

BUILDING FINANCIAL KNOWLEDGE & INCREASING RESOURCES FOR FINANCIAL CAREGIVERS

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WOMEN'S INSTITUTE FOR A SECURE RETIREMENT (WISER)

- Nonprofit organization founded in 1996
- Provide women with basic financial information aimed at helping them take financial control of their lives
- Help educators & policymakers understand important issues and barriers surrounding women's adequate participation in the nation's retirement systems
- Bring together key stakeholders to work towards solutions that improve women's retirement outcomes

NATIONAL RESOURCE CENTER ON WOMEN AND RETIREMENT PLANNING

- WISER operates in partnership with the Administration on Aging (AoA)
- “One-Stop Gateway” to provide basic retirement information and resources
- Partners include a diverse group of organizations working with older adults, low-income women, women of color, and women with limited English-speaking proficiency.

Visit the Center at www.wiserwomen.org

WISER FINANCIAL CAREGIVER PORTAL

Caregiver Portal is a one-stop, online shop that will provide needed financial information and resources to caregivers throughout the caregiving cycle

Focus of portal is to save caregivers from searching multiple websites to find information

Go to: WISER's website wiserwomen.org (Caregiver page)

- Support from the RRF Foundation on Aging



WISER FINANCIAL CAREGIVER PORTAL

Two Goals:

1. Help prepare family caregivers for the impact of caregiving on their future financial security
2. Provide resources and tools to help caregivers oversee the financial caregiving tasks of the care recipient



WHAT WE WILL COVER TODAY

- Issues unique to women
- Cost of caregiving
- Financial caregiving
- Tools & resources



FACTS ABOUT WOMEN

- 5.8 million more women than men at age 65
- 67% of the 85+ population is women
- Close to half of women over age 65 are single
- **61% of those who provide unpaid care to an older relative or friend are women.**
- **Women caregivers are 2X more likely than non-caregivers to end up in poverty**

COST OF CAREGIVING



WHO ARE THE CARED FOR?

- **Between 2020 and 2060, the number of older adults is projected to increase by 69 percent, from 56.0 million to 94.7 million.**
 - **Most will need 3 years of care**
 - **1 in 5 will need 5+ years of care**
- **Caregiving crunch coming -- # of recipients growing faster than # of potential caregivers**

Source: National Alliance for Caregiving & AARP, 2020 Caregiving in the US

WHO ARE THE CAREGIVERS



- Caregiving falls heavily on women
- **41.8** million Americans provide unpaid care to a relative or friend aged 50 or older. (2/3 are women.)
- Majority of caregiving women **give little or no thought to their own financial situation**, yet over half describe their financial situation as poor
- 1 in 5 **say their financial situation has worsened** because they took on the role of caregiver

WOMEN AS CAREGIVERS



- Male caregivers report estimated median of \$130,000 in retirement savings compared to \$19,000 among women
- **1 out of 5 women caregivers has no retirement savings** – a rate twice as high as among men
- Women are **3X as likely as men to retire earlier** than anticipated in order to become a caregiver
- Women caregivers report feeling overwhelmed almost twice as often as men

Source: Transamerica Institute, The Many Faces of Caregiving, September 2017

AVERAGE COST OF CARE

- Average total cost for:
 - dementia (\$287,038)
 - heart disease (\$175,136)
 - cancer (\$173,383) or
 - other causes (\$197,286).
- Average out-of-pocket spending for patients:
 - with dementia (\$61,522)
 - without dementia (\$34,068); a similar pattern held for informal care.
- Many expenses are not covered by insurance



COST OF CARE

- **Adult Day-Care Center**
 - National median (2021) **monthly cost \$1,560.**
- **Nursing Home** (Daily costs vary by state)
 - National median **monthly** cost for a shared room in a Skilled Nursing Facility (2021) was **\$7,989.**
- **Senior Living/Assisted Living Residences** (Memory Care Residence) (Costs vary by state)
 - National median **monthly** cost (2021) was **\$4,429** (potential additional cost for dementia care)

Source: Genworth “Aging & Your Finances” Cost of Care Survey 2021

COST OF CARE (CONT.)

