



HELPING HANDS
SENIOR ADVISORS

A FAMILY GUIDE

Paying for *Senior Care*

How families cover the cost of care in California: what care really costs, where the money can come from, and how your home fits into the plan.

PREPARED EXCLUSIVELY BY

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Why I Wrote This Guide



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Senior Advisor & Real Estate
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The first question almost every family asks is, "How are we going to pay for this?"

When a parent needs more care, families are hit with two big worries at once: is Mom or Dad going to be safe, and how on earth are we going to afford it? I've sat at many kitchen tables where the second worry was keeping everyone up at night.

The good news is that most families have more options than they realize. The equity in the family home, veterans benefits, Medi-Cal, long term care insurance, and even life insurance can all play a part. The key is knowing which ones apply to your family, and using them in the right order.

This guide gives you a clear, plain English overview of each option. Read it, share it with your family, and then give me a call. I'll help you think it through and connect you with the right professionals for your situation.

Warmly,

Gregg Perrah

A Plan Beats a Panic

Families who plan how they will pay for care before a crisis have more choices, better care, and far less stress than families who have to decide in a hurry.

What You'll Find Here

This guide walks you through the real numbers and every major way families fund care, so you can make a plan with confidence instead of fear.

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How to reach Gregg

THE NUMBERS

What Senior Care Really Costs

Costs vary widely by location and level of care. Here are California statewide medians to give you a starting point. Orange County often runs at or above these figures.

TYPE OF CARE	MEDIAN MONTHLY COST	BEST SUITED FOR
In home care (44 hours a week)	About \$7,250	Staying at home with help
Adult day care (5 days a week)	About \$1,950	Daytime care, home at night
Assisted living	About \$7,350	Help with daily living
Nursing home, shared room	About \$11,700	Skilled medical care
Nursing home, private room	About \$15,200	Skilled medical care

Source: CareScout (Genworth) Cost of Care Survey, 2024 California medians, shown as monthly figures. Memory care typically adds \$1,000 or more per month to assisted living.

★ What Medicare Does NOT Pay For

Many families are shocked to learn that Medicare does not pay for long term custodial care. That includes help with bathing, dressing, eating, and supervision in assisted living, a board and care home, or a nursing home. Medicare may cover a short skilled nursing or rehab stay after a qualifying hospital stay, but it stops once the person no longer needs skilled care. For most families, the monthly bill for ongoing care comes from private funds, benefits, or Medi-Cal.

✓ Gregg's Tip

Smaller residential care homes (board and care) in Orange County often cost less than large assisted living communities while offering more personal attention. Ask us to compare both for your loved one.

Using the Family Home

For most California families, the home is the largest asset they own, and often the key to paying for care.

1

OPTION 1

Selling the Home

Selling the home turns years of equity into cash that can fund care for a long time. Many Orange County homeowners have owned their homes for decades and have substantial equity. Selling also ends the ongoing costs of an empty house: property taxes, insurance, utilities, and upkeep. The sale must be timed and priced well, because the proceeds may need to last for years.

✓ Gregg's Tip

Taxes may be lower than you expect. Married owners can generally exclude up to \$500,000 of gain (\$250,000 if single). If your parent moved into a licensed care facility, the residence rules may be relaxed. Talk with a CPA before you list, and let us help you plan the sale around the move.

2

OPTION 2

Renting the Home Out

Some families keep the home and rent it, using the monthly rent to help pay for care. This can make sense if the family wants to keep the property long term, or if the home is paid off and rents well. But being a landlord brings repairs, vacancies, and management costs, and rent alone rarely covers the full cost of care.

✓ Gregg's Tip

Run the numbers both ways. Compare the net rent after expenses to the monthly cost of care, and weigh the tax effects, including the possible loss of the home sale exclusion if the home is rented for too long.

Benefits Your Family May Qualify For

These programs are often overlooked. Each has strict rules, so it pays to get good advice early.

3

OPTION 3

VA Aid & Attendance

Wartime veterans and their surviving spouses who need help with daily living may qualify for this monthly VA pension benefit. For 2026, the maximum is \$29,093 a year (about \$2,424 a month) for a single veteran and \$34,488 a year (about \$2,874 a month) for a veteran with a spouse. Surviving spouses may qualify for a smaller amount. The VA net worth limit is \$163,699, and the home is generally not counted.

✓ Gregg's Tip

The VA looks back 36 months for assets given away or moved to qualify. Talk with a VA accredited attorney or agent before moving any money, and start the application early, since approval can take months.

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OPTION 4

Medi-Cal

Medi-Cal is California's Medicaid program, and it is the largest payer of nursing home care. Starting in 2026, California brought back an asset limit: \$130,000 for an individual and \$195,000 for a couple, with the primary residence generally exempt. Medi-Cal pays for nursing homes but offers only limited help with assisted living, through a waiver program that often has a waitlist.

