



The Financial Caregiver Journey

To be a financial caregiver, you'll need to recognize and respond to the needs of someone who may have declining cognitive skills. Cognitive ability tends to decline over time, in phases often described as Early, Middle and Late.

Learn the stages with the following tips and signs:



Getting Started

Obtain a **durable power of attorney (POA)** to act on behalf of the person whose finances you'll be handling.



Working with a Bank: Share the POA with your bank. In some cases, the bank may require their own POA in addition to the one you already have in place, so that you can fulfill all the tasks you'll be taking on as a financial caregiver.

Early Stage

Mild symptoms of lessening mental ability, including:

- ✓ **forgetfulness about financial tasks like paying bills or filing taxes**
- ✓ **difficulty with calculations like making change or leaving a tip**
- ✓ **making irrational spending decisions, such as inappropriately generous gifts**

- Get all the financial information and account access you'll need to do your job: financial records for day-to-day banking, investments, sources of income like Social Security, retirement accounts, real estate, insurance policies, recurring bills, and short- and long-term debts
- Plan to take on bill paying and monitoring accounts for unusual activity. Set up a bank auto-pay option for monthly payments that stay the same.
- Remember to confirm that the account balance from which the bills are being paid is sufficient. You will also need to anticipate additional costs that are likely to arise and compare them with the care receiver's regular income.
- Always communicate your intentions to act in the care receiver's best interest; preserving their dignity and a sense of self-worth is key.



Working with a Bank: Banks offer specific products and services to protect elders. Fraud protection, read-only access to accounts and withdrawal alerts can all help make your job easier.

Middle Stage

Moderate symptoms of reduced cognitive ability, including:

- ✓ **increasing confusion**
- ✓ **memory loss**
- ✓ **possible inability to fully care for oneself or manage daily tasks**

- You'll now need to take fuller control of bill payments and other financial tasks. Eliminate unnecessary and/or unused expenses, such as a magazine subscriptions or season tickets to the theater, and plan for additional cost reductions to help cover the potentially increasing costs of care.
- Professional advice from a tax advisor or an investment advisor can help address expenses. If the care receiver is a qualifying veteran, an attorney can help you apply for veterans assistance that can provide support for long-term care needs.
- It can be challenging to convince the care receiver that it's time for you to take more responsibility away from them. To maintain confidence and goodwill, you may want to allow them to have some say or control over certain expenses, particularly those that contribute to quality of life.



Working with a Bank: Banks may ask their older clients to identify a **trusted contact** to serve as a point of contact for fraud or other communications. A trusted contact has no legal authority to act on the client's behalf, but can serve as an intermediary. You may be named as the trusted contact yourself.

Late Stage

Severe symptoms of reduced mental and physical ability, including:

- ✓ **the inability to communicate clearly**
- ✓ **increasing severity of Early and Middle stage symptoms**

- You are likely to assume complete control of the care receiver's finances through a POA. The main concern will be ensuring there are adequate funds to provide the level of care planned for this stage.
- Spend additional time monitoring institutional and medical care bills to ensure that the care receiver did in fact receive all of the services billed, as over-billing does occur. You may also need to reconcile health insurance claims and appeal decisions as necessary.
- Consider some end-of-life issues as the care receiver's condition deteriorates, including hospice care and coordinating with an estate professional or executor.
- Your chief goal at this stage is making the final months or years as comfortable as possible given the available resources.



Working with a Bank: Your fiduciary responsibility as a caregiver includes ensuring that there is adequate money in the bank account to pay the care receiver's bills. Ask the bank about any programs that could alert you to problems with, among other things, direct deposits and automatic bill pay.

