



## Family Caregivers of British Columbia

### The Financial Impact of Caregiving

There are both economic and non-economic costs related to being a family caregiver. Non-economic costs include the negative impact on the physical, emotional and social well-being of the family caregiver. The economic or financial costs can have an impact on both the family caregiver and the care recipient and can include:

**Employment:** Almost 70% of family caregivers are trying to balance the demands of a job and their caregiving responsibilities. One in four caregivers has had to make significant changes to their work situation which has impacted their income. These changes can include reduced hours, a leave of absence, job loss, early retirement or loss of benefits and pension. Some families may also have to cope with the loss of the care recipient's income due to illness or disability.

**Home Care and other medical care not covered or subsidized by the health authority:** Your local health authority provides services to help clients stay safely in their home for as long as possible. These services are meant to supplement the client's efforts to care for themselves with the assistance of family and friends. The health authority will conduct a financial assessment to determine the extent of eligibility for the care recipient to receive subsidized care. Home support services can also be purchased through private home support agencies. If 24-hour care is required, some families will have to hire and pay for a live-in care provider.

**Out-of-pocket expenses:** Caregivers may find themselves having to purchase products or equipment for the care recipient's personal use, such as mobility aids, incontinence supplies, medical alert systems or bathroom safety equipment. These costs will vary dependent on the needs of the care recipient.

**Household adaptations:** Changes may need to be made to the home where the care recipient is living in order to make it more accessible, such as ramps for wheelchairs, stair lifts or making the bathroom safe and accessible.

**Facility placement:** The time may come when the person you are caring for can no longer stay safely in their own home and may need to move to an assisted living residence or residential care facility. Similar to the home support services mentioned above, your health authority will conduct a financial assessment to determine if your family member is eligible for subsidy. If not, private care residences are available. Their monthly cost can range from \$1,500 - \$5,000 dependent on the amount of care needed and other services provided.

It is hard to predict all the costs that you might incur as a family caregiver just as it is difficult to predict when and how you might suddenly become a caregiver. Preparation in advance by both the care recipient and caregiver is essential to help mediate this financial impact. Regardless of the type of caregiving situation an effective financial plan needs to consider the many scenarios that might arise and the costs that might be incurred. Some options to consider include critical illness or long-term care insurance, use of RRSP's, reverse mortgages or home equity loans. Speak to a financial advisor or your bank for more information. Tax credits are also available to offset some of these expenses.

*By Barbara Small, Program Development Coordinator, Family Caregivers' Network Society*