- **At Home Care** (Can vary state-by-state)
 - **National average (2021)**
 - **Homemaker Services \$24 per hour**
 - **Home Health Aide \$24.72 per hour**
 - **National median (2021)**
 - **Homemaker Services \$4,615 per month**
 - **Home Health Aide \$4,713 per month**
- **Unpaid Care**
 - **Family caregivers spend about \$7,400 in out-of-pocket costs each year**

THE FINANCIAL IMPACT OF BEING A CAREGIVER



- **61%** of caregivers report making adjustments to their work (cut hours, take leave, receive warnings at work).
- Caregivers pay an estimate of **\$7,242** annually in out-of-pocket costs for caregiving.
- Caregivers lose about **\$324,044** in wages, Social Security benefits, and private pensions over their lifetime

Source: AARP, Family Caregiver “Out of Pocket Costs”, 2019

THE FINANCIAL IMPACT OF BEING A CAREGIVER (CONT.)

Some less obvious examples of caregiving costs:

- Reduction in savings and investments.
- Lost opportunities for compound returns or 401(k) matching contributions.
- Inability to finance home improvements that could increase the resale value of a home.

MONEY MISTAKES CAREGIVERS MAKE

- Not making their own finances a priority.
- Paying for the cared for person's everyday expenses, such as purchases at the grocery and drugstore.
- Trying to pay for everything when they can't afford it.
- Not realizing they may end up living on their own some day and need to pay for their own care.
- Saving less for retirement because they are helping everyone else (saving first for children or grandchildren's education.)

FINANCIAL STEPS TO ENSURE CAREGIVERS' WELLBEING

○ Caregivers must:

- **Think carefully** about potential consequences of leaving a full-time job or working part time: **reduced income, loss of health insurance, and future benefits.**
- **Access other resources.** Don't be solely responsible for providing care.
- **Ask for help** – set up family care agreements.
- **Make a plan** for managing money and saving for retirement.
- **Plan for retirement needs**—income, healthcare, housing....

THANK YOU!

Learn more at:

wiserwomen.org

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Managing Someone Else's Money:

Considering a Financial Caregiver



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CFPB's Office for Older Americans

The Office for Older Americans engages in research, policy, and educational initiatives, designed to:

- help protect older consumers from financial harm
- help older consumers make sound financial decisions as they age

Learn more about us at consumerfinance.gov/olderamericans



The role of financial caregivers

Considering a financial caregiver

MANAGING SOMEONE ELSE'S MONEY

Considering a financial caregiver? Know your options


Is a loved one having trouble managing their money because of health problems or memory issues? Or are you planning ahead in case you need help in the future?

Knowing your options will help you choose what works best for your situation. An informal caregiver helps on an as-needed basis. If you need more than occasional help, it might be time to name a formal caregiver.

TYPES OF INFORMAL FINANCIAL CAREGIVERS

Consider a....	What is this?	How does this work?
Conversation partner	This allows you to give a trusted relative, friend, or professional an overview of your finances (even if you don't want to share all the details).	Ask your broker or banker to send a copy of your statements to your daughter or accountant. Ask a trusted friend or relative to join when you visit your banker or financial adviser.
Trusted contact person	You can add a "trusted contact person" to your brokerage accounts. Some banks may offer this too. It allows your financial institution to contact the trusted person in certain circumstances, like if they believe you're getting scammed.	Trusted contacts don't have access to your money—they get notified if the financial institution sees signs of financial exploitation.
Convenience account	A "convenience account" or "agency account" lets you name someone to help you deposit or withdraw money and write checks. A convenience account is not the same as a joint account, where money is jointly owned and the joint account holder automatically gets the money when you die.	A convenience account does not change the ownership of the money in the account or give your helper the right to keep the money when you die. The money belongs only to you.

Next step: Speak to your broker or banker to see what informal caregiving options are available. Take this document with you.

