



Financial Principles, LLC



Managing Partner

NEWS

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Financially and Emotionally Caring for Aging Parents

Independent Advisor Provides Five Tips for the Sandwich Generation

Fairfield, NJ (March 17, 2010) — Financial burdens created by the recession and the uncertainty in the transitioning market has exacerbated the often-stressful transition of becoming a caregiver for an aging parent.

The *Evercare® Survey of the Economic Downturn and Its Impact on Family Caregiving* found almost 20 percent of caregivers reported a decline in the quality of care their loved ones receive as a direct result of the recession. Another 14 percent said the amount of care they have been able to provide for others has decreased.

“Today’s economic strains are making it increasingly difficult for the 30 million plus Americans caring for an elderly parent,” says Mike Flower, managing partner with Financial Principles, LLC. “This should provide the impetus for planning ahead for the legal, financial, medical, housing and emotional logistics of caring for an aging parent.”

Flower offers five tips for preparing to care for an aging parent:

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- **Focus on what you can control.** “Focus on the tasks you can do – like obtaining copies of your parents’ wills, creating trusts, reviewing health insurance benefits and writing advanced medical directives.” Flower says there should also be a family member designated to handle all medical and financial affairs.
- **Minimize risk.** “Most caregivers assess their parents’ insurance, but if you are providing care and financial support for parents in their 60s, you also need to ensure that you have adequate life insurance and disability income insurance to maintain your parents’ lifestyle as well as your family’s,” says Flower. Reviewing or purchasing long-term care insurance to ensure income is provided to a spouse, as well as for the care of an aging parent, may also offset risk.
- **Review your options.** Flower advises caregivers to keep all options open when navigating the needs of the parent and those of his or her family. For many, that involves having the aging parent move in, at least temporarily. According to the U.S. Census Bureau, the number of parents who've moved in with adult children rose 67 percent between 2000 and 2007. Other choices include assisted living, nursing homes and continuing-care centers. When evaluating a care facility, talk to staff and residents and always have the contract reviewed by an attorney before signing.
- **Ask for help.** Consider engaging a geriatric case worker to help navigate the maze of public and private sector programs. “Ask your parent’s hospital discharge planner or an elder law attorney for recommendations,” says Flower. “You also can consult with National Association of Professional Geriatric Care Managers or other programs to support the financial and emotional needs of caregivers.”
- **Don’t overlook your own finances and retirement.** Juggling parenting, a job and the role as a caregiver will be tough, but resist the urge to stop working, says Flower. With high unemployment, it could be tough to get back into the workforce and while out of the workforce a caregiver will lose benefits such as company-sponsored health care and retirement savings programs. “Most importantly, make sure that caregiving expenses don’t stop you from funding your own retirement accounts,” says Flower.

“It could be argued that we are in the situation of so many Americans caring for their elderly parents because of poor planning to begin with,” says Flower. “It’s vital that individuals do their own proper planning now to help avoid having to rely on their children down the road.”

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About Financial Principles, LLC

Financial Principles understands the importance of planning – whether it’s for retirement, saving for college or even charitable giving. Two senior partners, Bradley H. Bofford, CLU, ChFC, and Mike Flower, bring a combined 30+ years of financial services experience to their clientele. Both are recognized as qualifying life members of the prestigious Million Dollar Round Table, “The Premier Association for Financial Professionals®”. As representatives of Securities America, Inc., Bofford and Flower are able to provide comprehensive services and advice in all areas of personal finance, such as estate planning, retirement planning and tax reduction strategies.

Bofford and Flower believe that a well-informed client is essential for success. They love taking clients from fear to confidence regarding finances, by placing a strong emphasis on educating people about how to prepare for and enjoy a comfortable retirement. Both advisors have contributed to articles in several leading trade publications including Investment News, Financial Advisor, and Research magazine as well as consumer outlets such as BusinessWeek, Money and New Jersey Business magazine. Visit www.financialprinciples.com to learn more about the advisors at Financial Principles.

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NOTE:

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Written by Mike Flower, Securities America, Inc. Registered Representative, in conjunction with Impact Communications.

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