



TALKING TO YOUR AGING PARENTS ABOUT FINANCES

For many families, finances are rarely discussed in detail, even as children mature into adulthood. But as your parents age, especially if they live into their 80s and 90s, there's a chance that they may lose their cognitive function and be less capable of managing various tasks. This can be upsetting for some parents and they may try to fight it, or deny that it's happening.

While you may encounter some resistance, it's important to talk to your parents about their finances and work through potential issues they may face as they age. Waiting until past due notices start piling up, or worse, your parents fall prey to a scam, can make life more difficult for everyone. Preparing now to try to prevent these problems is easier than trying to pick up the pieces after everything falls apart. Once your parents understand that you're coming from a place of love and understanding, they will slowly come around.

Here are some suggestions for preparation steps you can take right now.

Get Your Own Financial House in Order

If you plan on helping your parents later in their lives, you should try to be in a financially secure place yourself. Check that your current financial strategy considers contingencies like assisting your aging parents.

Read the Room

You know your parents, so you know how they may react to a conversation about their finances. If you feel they wouldn't react well to a scheduled meeting, try to work finance-related topics into your regular conversations. Be patient, as it may take a few conversations before your parents open up.

Discuss Financial and Estate Planning Goals

Talk to your parents about their lifestyle, needs, and priorities as they age. Check if they have an estate plan in place, or are working with an estate planning professional. If they haven't done so recently, they may want to look into hiring a financial professional to review their retirement planning strategy.

Make a Checklist

Determine what your parents have in place, and check that they have proper, up-to-date documentation. Some of the main documents they may have are:

- Current will
- Living trust
- Durable powers of attorney
- Medical directives
- Insurance policies
- Health records
- Tax returns
- Credit card and loan documents
- Bank and investment statements
- Social Security information
- Location of safe deposit boxes and their keys
- Contact information for all professionals

Enlist Some Help

If you have siblings, include them in your conversations. They can help relieve some of the emotional burden on you and provide support while you talk to your parents. You may want to consider including a financial professional in your conversations as well. They can act as an objective third-party as you navigate some of the more emotional conversations around aging and finances.

Explore Long-Term Care Insurance

Insurance is one way to help offset the financial burden of long-term care if one or both of your parents need it. A private room in a nursing home could cost over \$110,000 a year, and if paying out of pocket, that can quickly deplete assets.

Research Senior Assistance Programs

Investigate the service and resources available to seniors, both government and community-provided programs. If you aren't sure where to start, the ACL Eldercare Locator can help you find programs in your area.

Respect Their Dignity

It can be hard for parents to let their children help with their finances, especially if they've been independent for several decades. They've spent a large part of their lives managing a household and being in charge. Many of these suggested steps can be taken gradually, and you can adjust as your parents become more comfortable with discussing their financial picture.

Sources

"Nursing Home Costs in 2025", SeniorLiving.org, February 13, 2025, <https://www.seniorliving.org/nursing-homes/costs/>

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