



MANAGING FINANCIAL & LEGAL ISSUES

Managing Your Loved One's Finances

After a stroke, your loved one may need help with managing finances. Handling money issues is often a difficult task for caregivers. Involve your loved one in financial decisions as much as possible. If your loved one cannot make decisions, you may need to take over.

How Can You Plan Ahead?

Talk to your loved one about finances while they still can. Make sure you know your loved one's wishes. Here are steps for getting your loved one's financial affairs in order:

- Gather everything about income, expenses, property, investments, insurance and savings.
- Keep your loved one's financial papers in one place. For example, you could set up a home file cabinet. If papers are in a safe deposit box, keep copies in the home file.
- Tell a person you trust where you put important papers. If you don't have someone you trust, ask a lawyer for help.

What Are the Warning Signs Your Loved One Is Having Trouble with Finances?

- Unopened mail piling up and unpaid bills
- Mishandling money
- Calls from creditors
- Costly new purchases and hobbies
- Complaining about not having enough money
- Physically not able to go to the bank or pay bills

How Do You Avoid Fraud and Scams?

Help your loved one from becoming a victim of scams and fraud. These can include telemarketing, home repair and get-rich-quick schemes. Check junk mail and telephone logs. Each state should have an agency that handles elder fraud cases. Ask a VA social worker or the Area Agency on Aging about your state's elder fraud agency. The Eldercare Locator can help you find your local Area Agency on Aging. The "More Resources" section at the end of this fact sheet has a link to their Web site.

How Do You Decide On Which Financial Tasks Your Loved One Needs Help?

It may be hard for your loved one to give up financial tasks. You can start slowly by helping to write checks for bills. You can deposit checks. Later you can set up automatic bill payments. For other tasks, you may need a professional. For example, a lawyer or accountant can help with the following:

- Budget planning
- Talking with creditors or lenders
- Filing taxes
- Managing investments

What Financial Advance Planning Do You Need?

Below are ways to make sure your loved one's wishes are followed. It is best to contact an attorney to help set up these arrangements. See the next section for information about contacting an attorney.

Durable Power of Attorney (POA)

A durable power of attorney (POA) gives someone the right to act for another person. This could include making financial or legal decisions. It could include writing checks to pay your loved one's bills. It stays in place if your loved one becomes unable to make decisions. Give the VA a copy of the POA for their records.

Living Trust

A living trust gives instructions about a person's estate. An estate includes a person's property and funds. The trust appoints someone to handle the estate when the person becomes unable. Trust instructions state how assets should be distributed at death. A trust can avoid the expense and delay of probate. Probate is when the courts say that a will is valid.

Will

A will states how a person wants assets distributed at death. A will lists who is in charge of a person's assets. A will can include other things, such as gifts or funeral wishes.

Guardianship

In a guardianship, the court appoints someone to make decisions when a person no longer can. The court also decides when a person cannot make decisions. The family may need this if other advance planning documents are not in place. This process can take some time.

Estate Planning

Estate planning is developing a plan for others to manage assets if a person dies or becomes incapable. Estate planning can include writing wills and naming beneficiaries. It can also include creating trusts and making funeral arrangements.

Joint Accounts

Joint accounts allow another person to handle someone's affairs. These can be checking, investment or other accounts. Contact an attorney before setting up a joint account.

What Kinds of Help Are Available?

Talk to a VA social worker. Below are experts who may be helpful:

Financial Caregivers

Financial caregivers help with daily financial tasks. Tasks include paying bills or keeping records. Fees are reasonable, usually from \$25 to \$60 an hour. Contact the National Association of Professional Geriatric Care Managers (NAPGCM) or the American Association of Daily Money Managers (AADMM). You may also call your local Area Agency on Aging for a referral. The "More Resources" section at the end of this fact sheet has contact information for these resources.

Elder Law Attorneys

Elder law attorneys help families interpret individual state laws. They help plan how wishes will be carried out. They help families understand financial choices. They provide advice about ways to keep financial assets secure. Look in your local phone book for elder law attorneys. The "More Resources" section at the end of this fact sheet has contact information for the National Academy of Elder Law Attorneys.

Bank Representatives

Bank representatives provide advice on ways to access your loved one's accounts to pay bills. They can help set up a joint checking account.

Accountants

Accountants prepare tax forms. They can help you organize your loved one's records.

Financial Advisors

Financial advisors provide advice about resources to pay for your loved one's care. Financial advisors know if you are eligible for caregiver tax benefits.

Fiduciaries

The VA appoints fiduciaries for Veterans who are rated incapable. These fiduciaries are given a position of trust to handle the VA funds of another person.

Helpful Tips

- Ask someone at your local VA medical center about forms and financial planning resources.
- Find out if your loved one's insurance offers finance management help.
- Get references before hiring someone to help with finances. From time to time, check hired assistants' work. Make sure they do an honest and responsible job.
- Review plans regularly and update documents when needed.

