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## Want to stay in your home forever? Be aware of the costs of home care

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Home, \$weet home.

That's an appropriate headline for your financial plan if you intend to stay in your house for the long term rather than move to a retirement community. Solid arguments can be made for aging in place, but there will be ever-growing expenses. Plan for them rather than having them take you by surprise.

Baby boomers may have the most intense relationship with their homes of any generation in this country's history. Houses give them both emotional and financial sustenance, although the latter benefit is more complex than you might think.

As described in this [recent column](#), owners in Toronto are hanging on to their houses rather than selling into a market in which prices are soaring. Fear of missing out on further gains is a factor, and so are the harsh economics of a hot housing market. Money made from selling a house at a nice profit may disappear into the cost of buying another home that has also appreciated. Emotional attachments to home shouldn't be underestimated.

A [survey](#) of people aged 50 and older commissioned by Royal Bank of Canada a few years back found that staying at home as long as possible using home care was a much more popular choice than moving into a retirement residence.

There are two levels of costs to consider if you want to stay in your home through retirement – one for maintenance and upkeep on your home and the other for home care services to help when you're unable to look after yourself. Maintenance issues may be more of an issue than you think.

Cary Williams of Pavilion Investment House in Edmonton says it's simple to arrange for someone to cut the grass and shovel the driveway. "But there are a lot of small things that go into better living, like making sure the furnace filters are getting changed."

Maybe your children and grandchildren can help with these jobs. If not, there's the hassle of finding people to help and the cost of hiring them. One of the virtues of condo living is that a lot of this work is done for you.

Mr. Williams describes three periods of retirement – the first is the fun phase when you're active and travel seems appealing, and the second is when you slow down and are more content with routine activities. The third is when you're less able to look after yourself. "Mobility starts to fall off, you have health challenges and you need more and more help."

At this point, you can either remain in your house and take advantage of home care, or move to a long-term care facility. Initially, home care could be the cheaper option.

[Data collected by insurer Sun Life Financial shows that the median cost for a one-bedroom suite in an Alberta retirement home is \\$3,525 a month, based on extremes of \\$1,235 to \\$5,400.](#) Home care would be cheaper if you bought a small block of hours every week for services such as meal preparation, laundry and help around your home. But there's a crossover point when home care

becomes more expensive, says Lee Anne Davies, chief executive officer of the consulting firm [Agenomics](#). "The overlooked challenge with home care is that, generally for a senior, around-the-clock care becomes necessary," she said in an e-mail. "That will be more expensive than long-term care."

There are also organizational challenges that may involve your family as well as you, Ms. Davies said. Top issues include finding people who show up on time on a regular basis and, if 24-7 care is required, arranging care for both weekday and weekend shifts.

Home care may still be good value, even if the costs are higher in both money and time spent co-ordinating care. Ms. Davies said there are lots of part-time workers in retirement homes, and that means some staff won't have deep relationships with seniors living in the facility. "Quite frankly, do you want the person who assists with your toileting or showers to be someone different each time?"

Pavilion Investment House's Mr. Williams encourages seniors and their adult kids to have ongoing conversations about care options that include costs and affordability. The home-loving baby boom generation is used to paying for what it wants, and this may well include home care.

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### **Staying at home for the long term?**

Alberta data are used here to give you an idea of how much home care services cost for seniors. Provincial governments may cover the cost of a limited amount of home care.

*Figures are Alberta provincial median cost for private home care (hourly)*

Personal care: \$28.50

In-home meal preparation: \$27.75

24-hour live-in caregiver: \$27

Skilled nursing: \$50

Occupational therapy: \$130

*Source: Long Term Care in Alberta 2015, Sun Life Financial*