

## Parents' needs press boomers Caring for aging mom, dad can put a dent in money saved for retirement

By Angela Tablac MCCLATCHY NEWSPAPERS

MIAMI — In less than a year, Rona Bartelstone became a primary caregiver for her husband and both parents.

In late 2002, doctors diagnosed early dementia in the mother of the Fort Lauderdale, Fla., business owner. Her father, who lived with his wife in Aventura, Fla., was found to have colorectal cancer five months later. That August, Bartelstone's husband suffered a stroke.

Bartelstone, CEO of Rona Bartelstone Care Management and Home Healthcare in Fort Lauderdale, lost her company partner because her husband, Alan Markowitz, could no longer help manage the business. Her emotions and her finances were affected as she took time away from work to care for her family; Bartelstone, 56, said her company "lost about two years of income that I now cannot count on (for) my retirement." To recoup, she might retire later than she planned.

Baby boomers might feel the pressure to help with their parents' care, but how can they do it without sacrificing their own savings?

For Bartelstone, the answer was simple: long-term-care insurance.

Long-term insurance can pay for inhome care, full-time care or a care facility, and it's one way boomers and their parents can avoid a financial train wreck.

Bartelstone's mother, 81, remains in her own Aventura house, but she has a health aide five days a week for six hours a day. (Bartelstone's father died in 2005.) Markowitz, Bartelstone's husband, has an aide for 11 hours a day, five days a week. His aide is paid through lifetime long-term care insurance. Bartelstone bought the policy with Markowitz, now 65, about six years ago and called it a "very good investment."

"Because he's so young, he's going to need care for many years," she said. "I didn't have to go into my savings."

But before buying a policy, be sure to know what the policy covers and what it doesn't, cautioned Lori Parham, state director for AARP Florida.

For those without long-term-care insurance plans, paying for care with lifetime savings certainly will be tougher. Bartelstone, a presenter at a recent conference focusing on baby boomers who care for aging parents, said home care allows patients to remain in their homes but might not be the cheapest option for people who require 24-hour care.

Financial planners cautioned against spending down assets to qualify for Medicaid, which will pay for nursing home costs based on asset levels.

"The standard of care under Medicaid is going to be lower, in many cases, than the standard of

care we can buy," said Karen Schaeffer, co-founder of Schaeffer Financial in Washington. "It may make more sense to sell the home."

Seniors intent on staying in their homes may choose reverse mortgages, which take equity from their houses and give them cash in a lump sum, monthly payments or a line of credit. This gives them money for daily expenses. But Schaeffer said needing a reverse mortgage is a sign the senior should move.

Other seniors move in with their boomer children to save costs.

"We need to get our homes equipped to accommodate more than one generation," said Schaeffer, who spoke at the recent Miami conference sponsored by the Financial Planning Association of Miami-Dade.

Above all, planners said, baby boomers need to know when to include a financial planner or care manager for themselves or their parents. Boomers should have conversations with parents about money and health care long before a crisis occurs.

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