Remember

- Plan ahead for managing your loved one's finances. Take care of financial matters while your loved one can think clearly.
- It's difficult to talk to your loved one about managing finances. Include them as much as possible in financial decisions and tasks.
- Gather and organize your loved one's financial information.
- Qualified experts can help you manage your loved one's finances.

More Resources

The following resources contain internet links. The location of internet pages can change. Therefore the links provided may not always work. For the most current version of this list, go to <http://www.rorc.research.va.gov/rescue/resources>. This page will be updated frequently.

Link Disclaimer: Links to information and Web sites outside of the Department of Veterans Affairs do not indicate an endorsement of products or services offered by the sites. In addition, these sites may have privacy and security policies that are inconsistent with those of VA.

American Association of Daily Money Managers (AADMM)

Web: <http://www.aadmm.com>

Phone: 1-877-326-5991

The American Association of Daily Money Managers is a membership organization that provides daily money management services to their clients. Click on “Find a DMM” to find one in your area.

American Bar Association

Web: <http://www.abanet.org>

Your state’s Bar Association may have basic living wills, trusts and power of attorney forms you can download. Find your state’s Bar Association on the American Bar Association’s Web site. Go to this link:

<http://www.abanet.org/barserv/stlobar.html>

The American Bar Association – Commission on Law and Aging has legal tools for making sure your wishes are carried out. Go to this link:

<http://new.abanet.org/aging/Pages/default.aspx>

Department of Veterans Affairs

Web: <http://www.va.gov>

Some states have special programs for Veterans. Your local VA Medical Center may offer and pay for adult day healthcare programs. Talk to a social worker for more information about these benefits.

The Department of Veterans Affairs has information on VA benefits and describes programs and eligibility. Check out the publication “Federal Benefits for Veterans, Dependents and Survivors.” Go to this link:

http://www1.va.gov/OPA/publications/benefits_book.asp

Eldercare Locator

Web: <http://www.eldercare.gov>

Phone: 1-800-677-1116

Your local Area Agency on Aging (AAA) can refer you to an attorney. Some AAAs provide legal services for seniors. Find your local AAA on the Eldercare Locator.

Live Strong

Web: <http://www.livestrong.org>

Live Strong is an online service of the Lance Armstrong Foundation. The foundation is devoted to cancer patients and survivors. It offers good finance organizing forms anyone can use.

My HealthVet

Web: <http://www.myhealth.va.gov>

My HealthVet has information on VA services, strokes and caregiving.

Also visit the Caregiver Assistance Center on the My HealthVet Web site. This section provides more information on caregiving.

- Go to: <http://www.myhealth.va.gov>
- Click on the button that says “Enter Here”
- Click on “Research Health” on the top bar, then “Healthy Living Centers”
- Click on “Caregiver Assistance”

Mymoney.gov

Web: <http://www.mymoney.gov>

Mymoney.gov is the US government’s financial education site. It provides important information on various financial topics.

National Academy of Elder Law Attorneys

Web: <http://www.naela.org>

Phone: 1-703-942-5711

The National Academy of Elder Law Attorneys provides education and support on financial issues. They have brochures on Medicare and planning for health care decision making. To see a list of their brochures, go to this link:

http://www.naela.org/public_resources.aspx

National Association of Professional Geriatric Care Managers (NAPGCM)

Web: <http://www.caremanager.org>

Phone: 1-520-881-8008

The National Association of Professional Geriatric Care Managers can help you find a care manager. To find one near you click on “Find a Care Manager.”

For more information on stroke caregiving, visit the RESCUE home page:

<http://www.rorc.research.va.gov/rescue>

Social Security Administration

Web: <http://www.ssa.gov>

The Social Security Administration has information on Supplemental Security Income (SSI). SSI is income in addition to Social Security for low-income persons. Click on “Supplemental Security Income” for more information.

References: Alzheimer’s Disease Education & Referral Center. (2008). *Legal and Financial Planning for People with Alzheimer’s Disease Fact Sheet*. National Institute on Aging, NIH Publication No. 08-6422, June 2008. Retrieved October 30, 2008, from: <http://www.nia.nih.gov/Alzheimers/Publications/legaltips.htm>; Washington Post. (2008). *Organizations Offer Seniors Help in Managing Finances*. Retrieved October 30, 2008, from: <http://www.washingtonpost.com/>; Dementia Care Central. (2008). *Managing Finances*. Retrieved October 30, 2008, from <http://www.dementiacarecentral.com/caregiverinfo/managing/finances>; University of Arkansas, Division of Agriculture. (2008). *Helping Others Arrange Their Finances Series: Informal Arrangements*. Retrieved October 30, 2008, from: http://www.uaex.edu/Other_Areas/publications/PDF/FSHEC94.pdf; Caring Com. (2008). *Warning Signs That Your Parents’ Finances Are Off Track*. Retrieved October 30, 2008, from: <http://www.caring.com/articles/parents-losing-financial-control>; AARP. (2008). *Managing Money, From Afar*. Retrieved October 30, 2008, from: <http://bulletin.aarp.org/yourhealth/caregiving/articles/managingmoney.html>.



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