

The Costs of Quality of Life In Our Later Years

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Everyone measures quality of life differently but for many growing old is often accompanied with a disquieting question of financial stability. Aging and health conditions dictate the type of accommodations and amount of support needed now or down the road. Having access to all our options private, subsidized or free helps us make the right choices to maintain physical and social independence to live life as best we can. Quality of life does not need to be based on the esthetics of where we live but more importantly based on the services and people who are there for us. Careful consideration is needed to choose those services and people that will best support our current and future personal values and needs.

Whatever our situation we also need to draw on our inner strength to find comfort and solace if our lifestyle is not going as expected. They often say growing old is not for sissies.

What is it then that holds us back from having a good quality of life as we age? Some of it is denial, and refusing to manage our chronic aches and pains such as loss of mobility, loss of hearing and loss of eyesight; or we might lose interest in keeping up daily activities such as cooking and cleaning. If that's the case we either need to have the ability to pay for services to support us, or have family or reasonably priced community services to help us.

The biggest turnaround in the quality of life happens when people help themselves and are not afraid to engage others to help. These people participate in fitness and social programs; are open and financially prepared to pay for in-home services and personal adaptive equipment such as hearing aids and walkers. They persevere through life adjustments and surgeries and faithfully use community offered rehabilitation programs. These are all unique to specific individual circumstances but the simple rule of thumb is ask for help and plan to pay for supports and if they are free or discounted that's a bonus.

Below is a list of some of the more common services I have used. They present a range of prices to help get a better idea of the costs you can manage in later life. Some of these have coverage through private pension plans, through Veterans Affairs or through your private medical plan or no coverage. These numbers are current rates, and vary from organization to organization, based on unique services. Later in the article there is a range of costs for various types of housing.

Costs of Private Services

- Physiotherapy in-home twice a week may cost anywhere from \$50 to \$150 per visit and usually 45 minutes of dedicated hands on attention.
- Occupational Therapy initial assessment may run \$250.00 with a written assessment and suggestions. Additional visits run at \$150.00 may be required to improve in home safety measures or provide ongoing support to help develop skills to manage self-care and self-sufficiency at home.
- Companion Care, Care Aides or Licensed Practical Nurses (LPN): Hiring through a private company charge \$30 to \$55 + per hour depending on their qualifications or the type of care you need, ranging from companion care to nursing care. Some companies charge the same rate across all levels of service. They usually ask for a minimum visit of 3 or 4 hours.
- Overnight companion or care aide services can be based on awake hours or sleep hours, this may vary with the individual companies. Full day and night care can easily add up to \$600 for 24 hours of care. That is over \$18,000 per month.
- Hiring caregivers privately (not through an agency) can range from \$15 to \$30 per hour. This person is not accountable to anyone so if there is a problem you have no recourse; therefore you **must** be prepared to do your own police check and ask for reputable references. Beware of caregivers asking for special

favors such as bringing their toddlers to work. This can insidiously blur the lines between the professional relationship, the care they provide and their personal needs.

- Housekeeping costs can range from \$20 - \$40 per hour per person. Some agencies will only send people in teams of two. You may be able to hire privately for less but consider again doing a police check and ask for references.

Subsidized Community Health In-Home Caregivers

In order to get this service you need an assessment by a community health case manager. The case management is a free service but according to case managers I have shared clients with, they are so overloaded with work they need to prioritize clients based on urgency. It is up to you to explain why the urgent need for help, do not be shy and do not sugar coat or minimize your problem. Remember there are hundreds to a thousand other people asking for help and they are dealing with the most urgent first.

If your income is less than approximately \$36,000 per year, you may qualify to have free caregiver services but the case managers will let you know based on their sliding scale calculation. Usually the first two weeks are free when coming home from hospital acute care. The caregiver visits vary from 15 minutes to 1 hour based on the community health care plan this includes their travel time. The community home-health service provided by the government health authority is under a lot of stress as they are changing their systems from outsourcing contract caregiver agencies to caregivers hired to work directly with the health authority.

