

Helping Aging Parents with Finances: 5 Ways to Reduce Resistance



Money is a sensitive topic for seniors

Managing financial matters is an important part of caring for an older adult.

However, it can be tough to convince someone that they need help, even if all the signs are there. That's why helping aging parents with finances (or your spouse or relative) requires a gentle approach.

For example, if they're forgetting to pay bills, making unwise purchases, or getting confused about their accounts, it's probably time to step in.

But even if they're having problems, many people are still resistant to having someone get involved in their finances. Do your best to go slowly, keep them included, and be patient.

To reduce defensiveness, we share 5 essential tips for helping aging parents with finances.

We also suggest specific tasks to focus on to make the new responsibility a little less overwhelming.

1. Work with them and respect their decisions

If your older adult is still able to manage their finances fairly well, be respectful of their decisions and work with them instead of taking over.

They'll (hopefully) appreciate your help in executing details like paying the bills every month. And typically, they'll be more likely to accept additional help when they realize you're not trying to take away their control.

If your older adult has dementia or a cognitive impairment, you may need to take over and make decisions on their behalf.

But it's still kinder to make them feel included and in control, even if they can't manage things on their own anymore.

Work with other family members to make sure everyone is on the same page and they understand that you're looking out for your older adult's best interests.

2. Locate important documents

It's critical to know where the important financial documents are so you can locate them in an emergency or if your older adult becomes incapacitated.

This allows you to protect your older adult's assets when they're not able to take care of things themselves.

Your older adult may be concerned that you'll use these documents before you have to, so be sure to reassure them that you'll only use the information in an emergency or when they're not able to.

Important documents typically include:

- Bank and brokerage statements
- Wills
- Insurance policies
- Pension records
- Home mortgage or reverse mortgage
- Car title
- Social Security payments
- Safe deposit boxes

3. Get access to financial accounts

Getting access to your older adult's bank accounts requires advance planning and likely, some specific paperwork.

Banks and other financial institutions have strict rules about who can access accounts. And sometimes, they require their own documents to be completed even if you already have a Power of Attorney.

To write checks or withdraw money from your older adult's accounts, you could become authorized to conduct transactions.

To get access to a safe deposit box, your older adult can authorize a "deputy" or "agent."

Important: Before signing paperwork or getting joint access to any accounts, consulting with a fiduciary, elder law attorney, financial planner, or other qualified professional is always recommended to avoid unintended consequences.

4. Keep family informed

Your older adult should stay involved in their financial decisions as long as they can.

But if that's not possible and you need to take full responsibility, it's wise to share information with other family members or involve them in the process.

This helps avoid conflicts later, like one person accusing another of inappropriately spending the older adult's money behind the family's back.

Holding family meetings to discuss finances is also a good way to keep everyone up to date on spending and income.

It's also smart to keep a record of significant discussions, decisions, and actions in case there are disputes in the future.

5. Prepare for the future

If your older adult doesn't already have a will or estate plan, now is the time to convince them to meet with a lawyer and start the process.

These key legal documents are important because they affect how their assets are distributed when they pass away.

It's also important to complete other essential legal documents like a Power of Attorney or living will. This allows you to make decisions and take action quickly during a health crisis.