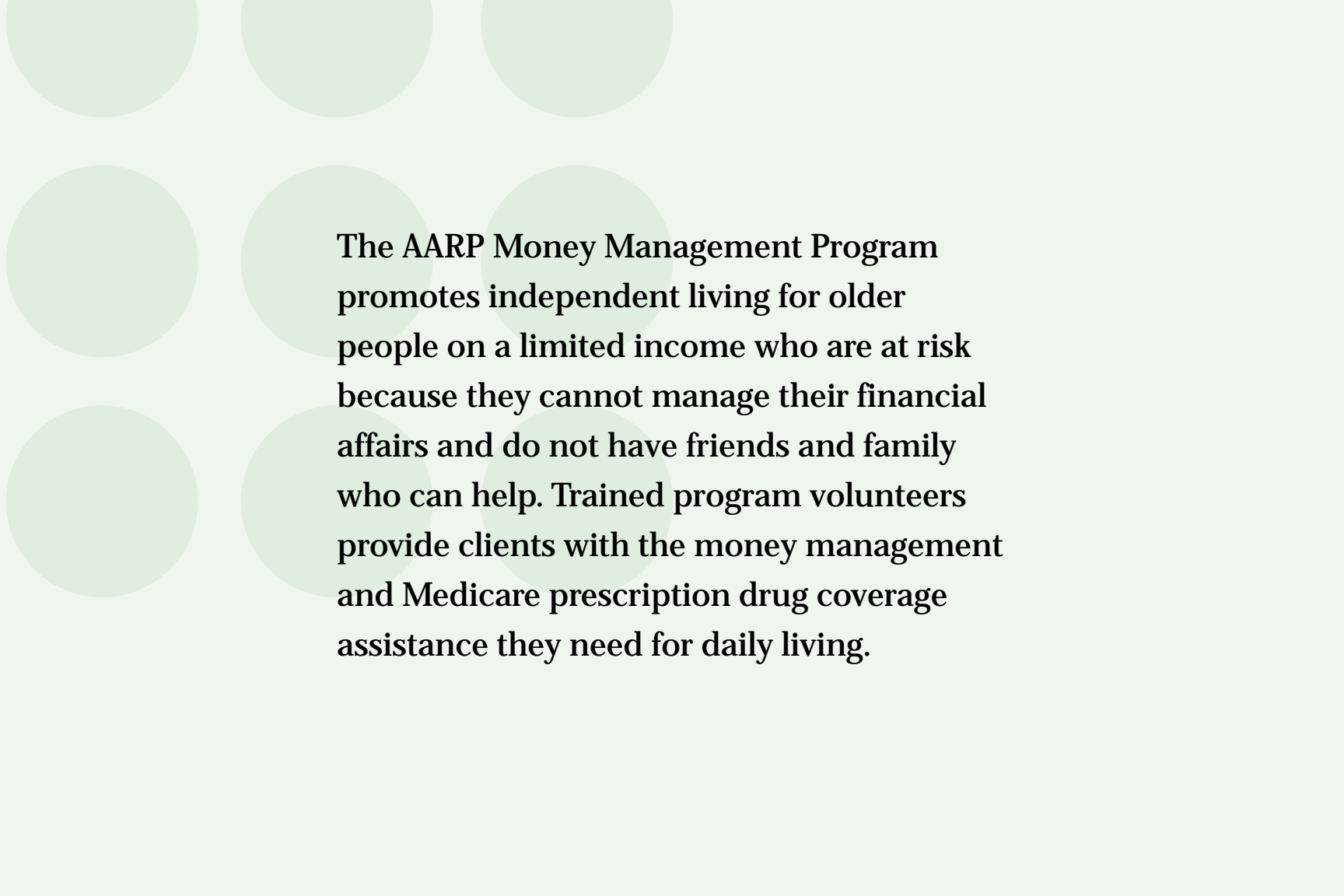


Money Management Program

VOLUNTEERS PROMOTING INDEPENDENCE





The AARP Money Management Program promotes independent living for older people on a limited income who are at risk because they cannot manage their financial affairs and do not have friends and family who can help. Trained program volunteers provide clients with the money management and Medicare prescription drug coverage assistance they need for daily living.

Who is eligible for AARP Foundation Money Management Assistance Programs?

If you are older and/or disabled, and have limited income, you can take advantage of our Money Management Program. There were over 35 million Americans over 65 years old in 2000.* Among this group, some 7 percent experience difficulty managing their financial affairs.** Therefore, as many as 2.5 million people age 65 and older may need some level of assistance with money management for daily living. This help may come from a variety of caregivers, including family members, friends, local organizations, government agencies, and national organizations like AARP, Faith in Action, or Catholic Charities.

