

The Sandwich Generation

Coping with Being Stuck in the Middle, Caring for Parents and Kids

By LISA L. HALBERT, Esq.

They call it the 'sandwich generation,' those individuals who care for their young, college-aged, adult, or boomerang kids, while at the same time caring for parents or in-laws who need some level of assistance. These stuck-in-the-middle people are overworked, stressed, tired, and oftentimes financially strapped from the burden.

Typically there is some hope or expectation that, as a child ages, parenting modulates from hands-on caregiving duties to those of chauffeur, disciplinarian, and behavior-modeling duties, and then the child goes their own way. For many with aging parents, however, the roles reverse, and caring for parents expands from driving them to appointments to moving them in to live with you, to engaging in disagreements as if you had another grumpy child — and even to the adult equivalents of diapering and assisting with feeding.

For some, it is an honor to care for aging parents. This commitment comes not only from a strong sense of family, but also from concern that nursing-home experiences are not ideal and can be prohibitively expensive. For others, it is an obligation, whether self-imposed or not. For most people caught in the sandwich generation, perhaps it is a blend of love, obligation, and concern about how they would want to be treated if or when they become stuck in such a needy situation.

While the sandwich generation connotes comfort, the nitty-gritty is that caregiving for any one person is hard enough, but when attention and care must be divided among three generations — your parents, spouse, and children — the emotional, physical, and financial toll can become devastating. From both a practical and estate-planning perspective, steps that caregivers might consider taking include the following:



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Anticipate Problems Before They Arise

As early as possible, consider typical sandwich-generation issues. Initiate discussions with your parents about how they want to live, whether they have long-term-care insurance, what kind of health care and life-saving measures are desired, and who should make legal and medical decisions for them if they are no longer able to handle their own affairs. Yes, these are difficult topics and not ripe for the holidays, but as an adult child of aging parents, you must address these types of questions while there is still time to plan. This can help your whole family avoid a lot of problems down the road.

Apply the Golden Rule

Remember your parents telling you that you should treat others as you would want to be treated? Well, now is the time to take that to heart, especially as even loving family members are sometimes not nice to those who are infirmed. You might talk about them rather than to them, or make decisions for them rather than with them. You might overestimate your loved one's disabilities and underestimate their capabilities.

Too often, we equate intelligence with language and the ability to communicate, but how would you feel if you became hard of hearing or lost your ability to speak? Would that make you less intelligent?

Now is also your opportunity to train your children about how to treat you a few decades down the road. Teach them by example to be tolerant, loving, and kind. Teach them to include seniors in decision making and to be respectful.

Essential Legal Documents

In addition to a will, there are three basic estate-planning documents that every adult should consider. A health care proxy (HCP) authorizes another to make health care decisions when someone cannot make those decisions for himself or herself. A durable power of attorney (POA) authorizes someone to make decisions about issues in another's legal world, such as bank accounts, brokerage accounts, or almost anything relating to money. This document can be drafted so that you and your elderly relative can access accounts at the same time. As the attorney-in-fact under a POA, therefore, you can help reinforce your family member's independence in that he or she can retain some control until capacity diminishes.

The third document, a living will, provides a specific directive to the individual's physician regarding under which circumstances the individual is to be kept alive by life-sustaining equipment and when the physician is to stop such mechanical approaches and allow the patient to die with as much dignity and as little pain as possible. Some attorneys combine this directive within the HCP, while others leave it as a standalone document. Either approach works.

It is important to note that a diagnosis of Alzheimer's or early dementia does not prohibit the consideration and signing of essential estate-planning documents. As early as possible, you must have your parent talk to estate-planning counsel. If your parent remains aware of basic information, he or she may still have capacity to sign the forms. This documentation is important, if not imperative, for both you and your parent. Statistics show that caregivers actually frequently falter because the stress and the pressure of caregiving may lead to their own injury or illness.

When documentation is in place, have it reviewed periodically, especially with any change in family structure, to ensure that the appropriate people are named to the appropriate positions.

Keep in mind that, while you might be a wonderful caregiver, loading up with financial responsibilities may result in too much of a time commitment for you. Sharing those same responsibilities with siblings or others might be the better choice.

Understand that, without a POA and/or HCP in place, situations will likely arise that require court action, whether guardianship or conservatorship, to be initiated. And while a POA and/or HCP are not a guarantee that you can avoid these actions (and additional costs), the chances of needing court involvement drops significantly.

Preserve Your Own Assets

Financial planners constantly say it is foolish to raid your retirement savings to

pay for your children's college education or your parents' long-term care. Your kids can take out student loans that they have plenty of time to repay, and your parents' own assets should finance their care for as long as possible.

If caregiving to a parent is likely to be in your future, urge your children to explore multiple financial-aid options to fund college, which will help alleviate the burden on you, especially merit grants and scholarships that neither of you will have to repay after they graduate. For some, one part of the puzzle might be to consider having your child spend a couple years at a community college, and then transfer to a four-year program, which can save tens of thousands of dollars. For others, consider whether your child might qualify for more money from needs-based aid as opposed to merit-based scholarships. A good college advisor should be fluent in advising which schools look at what information relative to financial aid. Also, understand that the optimal time to consider college financial-aid planning is when your child is in 9th or 10th grade.

As for your parents, you might consider involving a financial planner in advance of their caregiving needs changing. An evaluation of assets and income as well as expenses (current and then modified for the new living situation) can be done to consider whether investments should be adjusted so as to produce more or less income. Also consider long-term-care insurance, whether for nursing home care and/or home care — and the earlier, the better.

Identify a qualified financial planner who can advise whether a long-term-care insurance or home-care insurance policy may suit your parents' needs. It is important to ascertain that the policy you're considering meets current Medicaid requirements. These requirements are quite specific, so while your financial planner or insurance agent may have some knowledge of the issues, check with your legal counsel, who should be able to lend insight. Typically the premium will increase with age, and you

and your parents should carefully consider the services provided and length of the term. Your lawyer may also be able to provide guidance while you're in this process.

A caregiving contract may also be appropriate for services that you will provide for your parents, especially in cases where you leave or decline traditional employment in favor of caregiving. Such contracts should address the prospective wages and range of services to be paid under the contract. Contracts can also address your parent's financial contribution to any modification of the residence where your parent will be living, yours or their own.

When considering caring for a parent who could potentially need traditional nursing-home assistance or renovating your home to accommodate the new caregiving duties, in order to avoid violating certain Medicaid regulations, a properly written contract must be made in advance of the cash outlay. If your parents make promises to compensate you via their will, or you are too proud to discuss the issues in advance, the result could be you bearing the financial brunt and never receiving appropriate compensation, irrespective of good intentions.

Check Your Health

From a practical standpoint, it must also be mentioned that you will be no good to your parents or your children unless you make yourself a priority. Get proper exercise, rest, and relaxation. Remain involved with your interests and friends. Keep communication lines open with your partner, parents, siblings, and children, and enlist the help of others. You cannot bear this burden alone without considerable stress taking its toll on you. ❖

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