwide, toll-free assistance directory sponsored by the National Association of Area Agencies on Aging — is a good place to start looking for services. Call 800-677-1116. They'll give you the names of local organizations that offer legal, financial, health-care and other services for the older adults. The Locator is particularly useful if you're trying to provide care from a distance and don't know what services are available in another community. The service operates from 9 a.m. to 8 p.m., EST, Monday through Friday. Or visit them on the Internet at www.ageinfo.org/elderloc.

The U.S. Administration on Aging also has useful information for families. Call 202-619-0724, or visit www.aoa.dhhs.gov. The government section (blue pages) of the telephone directory lists the local area agency on aging — sometimes called the City or County Office on Aging, Council on Aging or Office of Elder Affairs. Also check with the local health department, library, hospital and Department of Veterans Affairs.

FOR MORE INFORMATION

Age Pages

National Institute on Aging
PO Box 8057
Gaithersburg, MD 20898-8057
800-222-2225
www.nih.gov/nia

Alzheimer's Association
919 North Michigan Avenue
Suite 100
Chicago, IL 60611-1676
800-272-3900
www.alz.org

American Association of Homes and Services for the Aging
901 E Street, NW
Washington, DC 20004-2937
202-783-2242
www.aahsa.org

National Association for Home Care
228 Seventh Street, SE
Washington, DC 20003
202-547-7424
www.nahc.org

National Council on Aging
409 Third Street, SW
Suite 200
Washington, DC 20024
202-479-1200
www.ncoa.org

National Meals on Wheels Foundation
2675 44th Street SW, No. 305
Grand Rapids, MI 49509
800-999-6262

*Prepared by
the Federal Trade Commission and AARP*



Federal Trade Commission

www.ftc.gov

AARP

www.aarp.org