

How to Help Parents—and Yourself—Live Better at 80, 90 and Beyond

They say we get wiser as we get older, but let's face it: Many new uncertainties and challenges can crop up as people get deeper into their golden years. Changes in physical health and issues with memory can mean you—or your elderly parents—might require new types of never-before-needed assistance.

With that in mind, here's a look at two key issues that may impact your life or the lives of your elderly parents—aging in place, and safeguarding wealth from costly cognitive mistakes.

There's no place like home

More than 75 percent of Americans age 50 and older want to stay in their current homes and communities as they age instead of moving to a nursing home or elsewhere, according to AARP.

But wishing doesn't make it so. To potentially make that happen for you and your spouse or for your parents (or all of the above), you need to plan with the same level of seriousness that you plan for your financial future.

According to Kim Evanoski, CEO of care management company Care Manage for All, some of the key issues surrounding the idea of aging in place include the following:

- 1. Needs.** Identify the big needs and pain points to address. If you're helping parents, talk with their doctors about specific ways health problems could reduce their mobility or their ability to take care of themselves. If you're planning for yourself, think about any illnesses that you or your spouse have or that run in your families—and how those illnesses tend to impact the ability to do certain things.
- 2. Changes and renovations to the home.** Often, aging in place successfully requires maximizing the usefulness of the current house and making it safe and comfortable at any age.
 - **Swap out existing hardware.** Replace knobs with lever-handled doorknobs, add sturdier handrails along stairs and add rollout shelves in the kitchen.
 - **Widen doorways.** A door opening of at least 32 inches allows better access for people using walkers or wheelchairs.
 - **Focus on the first floor.** For example, avoid stairs by having the main bedroom on the first floor.
- 3. Keeping social connections intact and strong.** Depression and other health issues associated with loneliness and isolation can be serious problems. Ask yourself how aging in place might impact social connections—yours or, if you're helping your parents age in place, theirs. You might find, for example, that it makes sense to hire someone to drive your octogenarian parents to movies or dinners so they stay connected with themselves and others.

*Joanne Binette and Kerri Vasold, 2018 Home and Community Preferences: A National Survey of Adults Age 8-Plus, AARP Research, August 2018.

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SAFEGUARDING FINANCIAL WELL-BEING

As we age, we may find that the biggest risk to our financial health isn't a market crash—it's our own behavior. So says Chris Heye, co-founder of Whealthcare Planning.

That's because our cognitive abilities tend to decline over time, and the risk of dementia rises as we get older. According to the World Health Organization, the number of people living with dementia worldwide is expected to nearly triple by 2050.*

But you don't need a diagnosed illness to make harmful financial decisions. Various health issues can diminish people's ability to make prudent decisions, leading to outcomes such as the following:

- **Investing impulsively.** Aging can reduce our ability to accurately assess risk and control our impulses. That, in turn, can lead people to buy investments that are far too volatile for their risk tolerance based on their needs and their age.
- **Falling for financial scams and exploitation.** Behavioral factors such as loneliness can make people—even highly intelligent and financially savvy people—susceptible to financial scams. Such scams may involve investment “opportunities” that don't exist or thieves who feign romantic interest in widowed or divorced seniors.

So how can you help an aging parent or parents avoid these scenarios? And just as important, what can you do to prepare yourself so you avoid making major money mistakes as you get older?

1. **Plan now.** If you're in your 40s, 50s or 60s, make a plan for how and when you want to transfer decision-making powers to heirs or others. Make the plan dependent on your level of cognitive health—using tests that assess your decision-making ability. If you're concerned about your elderly parents, help them take such tests.
2. **Get documents in order.** Formalize your wishes and plans via a will, a living will, power of attorney and other legal documents. You can also create documents that spell out certain guidelines—such as family agreements that explain how and to whom you will lend money.
3. **Communicate with financial advisor(s).** Get to know your parents' financial advisor(s) so you can set the stage for dealing with potentially difficult conversations and challenging situations. You may end up coordinating efforts down the road, so build relationships with these key professionals now.
4. **Watch for warning signs.** If a parent or spouse is acting impulsively with money or in other ways, that's a possible sign of deteriorating health.

As noted above, loneliness can also put older adults at risk. If an older family member reports having conversations with “new” people who nobody knows, investigate the nature of these discussions. It could indicate that exploiters are making inroads into the family member's life.

Take action now

It's much better to plan and take helpful steps early—before there are issues or emergencies that force you to react. That's true whether you're helping your parents or thinking about your own lifestyle during your golden years.

Best bet: Discuss these and similar concerns with the key trusted professionals in your life.

*World Health Organization, 10 Facts on Dementia, September 2019.

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