✓ Gregg's Tip

Rules on asset transfers and estate recovery are complex. Before selling the home or transferring anything, speak with an elder law attorney who handles Medi-Cal planning. We can refer you to trusted professionals.

Insurance and Home Equity Tools

If your loved one planned ahead, there may be money waiting to be claimed.

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OPTION 5

Long Term Care Insurance

If your parent bought a long term care policy, find it now. Most policies pay a daily or monthly amount once the person needs help with two or more activities of daily living, or has a cognitive impairment such as dementia. Most also have a waiting period, often 30 to 90 days, before benefits begin, so the sooner you file, the sooner the checks start.

✓ Gregg's Tip

Call the insurance company and ask for the claim forms, the daily benefit amount, the waiting period, and which types of care are covered. Keep copies of every care bill from day one.

6

OPTION 6

Reverse Mortgage

A reverse mortgage (called a HECM) lets homeowners 62 and older draw on their home equity without making monthly payments, as long as they live in the home. The 2026 FHA limit is \$1,249,125. It can help pay for in home care so a parent can stay at home longer. However, the loan generally comes due once the borrower has been out of the home for more than 12 months in a row, such as after moving into care.

✓ Gregg's Tip

A reverse mortgage is best for a parent who plans to stay home. If a move to assisted living is likely soon, selling may be the better choice. Let's look at the numbers together before you decide.

Other Sources Families Use

Care is often paid for by combining several sources, not just one.

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OPTION 7

Life Insurance

Many life insurance policies can help pay for care while your loved one is still living. Some offer an accelerated death benefit for chronic or terminal illness. Policies with cash value can be borrowed against or surrendered. In some cases, a policy can even be sold to a third party for more than its cash value, which is called a life settlement.

✓ Gregg's Tip

Before letting any policy lapse, call the insurance company and ask what options exist. A policy your family was about to cancel could fund months of care.

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OPTION 8

Family Help and Tax Breaks

Adult children often share costs, and some families pay a relative to be a caregiver through a written care agreement. Care costs may also be tax deductible as medical expenses, and a family member who pays more than half of a parent's support may be able to claim that parent as a dependent. Pensions, Social Security, savings, and annuities all fill in the picture.

✓ Gregg's Tip

Put any family payment arrangement in writing, and keep receipts for every care expense. Your CPA will need them at tax time, and they matter for Medi-Cal and VA applications too.

Seven Steps to a Care Funding Plan

Follow these steps in order, and you'll have a clear picture of what your family can afford.

1

Get a care assessment. Know the level of care needed today, and what may be needed next year.

2

Price the options. Compare in home care, board and care, assisted living, and memory care in your area.

3

List every asset and income. Home equity, savings, pensions, Social Security, insurance, and investments.

4

Find the paperwork. Insurance policies, military discharge papers (DD214), trust documents, and deeds.

5

Check benefits early. VA Aid & Attendance and Medi-Cal both have lookback rules. Get advice first.

6

Decide on the home. Sell, rent, or keep it. Get a market analysis so you know what it is worth today.

7

Build your team. An elder law attorney, a CPA, a financial advisor, and a senior real estate specialist.

Start Before You Need It

Many of these steps take weeks or months. Starting now, even if care is a year away, keeps your family in control of the timing.

Funding Sources at a Glance

Keep this page handy when you talk with your family and advisors.

#	FUNDING SOURCE	KEY POINT
1	Selling the home	Unlocks equity, ends upkeep costs
2	Renting the home	Monthly income, but landlord duties
3	VA Aid & Attendance	Up to about \$2,874 a month (2026)
4	Medi-Cal	Nursing home care; \$130,000 asset limit
5	Long term care insurance	File early; waiting period applies
6	Reverse mortgage	Best if staying home; age 62 and up
7	Life insurance	Accelerated benefits or cash value
8	Family help and tax breaks	Put it in writing; keep receipts

★ **Important**

Program rules and dollar amounts change every year. Figures in this guide are current for 2026 and are provided for general information only. This guide is not legal, tax, or financial advice. Please confirm details with the VA, the California Department of Health Care Services, and a qualified attorney, CPA, or financial advisor before making decisions.



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YOU DON'T HAVE TO DO THIS ALONE

Let's Build Your Family's Plan Together

Paying for care is one of the biggest financial decisions your family will make, and the family home is often at the center of it. A complimentary consultation with Gregg costs nothing. In one conversation, we'll look at your situation, talk through your options for the home, and connect you with trusted attorneys, CPAs, and care advisors who can help with the rest.

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