 Consumer Financial Protection Bureau [Learn more at consumerfinance.gov](https://www.consumerfinance.gov)

- Informal caregivers
- Formal caregivers
- Choosing a caregiver

Informal caregivers

- Conversation partner
- Trusted contact person
- Convenience account

Conversation partner

- Allows you to give a trusted relative, friend or professional an overview of your finances – even if you don't want to share all the details
- Examples
 - Ask your trusted friend or relative to join you when you visit your banker or financial advisor
 - Ask your banker or broker to send a copy of your statements to your adult child or accountant

Trusted contact person

- You can add a “trusted contact person” to brokerage accounts
- Some banks may offer this too
- It allows the financial institution to contact the trusted person in certain circumstances, like if they think you’re being scammed
- Trusted contacts don’t have access to your money

Convenience account

- A “convenience account” or “agency account” lets you name someone to help you deposit or withdraw money and write checks
- Different from a joint account
- A convenience account does not change ownership of the money in the account or give your helper a right to the money when you die
- The money belongs only to you

Formal caregivers

- Power of attorney
- Guardian or conservator
- Trustee
- Government fiduciary

Choosing a financial caregiver

- Do I trust this person?
- Do I feel comfortable sharing my wishes with them? Will they carry out my wishes the way I want them to?
- Are they willing and able to take on this responsibility?
- Will they make decisions in my best interest?
- Will they manage my money and property carefully?
- Will they be able to keep my money separate from their own?
- Will they keep good records?

Managing Someone Else's Money

Guides for financial caregivers



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Managing Someone Else's Money guides



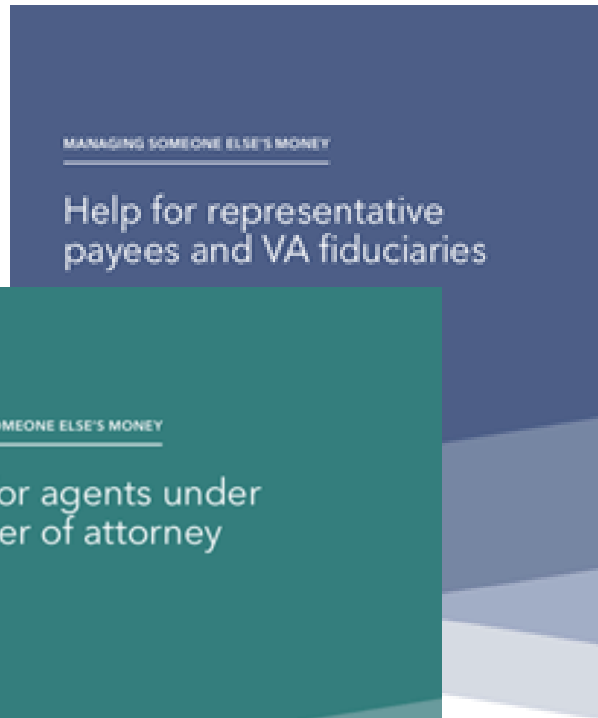
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- Help for financial caregivers handling the finances for a family member or another who is unable to do so
- Guides for four common types of financial caregivers:
 - Agents under a Power of Attorney
 - Guardians and conservators
 - Trustees
 - Social Security and Department of Veterans Affairs (VA) representatives

What's a **power of attorney**?

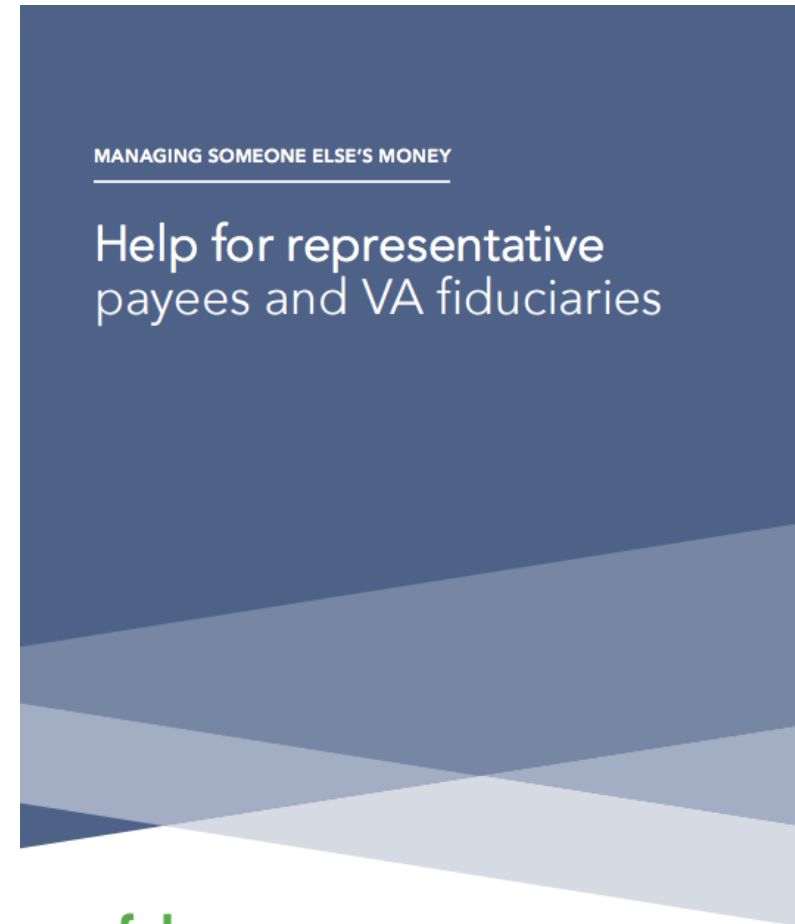
- Legal document giving a financial caregiver authority to make decisions about money/property
 - “Roberto” names you Agent under a Power of Attorney.
 - You can make decisions if illness or injury leaves Roberto unable to make financial decisions
- Health care Power of Attorney is different



