

Offering Elder Care Services Never Gets Old

Think of a woman who lives alone after recently becoming widowed. Her husband had ably managed the couple's finances since their marriage some 50 years ago. He had a tax accountant, investment advisor and estate lawyer with whom he met periodically. He also had the foresight to prepare the proper documents to ensure his wife's financial security upon his death. He did everything "by the book" so that there would be no financial worries for her.



By Jody Rorick, CPA

But once he was gone, was everything really squared away for her? Never having managed the household's daily finances, the bills were piling up on her dining room table. Amidst her grief, just about everything seemed new and scary.

To make matters worse, there had been some confusion regarding which insurance carrier was his primary one, so both Medicare and Blue Cross/Blue Shield were refusing to pay. The couple had three health insurance policies, including a tertiary major medical policy and a long-term care policy. The husband had used the care of private home health aides, both in and out of the hospital. The private aides were being paid out of pocket, but neither the hospital nor the doctors were being paid.

When the tax accountant called in March asking the woman to complete the tax organizer that was sent in December, she didn't know where to find the organizer or the information the tax accountant was looking for. What she needed — more than anything — was someone to help her settle her husband's estate, gather and organize the information for her tax accountant, talk to the financial advisors chosen by her husband, help her get reimbursed for the thousands of dollars she spent on private home health aides and call the insurance companies so that the doctors and hospital could get paid.

The CPA As an Elder Care Service Provider

In our example, the widow would definitely benefit from a CPA's services, such as bill-paying (including handling the insurance mix-up) and assisting with settling the estate. The CPA can also act as an intermediary with her other financial advisors, assist with the completion of the tax organizer and gather the necessary tax information. Removing these burdens from the woman would greatly ease her worries during her period of bereavement and her transition to a new, more self-sufficient life.

Once the CPA demonstrates his or her range of knowledge and professionalism, and a relationship of trust has developed, she could utilize the CPA's other elder care services,



such as reviewing the mail, paying bills, reconciling bank statements, budgeting, setting up files and overseeing workers or service providers who come to her home. While reviewing the mail, a CPA could keep an up-to-date inventory of assets, insurance policies and advisors. By performing a myriad of services, a CPA would have a detailed knowledge of her affairs. This knowledge would also benefit the woman's family and the estate lawyer in the event of her passing.

The above example is a typical one, but the need for elder care services may happen to men as well as women. Since each client has different needs and requirements, there is no one-size-fits-all approach to elder care. It is a CPA's education, training and experience, as well as his or her vaunted position as a trusted business advisor, that make a CPA ideally suited to provide the elder care services to those who need them — often at the most vulnerable and chaotic times in a client's life.

Opportunities

According to the U.S. Census Bureau, more than 1.1 million people aged 65 and older live in New Jersey. Assisted-living residences, continuing-care

communities and senior housing are cropping up all over the state. Because it is common for adult children to move out of state and because more retirees are opting to stay in their own homes longer, CPAs can help seniors make this a safer and more comfortable living situation.


Due to this trend of staying in the home, retirees will come into contact with a larger number of providers than they would at an assisted-living facility, and there will be additional opportunities for CPAs to manage this arrangement.

But the need for elder care services is no less prevalent in assisted-living residences and nursing homes. Developing an elder care practice is an opportunity for CPAs to cultivate another niche in their practices and receive personal satisfaction that they are championing a segment of society that is often preyed upon.

Although a CPA might be considered the nucleus of a team of advisors, CPAs often must refer a client to someone with different and unique skills and experience. These experts may need to be certified in geriatrics, social work or other specialties. However, these contacts can greatly benefit the CPA as resources for other elder care clients.

Resources

The American Institute of CPAs offers resources on its website at www.aicpa.org, including information on managing and developing an elder care practice, *CPA ElderCare/PrimePlus: A Practitioner's Resource Guide* and insurance programs. The New Jersey Society of CPAs offers CPE, such as "Tax, Health Care and Asset Protection for Aging Clients," which can be found at www.njscpa.org/catalog.

The American Association of Daily Money Managers (www.aadmm.com) includes CPA and non-CPA members who must have client references and abide by a code of ethics. The organization provides education, administrative support and marketing materials for daily money managers. 

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