

# A Caregiver Agreement Provides Benefits for All

**By Matthew Crider, JD  
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A [recent article in the VOA News.com](#) recently brought to our attention the fact that while many adult children are serving as caretakers for their aging parents, very few may be receiving monetary reimbursement for their time or trouble. Our firm is not surprised by this at all. Many children and grandchildren feel that helping their aging relative is a privilege, or perhaps a responsibility, and not something that they would ever dream of taking money for. What these families don't realize is that creating a caretaking agreement between relatives is something that benefits both the caretaker and the elderly relative.

The reaction of David Fowler, the subject of the article mentioned above, when his brother suggested David get paid for caring for their mother, reflects the views of many adult children who have elderly parents to care for. "At first [I was] kind of uncomfortable with what he was talking about because... I don't want to make a profit off of my mother," said David. "That's just not in our way of thinking."

But a financial arrangement between a caretaker and elderly relative can actually be "a way to protect the older person. There may come a time when they have to go into a nursing home, have very little money left, and should qualify for Medicaid, the government's medical assistance program for poor Americans."

The catch is that this financial arrangement must be an official one. Any money given to a caretaker outside of the legal caretaker agreement could be construed as simply a gift. "The monies you paid to the family caregiver absent an agreement in writing will be deemed to have been gifted by you to the family caregiver... causing a period of delay wherein which you will not qualify for the Medicaid benefit." A caretaker agreement could easily prevent this disqualification or delay.

Although you may feel that you would gladly care for your mother or father for free, consider the benefits of a caregiver agreement and talk to your attorney about whether a contract of this kind could be useful to your family.

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## About Matthew Crider, J.D.

Matthew Crider formed [Crider Law PC](#) in 1999 so he could help individuals and business owners by providing creative solutions and be their trusted advisor and legal counselor. He serves his clients by listening closely to their goals, dreams and concerns and working with them to develop superior and comprehensive estate and asset protection plans. His estate planning practice focuses on preserving and growing wealth by providing comprehensive, highly personalized estate planning counsel to couples, families, individuals and businesses.