What's a **representative payee**?

What's a **VA fiduciary**?

- Government agencies may appoint someone to manage Roberto's benefits if he needs help
 - Social Security Admin. - representative payee
 - Department of Veterans Affairs - VA fiduciary
- Representative payees and VA fiduciaries only manage Roberto's benefits – not financial affairs, other property, or medical matters



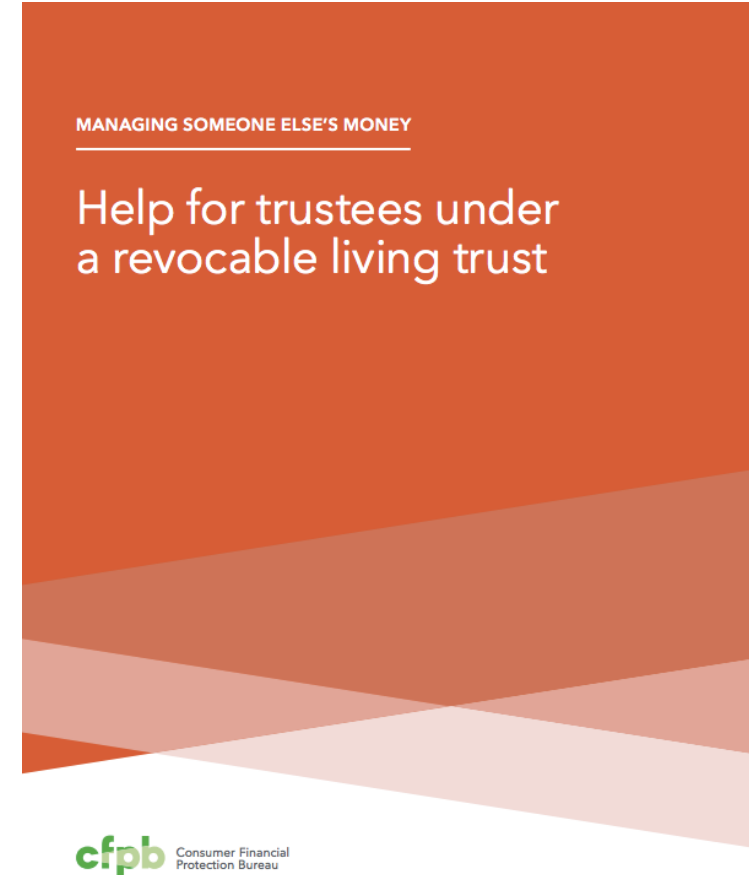
What's a **guardian of property**?

- A court names someone to manage Roberto's money and property if the court finds that he can't manage it alone
- Roberto might also have a *guardian of the person*, if he can't make his own health care or other personal decisions
- Could be same or different person
- Different states, different terms – e.g. conservator, guardian of estate



What's a trustee?

