5.5 Ways To Pay For Non-Medical Home Care

Call 800-GRISWOLD (474-7965)

GriswoldHomeCare.com
When it comes time to find in-home care for your parent, friend or relative, paying for this important service is probably the last thing on your mind. After all, it’s hard enough having to find a perfectly matched, capable and compassionate home care provider to meet your loved one’s changing needs.

Unfortunately, since home care aide providers like Griswold Home Care offer personal rather than medical care, most health insurance and Medicare programs do not cover the costs of this critical service. Figure 1 below illustrates some of the major differences between Medicare, Medicaid and private home care services.

<table>
<thead>
<tr>
<th>Age Requirements</th>
<th>Home Health, Home Nursing</th>
<th>Medicaid Home Services</th>
<th>Private Duty Home Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homebound Status Requirements</td>
<td>Must be homebound (leaving home is a taxing effort)</td>
<td>No requirement</td>
<td>No requirement</td>
</tr>
<tr>
<td>Authorization for Services</td>
<td>Doctor’s order required; must see patient face-to-face</td>
<td>Social Worker / Case Worker authorization required</td>
<td>No requirement</td>
</tr>
<tr>
<td>Medical Requirements</td>
<td>Skilled Nursing or Therapy</td>
<td>Disability or medical need</td>
<td>No requirement</td>
</tr>
<tr>
<td>Weekly Service Limit</td>
<td>Usually 3-5 visits per week; most visits &lt;1 hour</td>
<td>Usually 25-40 hours of care per week; based on assessed needs</td>
<td>Client determines service hours; can be 1-24 hours per day, any days requested</td>
</tr>
<tr>
<td>Income Limit</td>
<td>No requirement, but must have paid into Medicare benefit</td>
<td>Must meet low-income criteria determined by state</td>
<td>No requirement</td>
</tr>
<tr>
<td>Length of Service Coverage</td>
<td>60-day service period; can be renewed as medically needed</td>
<td>Based on needs; requires reevaluation every 6 months</td>
<td>No requirement; client decides when to start or stop care</td>
</tr>
<tr>
<td>Payor Source</td>
<td>Medicare - National funding from taxpayer revenue</td>
<td>Medicaid - State funding from taxpayer revenue</td>
<td>Multiple sources; self-pay, insurance, trust funds, retirement accounts, family, etc.</td>
</tr>
<tr>
<td>Services NOT Provided</td>
<td>Does not provide daily homemaking services, hourly shifts, overnight care, transportation, or personal errands</td>
<td>May not provide medical care (depends on provider); no 24/7 services provided or overnight care</td>
<td>No exclusions (if you choose a full-service provider like CareTeam!)</td>
</tr>
</tbody>
</table>

Therefore, it’s important that you and your family draw up a financial plan to help you meet your loved one’s home care needs. Having a plan in place helps to ensure that your loved ones are comfortable, secure and cared for as they age and that your family’s financial resources are preserved in the process.
The good news is that there are a number of resources and options available to help you with that plan. In order to help you weigh each option and plan accordingly, we’ve compiled the following list of 5.5 ways to pay for your beloved elder’s home care needs. Of course, as with anything, there are pros and cons to consider with each option so it’s important to do as much research as possible.

1. **Long-Term Care Insurance**
   The first step in planning for your loved one’s home care needs is to determine if he or she has a Long-Term Care Insurance plan. Since individuals who require non-medical home care are not sick in the traditional sense, traditional health insurance, Medicare and Medicaid do not provide for their needs. Having a Long-Term Care Insurance policy in place prior to any major changes in the health and mobility of your loved one guarantees that they will have complete home care coverage assistance available if and when they need it.

2. **Veteran’s Benefits**
   The Veteran Aid & Attendance Pension program offers families and individuals an additional method of meeting home care costs. For qualifying service members and their spouses, the A&A Pension provides up to $1,632 per month to a veteran, $1,055 per month to a surviving spouse, or $1,949 per month to a couple. Whether or not you or your family member qualifies for the A&A program, the VA allows households to deduct the annual cost of paying for in-home care when calculating their regular pension benefit. This annual cost is then used to calculate the benefit based on a new “countable income” and allows families earning more than the pension benefit to receive a disability income from the VA. This income can be a welcome supplement for families struggling to provide home-based eldercare for their loved ones.

* Figures are from the Veteran’s Administration as of 12/01/09. Please contact the VA to verify current Aid and Attendance monthly payments.
Asset Conversion
There are a number of options available to families with non-liquid assets that allow them to convert those assets to help cover things like home care expenses. Reverse mortgages, home equity lines of credit, Rex Agreements and EquityKey are real estate-based asset conversion programs that provide seniors with financial solutions to their long-term home care needs. In addition to these programs, death benefit loans, life settlements, life care assurance benefits and viatical settlements offer seniors a variety of methods for converting their life insurance policies to pay for home care as well.

Medicaid Programs
Sometimes referred to as “nursing home diversion” programs, there are a number of state-specific initiatives designed to help keep seniors who qualify for Medicaid out of nursing homes and living comfortably in their own homes. These programs will help to cover the cost of home care in cases where that care can be provided at an expense below that of a nursing home.

Tax Credits and Cost of Care Reductions
There are a variety of state and federal programs, initiatives and tax credits that can significantly lower your family’s tax burden effectively reducing the overall cost of care. Research the following options to find out if your family member qualifies: Alzheimer’s Respite Care, Elderly and Disabled Tax Credit, Federal Elderly Care Tax Credit, LIHEAP – Aid for Energy Costs, Medical Expense Tax Deductions, NFCSP Respite Care, State Elderly Care Tax Credit, Veteran’s Administration Respite Care.

Savings & Pensions
Most non-medical care is paid privately via savings or long-term care insurance. In addition to Social Security benefits and private pensions, drawing on savings is very often the most immediate means of covering the expense of in-home care. Since most assistance programs determine eligibility based on an individual’s resources, the amount of monetary assistance available is reduced based on an individual’s resources. As those resources diminish, the amount of care assistance options increases dramatically.
Don’t let the cost of home care stand in the way of providing your loved one with the temporary, part-time or live-in care and companionship that he or she needs. In addition to researching the options above, Griswold can assist you with the many non-profit assistance programs available nationally and in your region. There are also a number of state-based programs that may provide financial assistance to cover all or some of the costs of home care.

Not sure if your loved one’s current long-term care insurance plan covers home care? Contact Griswold today and, at no cost to you, we’ll send the care recipient’s long-term care policy to Financial Health Services, LLC (FHS) and determine his or her eligibility within 24 hours. If that policy covers Griswold’s services, FHS will take care of all subsequent processing requirements and you can begin receiving service that same day.

For more valuable home care information and resources, or to locate an affordable, capable and compassionate caregiver in your area, visit www.GriswoldHomeCare.com or call 1-800-GRISWOLD (474-7965) to speak with one of our friendly home care professionals.

ABOUT US
Griswold is committed to being the best care service option for non-medical home care. The professional caregivers Griswold refers help each client maintain the dignity, safety, independence, and peace of mind they deserve, regardless of where they call home. With offices throughout the United States, Griswold combines affordable rates with more than 30 years of world-class home care experience. Each office is locally owned and operated by leaders in your community who are passionate about our client’s wellbeing.