Beware, this system if you needed care 3 times per day you could easily have 21 different caregivers in your home per week. There is no consistency as to who comes to your home and there is not always a caregiver protocol to ease the family's mind of who has been in the home what they actually did or what they observed about your loved one. (This recording of information could require a caregiver to spend an extra 5 or 10 minutes in the home, which is currently not time that is made available) Note this can leave a family feeling very vulnerable and certainly it is the vulnerable clients that suffer the most, those who are alone with minor cognitive impairment or mobility challenges. Sometimes this may be the only person a senior will see. Isolation and a lack of human engagement is a big concern. Note you will need to purchase a coded lock or a lock box for your door to allow entry to caregivers. A coded lock is much better, with less chance to lose the key. (\$150 to \$300 including installation)

You need to be creative when planning care support if you want to bring the costs down. Some people are quite happy hiring through agencies and foreign worker programs, there are options and there are pros and cons based on your individual expectations. Knowing that the cost of full time home care can be near the cost of a private pay Long Term Care home gives pause to consider both options carefully.

The need for Lifestyle Planners, Advocates, Navigators and Executive Home Managers becomes more predominant as we age. These licensed individuals help clarify a senior's needs in later life, recognized as necessary service for many seniors who want to prepare for a time when they can't manage to do the hiring or oversee the services they need for themselves. Families may live out of town or may not be capable of managing this, or the parent may not want to burden them with this extra work. The later lifestyle planning process can prevent costly mistakes down the road and costs from \$500.00 to \$1500.00 depending on the complexity of the plan. Executive Home Management has a minimum monthly rate with an hourly rate beyond the minimum from \$70 to \$120. We all need a voice and someone to help us navigate through the myriad of options when it comes to activities of daily living or getting help through health, care and housing challenges (in no particular order).

The ideal solution for advocate, navigators and executive home management would be a family member; particularly those who live nearby, support your personal values, can give up a little time away from work, family and personal time, as well as ensure their own health needs are met. Taking on this role is no small feat. Family members are not always cut out for this and most importantly need to watch out for emotional, physical,

financial and familial breakdown, which can happen when family values collide and they have conflicting viewpoints.

For many families however, it is not a stretch to be caring, remain respectful, patient and devoted, be able to multi-task for yourself and your loved one, to know how to access help have good organizational skills and to make decisions. It also helps to have a basic understanding of financial and legal matters, as well as knowing the protocols for patient care in hospital, or residential long-term care home and even for at home care staff.

Hiring a professional Seniors Advocate provides a greater scope of objectivity as they come alongside through this journey whether it's helping you at the planning stage, or as Navigator or Executive Home Manager. Their knowledge is always attuned to senior's rights while problem solving, taking the stress off family and seniors alike and removing the many layers of life's daily challenges giving a greater peace of mind.

Where Will I Live, How Much Will it Cost?

Accessing independent or assisted housing can be confusing. There are many access points to the various types of housing including private, subsidized, co-op housing, cohousing, market rental housing, and low-income housing. Some of the entry points may be through the health authorities, or BC Housing, or directly through the homes and other various housing societies. There is not one central point where you have access to all but these organizations all have various listings: call or on line Seniors Services Society; call or online BC211; call or online BC Care Providers Assoc. Route 65; call a local seniors centre for information and referral; or get this information from SeniorsAdvocate ● CA to help you complete My Later Life Planning Guide and All-In-One Personal Resource Book. Beware of the services that don't charge to help you find a home but are paid a referral fee by some of the private assisted living homes.

Here are just a few topics to ponder in making decisions about where you might live:

- income level
- retirement savings and access to other capital
- options for living in community
- living in your home forever
- your health conditions now and historically
- expectations in relation to future health concerns
- family or other supports
- values alignment

Your income levels can create staggering financial barriers associated with later care and housing and we are often forced to use private long-term care (LTC) although our social system says we are all entitled to subsidized care.

It's not official but

- If your income is up over approximately \$42,000 to \$46,000 and you are considered to have assets you may be pushed to liquidate your assets to subsidize private LTC where the costs can skyrocket, as there are no care subsidies. If you have long-term care insurance be sure to read the policies carefully, they may have exclusions and limitations. This is because in BC, demand is greater than availability.
- If your income is less than \$42,000 per year and based on your health and other needs, you will have a better chance at accessing provincially subsidized LTC housing.
- If your income is less than \$32,000, you may qualify for federal or provincial financial support.

But more on this further on...

Housing

Aging In Place (Staying in Your Own Home)

Do you want to live out your years in your own home and even choose to die there? If your health is failing to the point that you need twenty-four hour care the costs could easily be \$18,000 per month. See Costs of Services above. The saving grace is that once you are into end of life, palliative/hospice care at home for the most part is free however; hospital beds and equipment may have a minimal fee through the Red Cross depending on circumstances. This service needs to be arranged through your local health authority.

