

RIGHT RISK NEWS

DATES TO REMEMBER

Spring-planted crops
sales deadline:
- March 15, 2022

Noninsured Crop
Disaster Assistance
Program (NAP)
Deadline for springseeded
forage and all other crops
- April 1, 2022

For more information see:
<https://www.rma.usda.gov>
<https://www.fsa.usda.gov>

Compensating Family Members Who Provide Care for Family Members

Many families reach a point when they recognize that an ill or older family member needs help. There are usually warning signs: difficulty with daily activities, memory problems, trouble with banking and finances, multiple falls, problems with driving, forgetting medications, etc. Sometimes the family member needs more than occasional assistance; they require full-time care.

Who will provide the care needed by the family member? The answer is often close to home: an adult child or grandchild. A family member might become the caregiver by default or selected because he or she lives closer or has fewer family responsibilities of his/her own. Family members may want to help and feel a sense of duty to care for a loved one. However, it is a challenge with heavy time commitments and responsibilities. The family caregiver is likely to make significant sacrifices. He or she will experience a change in lifestyle that may include giving up a job with wages and benefits, changing commitments to other family members, foregoing a social life, etc.

What is the value of the care provided to the recipient and other family members? The caregiver may be willing to do some things for free, while other types of activity or assistance should be paid or reimbursed. Family dynamics and relationships will help determine who or if a family member will provide the care and the amount of compensation. The family should note that a non-family member or organization providing the care would likely charge a fee for the service.

Discussing Personal Care for a Family Member

It can be stressful for a family to discuss providing care for a parent. The elderly person may be resistant to receiving help or moving out of his or her home. There may not be an obvious choice about who will provide the care. There may be a lack of trust within the family. How much to pay or who will pay can make money an issue. Additionally, some families may not have experience or may have had bad experiences talking about complex and sensitive issues.

One method for addressing difficult topics is to hold a family meeting. The family meeting should be just that: a meeting. There should be an agenda and notes taken, recording the topics discussed,



decisions made, and actions to be taken. A well-organized meeting can provide everyone with shared support and a better understanding of the decisions to be made. It is important to include all necessary family members in the meeting, including the person needing care. In some cases, a non-family person may be desired to facilitate the meeting.

Topics that should be discussed in a family meeting about care for a family member include:

- *What level of care will be provided?* A clear listing of the caregiver's roles and tasks should be drafted. The care recipient's perception of his or her quality of life and independence should be taken into consideration when identifying the care to be provided.
- *What compensation will be given for providing care?* The compensation rate and timing of payment should be stated. Some families have sufficient funds to compensate the caregiver on a regular basis, while other families may need to compensate the caregiver from the estate of the care recipient.
- *Who will serve as a backup caregiver?* Will there be more than one? One or more persons should be identified who can provide temporary care when the regular caregiver is unable to provide care due to illness, vacation, personal responsibilities or other reasons.
- *Who holds Powers of Attorney? Which ones?* Some families may want the caregiver to have a Medical Power of Attorney. Other families may want to separate legal authority from other responsibilities.
- *Is there a Health Care Directive?* The care recipient should have a legal copy of any Health Care Directive. The caregiver and family members should be aware of the declarations and instructions contained within the document.
- *Are there Medicaid spend down or look back considerations?* The care recipient and family should be aware of any implications and possible restrictions that arise from reliance on Medicaid. The family should contact all appropriate government officials before finalizing any decisions.
- *What is the plan if or when the family can no longer provide the level of care needed, including an alternative living arrangement?* A plan outlining the circumstances when it becomes necessary for the care recipient to move to a residential facility (elder day care, assisted living, nursing home, hospice, etc.). Also, there should be consideration given to the caregiver's plans when he or she no longer will provide care. This may be especially true if the caregiver gives up other employment and/or is required to move in order to provide care.



Compensating the Caregiver

It is reasonable for the caregiver to be reimbursed for using his or her automobile to transport the care recipient to appointments, shopping and other places important to the life of the care recipient. Reimbursement of mileage should be calculated by multiplying the number of miles by an acceptable per mile rate. There are myriad sources which may be useful in establishing a reasonable rate, including standard mileage rates published by the Internal Revenue Service (IRS) on the internet.

A caregiver or other family members may find it best to pay certain expenses at the time they come up and be reimbursed for them later. In addition, family members may find it necessary to pay certain costs which should be reimbursed from the care recipient's estate. It is important that the caregiver, care



recipient, and care recipient's family have open and honest discussions about which expenses will be paid and by whom and when the expenses will be reimbursed.

A spreadsheet-based tool is available to help families calculate the compensation a person could receive for providing care to a family member. It may also help the family think about the care services to be provided. The tool can be downloaded from the ABM web site: www.abm.extension.colostate.edu.

Personal Support Service Agreement

Putting the care relationship in writing is one good way to protect the care recipient, caregiver and other

family members. Writing a personal support service agreement can help resolve concerns and avoid future conflicts and misunderstandings.

Personal support service agreements should clearly state the services to be provided, compensation rates and other benefits allowed the caregiver such as room and board, time off and other critical aspects of the services to be provided and compensation. An attorney may not be necessary but one may be advisable when entering into any contractual relationship.

Summary

Families often struggle with paying someone to provide care to a family member. Some cultures have strong beliefs around the value that family care for their own. It is reasonable to expect compensation for providing care where a family member acts as a caregiver for an elderly parent or grandparent. The caregiver may need to quit a job, forego opportunities, move to another community or otherwise make lifestyle changes to provide the care required.

One of the most important elements of providing care for a family member is that the caregiver, care recipient, and other necessary family members have open, honest and frequent discussions about the care provided and compensation.

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For more see: RightRisk.org/News

HIGHLIGHTED MATERIALS: NEGOTIATION IN AGRICULTURE

Resources are available to improve communication, as well as learning better negotiation skills. Negotiation skills aren't just for the used car lot. They can also be helpful in working together when contentious topics arise in the family. View the entire series or access one of the online modules for help navigating your next challenging conversation.

For More Information on Negotiation in Agriculture, see:
Negotiation.FarmManagement.org



	<p>January 4 Social Media Post <i>¿Cuál es la Ley de Normas Justas de Trabajo en agricultura y cómo se aplica a mí?</i></p>		<p>January 20 Social Media Post <i>Online Publications RightRisk</i></p>
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