*2000 Census data

**AARP data

How does the AARP Foundation Money Management Program work?

As the older population continues to grow, so does the need for information to help them age successfully and remain independent. For volunteers and professionals who work with us, caregivers, or individuals who can still manage on their own, the program provides valuable information on budgeting, debt, consumer problems, Medicare prescription drug coverage, and financial planning.

A neighbor referred Margaret, a 78-year-old woman victimized by a relative who kept the money after cashing Margaret's monthly Social Security checks. We were able to stop this financial abuse by arranging for Margaret to have a Representative Payee volunteer and to have her checks deposited directly to the bank.

Financial information resources include, *Smart Money I: A Tool for Planning Your Personal Budget*; *Smart Money II: A Tool for Handling Debt Problems*; and *Consumer Protection: A Guide to Your Rights and Resources*.

Medicare prescription drug coverage resources, such as *Medicare Changes That Could Affect You*, include information for both low-income clients and those who can take advantage of the discount card. With this benefit, the clients can use the money saved on prescription drugs to improve their quality of life.

The volunteer-driven part of the program serves people in two ways:

Volunteer Bill Payers are trained to serve clients with limited incomes who are still in charge of their financial affairs but need help organizing their bills and checkbooks.

The Bill Payer:

- ✘ Helps the client to manage monthly income and expenditures;
- ✘ Writes checks for the client to sign;
- ✘ Assists the client with paperwork related to bill paying; and
- ✘ Assists in obtaining Medicare prescription drug coverage benefits.

Volunteer Representative Payees are trained to serve people with limited incomes who have been designated as incapable of handling their own finances by the federal agency administering the benefit—usually the Social Security Administration. The Representative Payee:

- ✗ Maintains control over the benefits;
- ✗ Signs all checks;
- ✗ Spends the money to meet the current needs of the client; and
- ✗ Obtains Medicare prescription drug coverage benefits.

Henry had been married 45 years when his wife died. He had never written a check and didn't know there were bills to be paid. He also had substantial prescription drug costs. With the assistance of a Money Management Volunteer, he signed up for Medicare prescription drug coverage, all bills are paid, and he has some money to deposit into a savings account on a regular basis. He states, "I have never had so much money thanks to the Money Management Program."

How does the AARP Foundation Money Management Program help lighten the load on nonprofit organizations?

In 1981, AARP began working with state and local agencies to provide daily money management assistance to people living on limited incomes who are older and/or disabled. In 2003, the AARP Foundation Money Management Program served more than 5000 clients at 130 project sites in 20 states and the District of Columbia, helping keep people in their homes and saving Medicaid dollars.

The typical money management client is already involved in the social services system. These clients have multiple prob-

lems exacerbated by money management difficulties. If agency services do not include money management, staff is often unable to meet client needs effectively and situations develop. For example:

- ✗ Staff may spend time dealing with crises like overdue utility bills or eviction notices resulting from the client's chaotic finances; or
- ✗ Agency staff may help the client with financial affairs out of frustration, but they are uncomfortable and unprotected doing so.

AARP Foundation Money Management Program volunteers perform valuable services, enabling agency staff to meet other client needs.

Who are the sponsoring agencies?

AARP Foundation operates its Money Management Program through many national, state, and local sponsoring agencies, like Area Agencies on Aging, social service agencies, religious groups, legal service programs, and mental health associations. Sponsors of statewide programs include a range of agencies such as state units on aging and various statewide and private nonprofit agencies. We are always looking for more agencies to participate with us.

Mary has been living independently for a number of years. Recently diagnosed with macular degeneration, her eyesight is rapidly diminishing. She is no longer able to read her mail and thus, unable to write checks to pay her bills. A volunteer from the Money Management Program is now assisting Mary. She feels good that her financial obligations are being taken care of and someone is checking up on her at least once a month.

How does an agency get involved in the AARP Foundation Money Management Program?

Effective sponsoring agencies get involved for many reasons, including:

A willingness to develop this model of early intervention services that maintains independence, while reducing risk of neglect and exploitation and serves as an alternative to conservatorships or guardianships.

Experience managing volunteers, serving low-income clients who are older and/or disabled, and well-developed relationships with the community agencies that will refer potential clients.