- Trusts differ – we're talking about revocable living trusts
- Roberto signs a legal document called a living trust, making you his trustee, and transfers ownership of money and property to the trust
- Trustee can pay bills or make other financial and property decisions if Roberto can no longer manage his money or property
- Beneficiaries receive money or property from the trust



Duties of a fiduciary

- Act only in the person's best interest
- Manage the money and property carefully
- Keep the money and property separate
- Keep good records

State-specific guides

- We developed state-specific MSEM guides for
 - Arizona
 - Florida
 - Georgia
 - Illinois
 - Oregon
 - Virginia
- Professionals used our Tips and Templates Guide to create their own
(Alabama, Idaho, Michigan, Nebraska, and Texas)

Where to find Managing Someone Else's Money

Bulk order for FREE – [Pueblo.gpo.gov/CFPBPubs](https://www.pueblo.gpo.gov/CFPBPubs)

Download – [consumerfinance.gov/msem](https://www.consumerfinance.gov/msem)

For questions about the guides – OlderAmericans@cfpb.gov



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Free CFPB resources



Planning for diminished capacity and illness

- CFPB and SEC consumer advisory
- Planning ahead may help you stay in control of your finances
- Powers of attorney and trusts are options that can help you plan for the future

CONSUMER ADVISORY AND INVESTOR BULLETIN | JUNE 2015

Planning for diminished capacity and illness

“Diminished financial capacity” is a term used to describe a decline in a person’s ability to manage money and financial assets to serve his or her best interests, including the inability to understand the consequences of investment decisions.

While the inability to manage one’s money is clearly a problem in itself, when people of any age lose the capability to manage their finances, they may also become more vulnerable to investment fraud and other forms of financial abuse.

Preparing for your own financial future: Hope for the best, but plan for the worst

Losing the ability to manage your finances may be something you’d rather not think about. We often think about our financial capabilities, like our ability to drive, as an important measure of our independence. But planning ahead may help you

stay in control of your finances, even if diminished financial capacity becomes a serious problem. Taking the steps listed below now may help avoid or minimize problems for you and your family.

Organize your important documents

Organize and store important documents in a safe, easily accessible location. That way, they are readily available in an emergency. Give copies to trusted loved ones or let them know where to find the documents. Typically, the following documents will be most relevant to your finances:

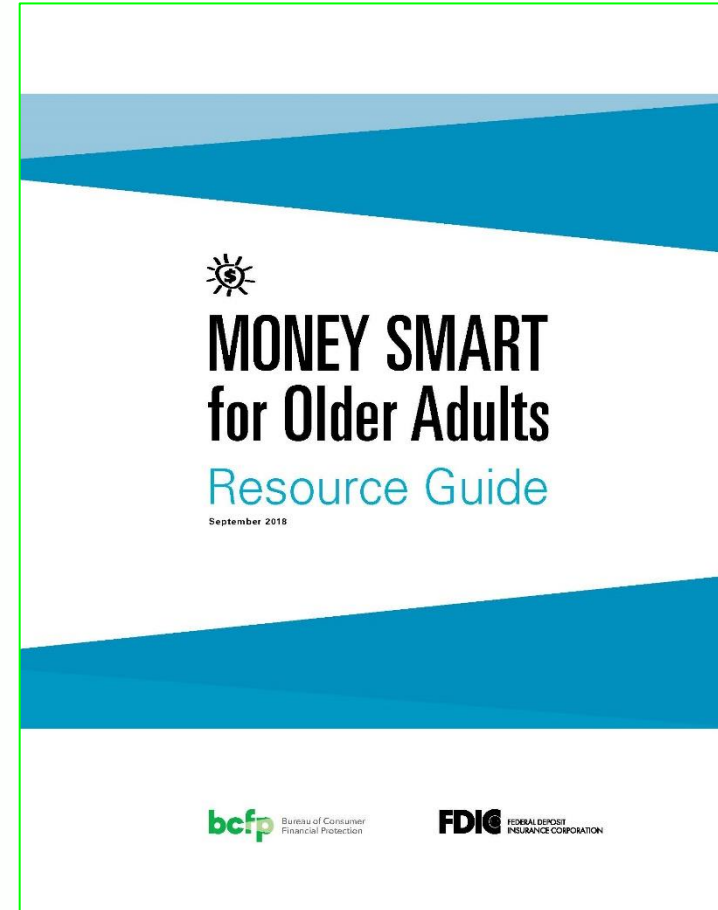
- **Bank and brokerage statements and account information.** Make a list of your accounts with account numbers. Keep a separate list of online bank and brokerage passwords and PINs and keep the lists in a safe place. In addition, make a list of the locations of your safe-deposit boxes, including where the keys to the safe-deposit boxes are located. Also, keep your recent bank and brokerage statements available, as well as information about how to get those statements online if you access them electronically.
- **Mortgage and credit information.** Make a list of your debts and regular payments, with account numbers and names of the financial institutions that issued the loans or credit cards.

