



HOLDING MOM'S HAND

As life expectancy continues to rise, Canadians will increasingly be called on to provide accommodation, and emotional and financial support for their aging parents.



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It is the phone message we all dread but one that more and more Canadians will receive.

Mom's neighbour called. She was found on the kitchen floor. She had been there for two days. She tripped. Her hip is broken. Her wrist is badly strained. She couldn't push herself off the floor. She's severely dehydrated.

The paramedic said he'd seen worse. She could have fallen on the stairs, or in the backyard in January. Mom will recover but can't live by herself anymore and she needs our help.

It's a fact of life that people will grow old and eventually pass away. Another fact that is becoming evident — but one many people have a hard time facing — is that Mom or Dad may live to a ripe old age but will need specialized care to deal with mild or severe physical or mental challenges. The truth is that, as seniors live into their 80s or longer, their middle-aged children must now become their main caregivers and provide them with appropriate housing, and financial and emotional support. But are they up to the task?

If you broke your wrist, you can't grip onto anything, you can't even press down on your mattress to get yourself out of bed.

JAMES COHEN, Co-founder of Mavencare.

Canadians living longer than ever before

The statistics tell the story. In 2015, the average Canadian woman who was 60 could look forward to living another 26 years, while men could confidently live another 23 years.¹ With life expectancies climbing and birth rates falling, seniors 65 and older could represent up to 25% of Canada's population by 2036, that's as many as 10.9 million people, and twice as many seniors as in 2011.²

AVERAGE HEALTH CARE COSTS

- **Personal care worker**
\$20 – \$30
- **Registered nurse** \$40 – \$69
- **Full-time, live-in caregiver**
\$3,500 – \$7,500/month
(depending on the complexity)
- **Private retirement homes**
\$5,000/month and up
- **Electric hospital beds**
\$3,000 – \$5,000
- **Scooter** \$2,400 – \$5,000
- **Walkers** \$100 – \$450
- **Bath lift** \$1,200
- **Bed lift/hoy** \$500 – \$1,500
- **Wheelchair**
\$4,000 – \$5,000
- **Ramps** \$200 – \$8,000
- **Medication-dispensing machines** \$800
- **Community-care costs**
\$45/day *(average)*
- **Long-term care facility**
\$1,800 for a semi/month,
\$2,400 for private/month
- **Home housekeeping**
\$90/week

Source: Mavencare Inc.

Many Canadians are helping their parents with their time and money but the types of situations and intensity of senior care differs greatly — from cleaning grandpa's eaves troughs to becoming an around-the-clock nurse, managing a parent's food intake and toiletries.

The costs of healthcare expenses also vary widely, as does government funding, subsidies, and the quality of private and community care. Whatever the bottom line, the costs may play a significant part in a family's finances. For example, in-home care can cost \$20 to \$30 an hour while a registered nurse could cost \$40 to \$69 an hour. For those who need a full-time nurse, that could cost upwards of \$100,000 annually.

When your parents need you

James Cohen, one of the co-founders of Mavencare, says that there is an overwhelming demand for his senior support services. Mavencare, which is a technology-enabled home care company, has been rapidly expanding its services across Canada to meet

this growing demand for senior care services. He says 72% of his clients suffer from dementia.

"We have 10,000 people a day in North America who are turning 65. We're having an avalanche of an aging population that's coming."³

Selling a family home — which may not be suitable for a senior any longer — in order to fund care such as nursing visits, becomes complicated if siblings are not all in agreement.

DOMENIC TAGLIOLA, Wealth Advisory Services, TD Wealth.

For adult children, there are warning signs your elder relative may need increased care, says Cohen. He said that triggers events, such as a fall, are obvious accidents that can immediately make an independent senior immobile.

Cohen says his staff regularly gets calls from emergency room discharge planners who send seniors home with broken ribs, hips or wrists, and have limited mobility.

"If you broke your wrist, you can't grip onto anything, you can't even press down on your mattress to get yourself out of bed," said Cohen.

