REVERSE MORTGAGE ADVISORS

FREE GUIDE FOR HOME CARE PROFESSIONALS

The Home Care Pro's Guide to Client Cash Flow Risk

How to spot the warning signs early, talk about money without overstepping, and keep your clients on service.

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YOU SEE IT FIRST

The money problem shows up in your schedule

You see it before the family admits it, before any advisor is in the room. A client who can plainly afford care starts trimming hours, and it has nothing to do with your caregiver. That is a cash flow signal, and it shows up months before anyone says the word money out loud.

Here are the five signs a family is about to cut care because of money, not because of you.

1. **Hours getting trimmed for no reason tied to care.** A client slides from 30 hours to 20 to 12, and nobody can point to anything your team did wrong.

2. **Care put on hold "for now."** A temporary pause that quietly never restarts. The pause is almost always about the budget.

3. **A cutback right after a big expense.** A hospital stay, a roof repair, or a tax bill lands, and within weeks the family asks about fewer visits.

4. **An adult child takes over the checkbook.** Suddenly every invoice gets questioned. That is usually the moment the family realizes the math does not work out three years.

5. **Talk of moving mom or selling the house.** It enters the conversation even though everyone wants her to stay home. The family feels stuck, and stuck families cut hours.

THE MONEY REALITY

The numbers behind the cutback

Care almost never gets cheaper over time. It gets more expensive, because the person needs more hours, not fewer. Most families plan around what care costs this month and never around year three.

70%

of people who turn 65 will need some type of long-term care.

$54,600

a year for in-home care at 30 hours a week, using the $35 national median hourly rate.

1 in 5

will need care for more than five years. Roughly 14% spend $100,000 or more out of pocket.

$115,000

a year for a semi-private nursing home room, at about $315 a day.

The Medicare myth that ends care early

Most families believe Medicare will cover the daily help your team provides. It does not. Medicare covers short-term skilled care, up to 100 days per benefit period, and then the family pays everything. The moment mom no longer needs skilled care, the coverage stops. The program that actually covers the most long-term care in this country is Medicaid, not Medicare. That one mix-up costs families months of false hope.

When a family says "Medicare's got this," that is your cue. Not to argue. To point them toward someone who can map out how care actually gets paid for.

WITHOUT OVERSTEPPING

3 questions you can ask a family

You are not a financial advisor, and you should not pretend to be. But you can open the door with a question. Each of these keeps you in your lane and still gets the family thinking before they panic.

"Has the family thought about how care gets funded if mom needs more hours down the road?"

Opens the year-three conversation without giving any advice.

"Would it help to have someone map out all the ways care can be paid for, so you are not guessing?"

Positions a referral to a professional, not a product.

"Before you cut back, would you want a second set of eyes on the full picture?"

The single sentence that most often keeps care in place.

When to bring in a financial professional

- Hours are getting cut for money reasons, not care reasons.
- The family is counting on Medicare to cover custodial care.
- Savings are visibly thinning and there is no plan for year two or three.
- The home is the family's largest asset and nobody has looked at it.
- The family is house-rich and cash-poor, and wants mom to stay home.

6 ways to pay for care

There are only a handful of ways to fund care. The last one almost never comes up in the living room, even though for a family trying to age in place it is usually the largest resource on the table.

1. **Income** Social Security, pensions
2. **Savings and investments**
3. **Long-term care insurance**
4. **VA benefits**
5. **Medicaid**
6. **Home equity** the one nobody mentions

There are tools built to turn part of a home's equity into monthly cash flow without selling the home and without a required monthly mortgage payment. A reverse mortgage is one of them. It isn't right for every family, and this guide isn't a recommendation to use one. It's a reminder the option exists, so a family can make an informed choice instead of a panic decision.

Got a family about to cut care over money?

If you want a second set of eyes on whether home equity is even an option for them, that is the work I do. I'm an independent broker, so I'm not tied to one lender or one product. No pitch, no pressure. Worst case, the family learns their options and you make a smarter recommendation.

Book a call with Josh

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Josh Borba is an independent reverse mortgage broker with 23 years in the business. He helps families use home equity to fund retirement and care, and supports the professionals who serve them. Reverse Mortgage Advisors is powered by ZYNG Mortgage, Inc. Licensed in AZ, CA, CO, FL, ID, MT, OR, TX, and WA.

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