Consider if your house needs renovating to create a safer and more user-friendly environment for example to accommodate wheelchair accessibility. Will you need a stair lift or low barrier shower? Making a bathroom barrier free with a full renovation can cost from \$10,000 to \$25,000. Consider now, if your house needs updating and repairs. Renovations can be expensive so start early. Note there may be grants available to you for the purpose of home renovations.

The cost of services and the quality of care you receive at home is your choice; again see the varying Costs of Services mentioned above including government-subsidized care. Quality of care you receive is subjective, you have a choice and you need to feel free to speak up if you are not happy. You are entitled to basic human rights and there are legislated seniors rights, so speak up if you feel you are being mistreated or not getting the service you want or need. It takes a Savvy Senior to Avoid Financial Fraud and Other Abuses is an article written by SeniorsAdvocate ●CA that touches such concerns.

Independent and Assisted Living

Accessing independent or assisted housing can be confusing as mentioned earlier in this article.

The average monthly cost for subsidized assisted living ranges from \$1041.00 to \$3,600. The moderate to higher end private homes can range from \$3,600.00 to \$7,000.00 per month. Assisted living may include limited personal care such as bathing, dressing and pill management as well as meals, laundry, housekeeping. Fall alert with assistance from emergency response is also included. Another criterion is that you should be able to get to the dining room and other frequented rooms throughout the building safely and independently.

When using government-subsidized housing, they will calculate 70% of your annual after tax income and divide by 12 months up to the maximum rate. They leave you minimum \$300 per month for personal expenses.

Example: \$19,500 X 70% / 12 months= \$1,137.50

If your income is lower you should consider applying for GIS (Guaranteed Investment Supplement) and SAFER (Shelter Aid for Elderly Renters) if not already receiving it to top up to the lowest rental rate near \$1,041.00.

If your annual income is over \$60,000 per year you can still pay the subsidized rates to a maximum of \$3,600 per month but with care home shortages the waiting lists are often well over two years for the homes in higher demand. At this higher income level, the health authority encourages you to use in-home health care supports private or subsidized depending on your income level while they work with the most vulnerable and disadvantaged.

For couples the health authorities must calculate a monthly client rate in an assisted living unit by multiplying 70% of the couple's joint annual after tax income, then dividing by 12 months, based on the minimum and maximum rate.

The minimum client rate for a couple residing in an assisted living unit is \$1,586.40 per month. The minimum client rate for a couple is established as follows:

- the monthly maximum total amount for a couple of Old Age Security and Guaranteed Income Supplement on July 1 of the year two years prior multiplied by 70% and rounded down to the nearest \$0.10.

Health authorities must recalculate the assisted living client rate based on the remaining spouse's after tax income (see Policy 5.B.1, Service Needs Determination) where a couple living together in an assisted living unit become permanently separated.

The maximum rate is based on a combination of the market rent for the housing and hospitality services for the specific geographic area where the client is receiving assisted living services and the actual cost of the personal care services for the client.

Residential Long Term Care (LTC)

Government subsidized residential LTC again is available for everyone but due to high demand is primarily accessed by people on moderate to lower income. Most people going into LTC today are requiring acute/complex levels of care meaning a higher level of medical, social and physical support. In subsidized LTC the rates range from a minimum of \$1,189 per month to maximum of \$3,444.00 per month. At the lowest rate, your income is about \$19,500 (after tax) prior to additional supports and at the highest end it seems health authorities may use unofficial barriers for entry of approximately \$44,000 to \$46,000. However there are many variables based on acute need and your flexibility about where you live.

The government health authority uses a sliding scale formula and we are not privy to that information but here are the basic formula as taken from the BC government health authority website.

- Formula A: For a client with income less than \$19,500 the rate is calculated as for example annual after tax income \$18,000 - \$3900 (\$325 per month spending money) / 12 months = \$1,175 per month
- Formula B: For a client with income equal to or greater than \$19,500 the client rate is calculated as for example annual after tax income \$20,000 X 80% /12 months = \$1,333 per month or use same calculation to establish if you qualify to fit in at the maximum level of \$3,400 per month.

This subsidized amount includes support for one bath/shower per week, dressing, meals, and most medications and (also) provides support to get to meals and help with eating for those who have difficulty although bringing in your own support is often helpful. It also includes housekeeping and laundry. You will pay extra for physiotherapy, haircuts, dental care, and podiatry, out trips, some entertainment and specific types of personal care items that are not supplied by the home.