The SEC’s Office of Investor Education and Advocacy and the CFPB’s Office for Older Americans are issuing this bulletin to help investors and consumers understand the potential impact of diminished capacity on their ability to make financial decisions and to encourage investors and consumers to plan for possible diminished financial capacity well before it happens.



Money Smart for Older Adults

- An awareness program developed in collaboration with the FDIC
- Identify scams, fraud & exploitation
- Instructor guides available for download
- Resource guide available in bulk at no charge
- Available in English and Spanish



Fraud prevention handouts

- Free fraud prevention placemats, handouts, and activity sheets on how to avoid common scams
- Check out the companion resources with tips and information to reinforce the messages
- Available to download or order in bulk
- Available in English and Spanish



[Consumerfinance.gov/placemats](https://consumerfinance.gov/placemats)

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Protecting your finances during the coronavirus pandemic

The CFPB is committed to providing consumers with up-to-date information and resources to protect and manage their finances during this difficult time.



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Resources to help you make financial decisions

Mortgage and housing assistance

If you're concerned about how to pay your mortgage or rent, we have information on what to do now, and what your options are for mortgage and rental relief.

Managing your finances

We have resources to help you protect and manage your finances if you are facing financial difficulties as a result of the pandemic.

FEDERAL CORONAVIRUS RESOURCES

White House Coronavirus Task Force

Information about COVID-19 from the White House Coronavirus Task Force in conjunction with CDC, HHS, and other agency stakeholders.

[Visit coronavirus.gov](https://www.whitehouse.gov/coronavirus)

Centers for Disease Control and Prevention



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Housing insecurity: Use our digital toolkit

Provides shareable content, graphics, and resources

- Sample emails and social media posts
- Videos and social media images
- Emergency Rental Assistance specific resources, including:
 - Handouts, emails, videos, social media posts and images

How to use this toolkit

You can insert the content pieces below into newsletters, blogs, email blasts, and social media posts to help get the word out about these resources. **When sharing this content, please indicate that it was sourced from the Consumer Financial Protection Bureau.**

If you have any questions about these materials or how to use them, please contact CFPBPress@cfpb.gov.



Content Templates

Use this template to draft blogs, newsletters, email blasts and social media posts to spread the word about these resources with the people you serve.

[Download all content templates](#) 