Signs of dementia or Alzheimer's disease are more subtle. A parent may gradually forget to care for a pet or about their own hygiene. More alarming is a behaviour called 'exit seeking,' where a senior is compelled to leave their home and wander. While it is natural to regard some of these instances as forgetfulness, these warnings signs could lead to danger if a senior forgets to take medication.

When a family does finally accept that a parent needs help to get them through day-to-day activities, the family is sometimes dealing with their own stress and confusion over what kind of care is needed, who is responsible

for providing the care, what role the family plays and how much will it all cost. It becomes more complicated when families are spread out across the country.

Guilt is also a strong emotion that appears in these situations. It is natural that an adult child, who has not planned on allocating time and resources to their Mom or Dad, may feel conflicted about taking on that responsibility — despite their obvious devotion and love for their parents. In addition, some people are perfectly happy doing some types of caregiving, but high-intensity tasks such as bathing or toileting are simply beyond the call of duty for many children, Cohen says.

Cohen says his company fills those roles and provides a range of services, from sending a personal support worker to check on a senior every few days and ensuring they have food, to live-in caregivers who maintain the senior's needs around the clock. As part of its service, Mavencare has an app that allows clients to receive photo updates and activity reports when care is being delivered to their parents.

Cohen says not knowing what kind of care is needed is unsettling if a sudden illness catches everyone off guard, and if the elderly parent has trouble judging what kind of care is best. The options could be care in a home setting, or with the help of government-supported community care services which help seniors stay independent in their homes, or in a long-term care facility.

Further, selling a family home — which may not be suitable for a senior any longer — in order to fund care such as nursing visits, becomes complicated if siblings are not all in agreement and if Mom or Dad still insist on living independently, says Domenic Tagliola, Wealth Advisory Services, TD Wealth.

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The additional number of years that the average Canadian woman who was 60 in 2015 could look forward to living.

Ensuring you can act on their behalf

When children first begin managing parent care, they may not be able to access their parents' bank account or even buy medications if the parent is incapacitated and is unable to give consent for an adult child or family to act on his or her behalf.

The power of attorney — for property or personal care — is the legal tool to help families support parents when they become debilitated or unable to make decisions concerning their assets, property and health.⁴ The document gives banks, credit card companies, accountants and others permission to legally follow the directions of the person (called the 'attorney') appointed by the parent to act on his or her behalf. The powers of the document can be wide-ranging, but of course are necessary when a parent is ill and their adult child must take over their affairs, says Tagliola.

For the purposes of looking after the financial affairs of ill parents, the power of attorney for property is prepared well in advance of any illness but is valid at the time of signing. Conditions are set out within the document that dictate under what conditions the attorney — an adult child, friend or even a corporate entity like a bank — can begin acting on behalf of the parents, he says.

The other function of power of attorney is for personal care, which deals with the type of healthcare a person may want if they become incapacitated, such as where they will live or what they will eat, and how they would like to manage end-of-life situations.

Tagliola said it's best when the whole family is involved in the planning of the powers of attorney. When drawing up these documents, he invites the children to the meeting so that the whole family can have a frank discussion about healthcare and the future management of assets.

“These are all success stories because the clients inevitably walk out of the meeting thinking, ‘my kids now have a greater appreciation for where I’m coming from.’”

In all scenarios, working with your advisor and discussing the needs of your family can help you take control of costs and challenges as your elderly relatives age, says Tagliola. It will help give you peace of mind knowing you are prepared for the day when you have to step into the caretaker role.

– *Don Sutton, MoneyTalk Life*

¹World Health Organization, “World Health Statistics 2015,” 2015, 46, accessed Mar. 3, 2016, http://apps.who.int/iris/bitstream/10665/170250/1/9789240694439_eng.pdf

²Statistics Canada, Guides to the Latest Information, “Canadian Life Expectancy,” modified September 12, 2015, accessed March 1, 2016, www.statcan.gc.ca/eng/help/bb/info/life

³Pew Research, “Baby Boomers Retire,” December 29, 2010, accessed April 12, 2016, www.pewresearch.org/daily-number/baby-boomers-retire/.

⁴Each province has its own jurisdiction over substitute decision making and the ability and authority to create Power of Attorney documents.

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