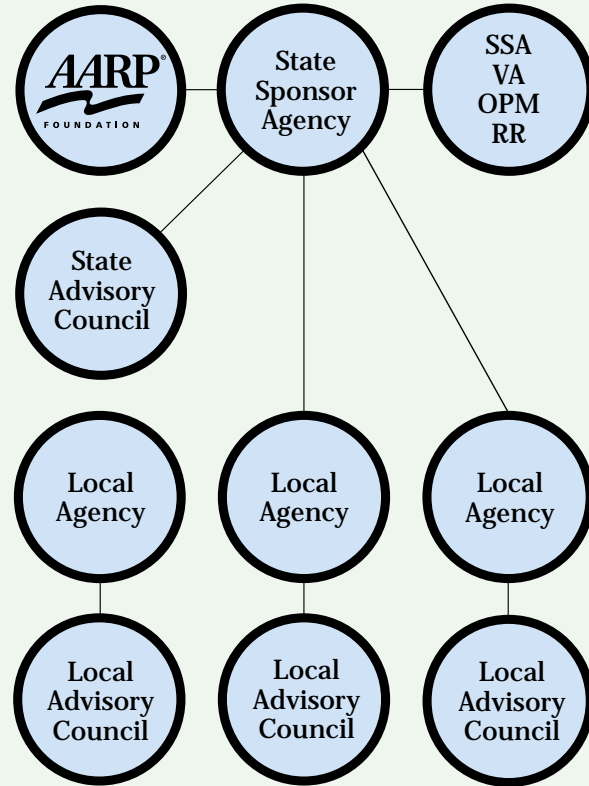
A desire to develop and oversee the project in cooperation with AARP Foundation. So they conduct a needs assessment to determine whether a Money Management Program is of value in their community.

Resources to assign one staff member responsibility for developing and operating a Money Management Program for at least two dozen clients. They will provide in-kind contributions for telephone, office space, publicity, outreach, and other office support. They have the capacity to institute and maintain a financial monitoring system that meets AARP Foundation standards.

What's the program's structure?

What's the AARP Foundation role?

- ✗ Provides insurance coverage of client funds.
- ✗ Provides program policies, procedures, and materials.
- ✗ Provides technical assistance on program development and management.
- ✗ Provides financial education, including Medicare prescription drug coverage, materials.
- ✗ Recruits members to be volunteers.
- ✗ Reviews financial monitoring performed by the state and local agencies.



What's the State Agency role?

- ✘ Manages the program in the state.
- ✘ Initiates and develops local sites.
- ✘ Trains local site staff and provides in-service workshops.
- ✘ Provides technical assistance to the local program sites, particularly with regarding to monitoring of client accounts.

What's the Local Agency role?

- ✘ Manages the local Money Management Program.
- ✘ Develops local operating policies and procedures using AARP Foundation and SSA guidelines.
- ✘ Trains and supervises volunteers.

- ✘ Monitors Representative Payee and/or Bill Payer volunteer/client accounts.
- ✘ Complies with the provisions of the AARP Foundation Letter of Agreement.

How can I learn more about the program?

Contact:

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Program Resources (Free)

Program Coordinator Handbook

Volunteer Handbook

Fundraising Handbook

Password-protected Web site

Radio PSAs for recruiting volunteers and accepting clients

AARP Financial Education Materials (Free)

Benefits Checkup Found Mary the Help She Needed

Consumer Protection: A Guide to Your Rights and Choices

Future Focus: Your Guide to Financial Planning in Retirement

Get the Facts Before a Bad Loan Gets You (in English and/or Spanish)

Home Made Money: A Consumer's Guide to Reverse Mortgages

La Busqueda Del Tesoro: Opening a Bank Account

Medicare Changes that Could Affect You (in English and/or Spanish)

Money Matters: Your Guide to Financial Security

Smart Money I: A Tool for Planning Your Personal Budget (www.aarpmmmp.org)

Smart Money II: A Tool for Handling Debt Problems (www.aarpmmmp.org)

www.aarp.org/financial—an online tool to help you make the most of your money
10 Steps to a Better Financial Future—a CD-ROM guide to financial management

Money Smart Handbooks*

Bank On It: an introduction to banking services

Borrowing Basics: an introduction to credit

Charge It Right: how to make a credit card work for you

Check It Out: how to choose and keep a checking account

Keep It Safe: your rights as a consumer

Money Matters: how to keep track of your money

Pay Yourself First: why you should save

To Your Credit: how your credit history will affect your credit future

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Arnold, age 75, was referred by his neighbor for bill paying following his spouse's death. He is illiterate and without any family support. The volunteer has assisted Arnold with bill paying for seven years. She also helped him with a Medicaid application, the transition from his apartment to a nursing home, and the necessary financial arrangements.

The AARP Foundation is AARP's affiliated charity. Foundation programs provide security, protection and empowerment for older persons in need. Low-income older workers receive the job training and placement they need to re-join the workforce. Free tax preparation is provided for low- and moderate-income individuals, with special attention to those 60 and older. The Foundation's litigation staff protects the legal rights of older Americans in critical health, long-term care, consumer and employment situations. Additional programs provide information, education and services to ensure that people over 50 lead lives of independence, dignity and purpose. Foundation programs are funded by grants, tax-deductible contributions and AARP.

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