Contact us

CFPB – Office for Older Americans

consumerfinance.gov/olderamericans

olderamericans@cfpb.gov

Managing Someone Else's Money

consumerfinance.gov/msem

Lisa Schifferle – Lisa.Schifferle@cfpb.gov

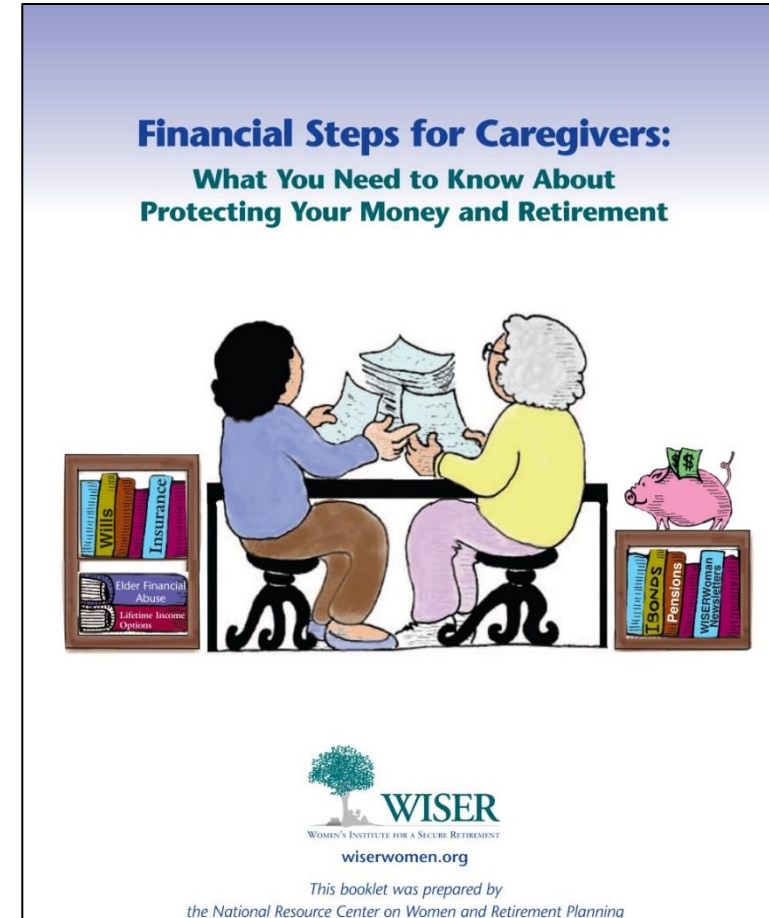


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RESOURCES FROM WISER

WISER has been helping caregivers for more than 22 years!

View or download a copy of the booklet and other resources at www.wiserwomen.org



WISER RESOURCES

AVAILABLE AT WISERWOMEN.ORG

- *Making Your Money Last Through Your Retirement - Immediate Annuities.* (Information from WISER and The Actuarial Foundation.)
- WISER's Care Agreements for Families & Caregivers Fact Sheet (www.wiserwomen.org)
- *Reverse Mortgage Scams (Prepared by WISER/NAPSA: Just The Facts Senior Financial Abuse.)*
- *Documents Checklist for End of Life Planning*
- *Financial Planner Alert*
- *Annuities: Why You Need to Know How They Work*

ADDITIONAL RESOURCES FOR CARE AGREEMENTS FOR FAMILIES & CAREGIVERS

- National Association of Elder Law Attorneys, Naela.org
- Family Caregiver Alliance, caregiver.org
- Long Term Care Personal Support Services Agreement – Example at: Maine Department of Health and Human Services
www.maine.gov/dhhs/sites/maine.gov.dhhs/files/documents/LTC-Personal-Support-Agreement.pdf

RESOURCES & TOOLS

Eldercare Locator: [Eldercare.acl.gov](https://eldercare.acl.gov)

- Nationwide service that connects older adults and their caregivers with local, trusted services - 1-800-677-1116

Benefits Checkup: [Benefitscheckup.org](https://benefitscheckup.org)

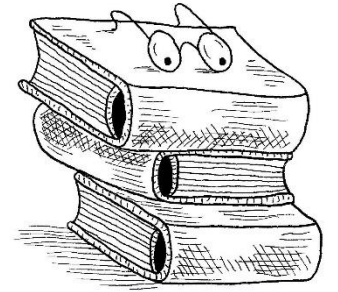
- Quickly find benefit programs that could help pay for medications, health care, food, utilities and more

FINRA Securities Helpline for Seniors:

[1-844-57-HELPS \(1-844-574-3577\)](https://www.finra.org/retirees)

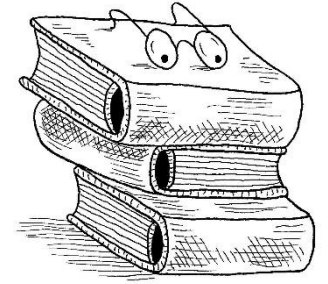


RESOURCES & TOOLS



- AARP Caregiving: aarp.org/caregiving – information and tools on a variety of caregiving topics and needs
- Help Our Wounded: howfoundationsf.org – resources for caregivers and wounded veterans
- Well Spouse Association: wellspouse.org – peer support and education about the challenges facing caregiving spouses

RESOURCES & TOOLS



- Caregiver Action Network: Caregiveraction.org – provides education and peer support for family caregivers
- Caring.com – For help finding assisted living facilities and other housing options, elder law attorneys, geriatric care managers, and online support groups
- Lotsa Helping Hands: Lotsahelpinghands.com – create your own online site to coordinate support activities among family, friends and volunteers