If you and your spouse are sharing a room in a subsidized long-term care home and are both in receipt of the Guaranteed Income Supplement (GIS) benefit at the married rate, your monthly rate will be calculated based on your after tax income, subject to a minimum and maximum monthly rate. For 2019, the minimum monthly rate for a couple sharing a room and both in receipt of the GIS benefit at the married rate is \$808.15 per month per person.

The minimum monthly rate is adjusted each year based on changes to the Old Age Security/Guaranteed Income Supplement (OAS/GIS) rate as of July 1 of the previous year. The maximum client rate is adjusted each year based on changes to the Consumer Price Index over the previous year. If you are earning less than \$19,500 there is a rate reduction application used.

Private Pay Residential LTC

Just to reiterate, there is a very high demand for subsidized LTC. People with high needs (acute care levels) for LTC earning income over \$44,000 are being encouraged to "age in place" (at home) with subsidized or private caregivers or move into private pay LTC homes at rates ranging from \$7000 to \$10,000 per month for basic care. Add-on costs charged for extra services vary from home to home, it is best to check for those additional

costs. This means that if their income is \$44,000 per year, they need to supplement the rent with personal assets of approximately \$56,000 per year. You seriously need to calculate your burn rate of your savings and certainly if your spouse is still living at home. As a later lifestyle planner, SeniorsAdvocate ●CA can help you strategize and calculate all your lifestyle options and expenses with the Viability Study, calculating a rough burn rate. You can then work with your financial advisor to work the plan accordingly.

If your money runs out the private LTC care home will ask you to leave forcing you into subsidized residential care. There will be a fair difference in esthetics of the home and unless you have been put on a waiting list for the subsidized home of your choice well in advance you are often forced (no choice) into a home that is on the bottom of the list reputation wise for providing quality of life.

In the Good Old Days

It used to be that if you were earning \$100,000 per year for example you could still live in subsidized LTC care and not pay more than \$3,377.00 per month. Before the aging population began to escalate rapidly, people with higher incomes and lower needs regularly lived in subsidized residential care. We also didn't have as many private homes 20 years ago.

Today

In British Columbia, we are challenged with a shortage of housing for seniors in the lower to moderate-income range. The future will be even more challenging as the aging population continues to rise. We need more homes now to support this burgeoning population. We are also challenged with quality of care.

Thanks to our provincial seniors advocate Isobel Mackenzie she is on the lookout for quality of care in private and subsidized homes, as well as challenging the financial reporting. There are questions related to lower pay and quality of service in private non-unionized environments compared to those homes that are unionized and paying their workers more.

However, I have also heard arguments that a hidden similar lack of quality of care exists in unionized homes even though workers are higher paid. Are abusive workers protected by union protocol? Is it more difficult for executive to report a neglectful or abusive employee who flies just under the radar, behind closed doors, being neglectful or abusive with no visible proof? Sometimes it's just easier to move them to another area of the home...all it takes is one bad egg to spoil the wellbeing of a vulnerable population. There are pros and cons on all sides.

Mackenzie said what's needed is an attitudinal change to combat the limitations of the physical environment in nursing homes. Number 1, she said, is to persuade care staff that what they're doing is providing services to people in their home. She said being in a residential care facility should be more like staying in a hotel where a service is being provided to a customer.

“Unfortunately, in our public health care system — which has tremendous benefits — there is an unintended consequence: the arrogance of a monopoly service provided by government,” she said.
“That mentality, to some extent, is in our residential care system.”

We are however seeing a shift towards a client based model as opposed to a more institutionalized hospital model. This new model of home usually has a two-year waiting list but every now and then a window opens.

We also see a paradigm shift with the general population now as more and more family, friends and neighbours are pulling together to support each other in community.

With the surge of growth in elder population and the costs of care increasing it seems we need neighbourly support more than ever as more seniors are found to be living on their own without family or family caregivers struggle to support their loved ones on their own. However when going into this new commitment of care they must realize the complexities that can arise when supporting an older person on their own.

The cost of quality of life is somewhat subjective as some say they intend to live a simple life and they don't need much, but in reality costs increase just when we are most vulnerable. David Foote demographer, economist and author of *Boom Bust & Echo* first published in 1996 intimated in one of his talks I was at that in 30 years we would need a million dollars to retire. At the time, I questioned this. Now 24 years later I believe him.

In preparation, get involved stay connected; know what your options are. Ask yourself at a cost of \$10,000 per month for private residential long-term care, how long will your money last. Continue the conversations on how we can support quality of life for ourselves and for the infirmed with or without a million plus dollars in our bank accounts.

....with care, integrity and heart in mind for you.
Barb 604-767-4994

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