

A Little Help With the Bills

by Anne Tergesen

Eight years ago, Robert Simpson, now 99 years old, made a costly error when handling his phone bill online. He paid his carrier \$15,000 instead of \$150.

“Because his fingers were getting less agile, the decimal point didn’t register,” says his daughter, Peggy Simpson, 73.

Soon after, Mr. Simpson, a retired meteorologist, hired Help Unlimited, a so-called daily money-management firm in Silver Spring, Md., to pay his bills, track his medical claims and resolve the billing problem with his phone company.

The service, Ms. Simpson says, helps her father to stay in his Washington home. “It frees me to do a lot *with* him, without having to do much *for* him, she says.

With the population again, daily money managers are popping up to pay the bills and handle paperwork for those who lack the time, skill or desire to do it themselves.

The American Association of Daily Money Managers has 637 members, a 27% increase since 2005. A grouping number of other professionals, including accountants, geriatric-care managers and private bankers, also offer similar services.

But while daily money managers can help clients stay on top of day-to-day financial chores, it is important to vet and monitor the person you hire carefully, says Emily Allen, a vice presidents at AARP Foundation.

Unlike financial planners, who also handle investments, most daily money managers stick to bookkeeping services. They typically make house calls to pay bills, balance checkbooks, devise budgets, compile and organize tax records and file medical claims and appeals.

Some help with annual Medicare enrollment decisions, while others see that basic estate planning documents, including power of attorney and beneficiary forms, are in order.

In addition, practitioners say, they often help clients secure better deals on cable, phone and other services. Some even perform concierge-type services, including transporting clients to medical appointments.

Ms. Simpson says her father’s daily money manager helped him sidestep a steep penalty on a car lease he terminated early, after his wife, who has since died, stopped driving.

Daily money managers also keep an eye out for other potential problems. “I have told relatives that a client shouldn’t be driving anymore,” says Lewis Knopf, whose firm is based in East Rockaway, N.Y.

Because the field is unregulated, it’s important to perform due diligence. Ask a trusted adviser, such as a financial planner, or accountant, for a referral. Some might be willing to do the job themselves. Among the members of the National Association of Professional Geriatric Care Managers, 11% offer daily money-management services.

Fees vary from \$50 to \$150 an hour or more, depending on where you live and the services you want. People with lower incomes can find free services at AARP Foundation's Money Management Program website (aarpmp.org), which works with 127 nonprofit and government agencies.

As with any hiring decision, it is important to call references. Check the Better Business Bureau and you state attorney general's office for complaints.

Patricia Jennerjohn, a financial planner in Oakland, Calif., recommends hiring someone with a "professional daily money manager" designation. This certification, administered by the American Association of Daily Money Managers, requires applicants to pass a criminal background check and a written exam covering topics such as bookkeeping and medical insurance. They also must amass a minimum of 1,500 hours of paid experience over the prior three years. Members are bound by an ethics code that bars them from accepting incentives from service providers, among other things.

Unless a client appoints a daily money manager to serve as a power of attorney—a step that isn't recommended unless you know the person well—the client must sign all the checks the manager prepares.

Still, it is a good idea to look for firms whose employees are bonded or covered by an insurance policy that compensates clients in the event of theft or fraud by an employee, says Gloria Froman, a daily money manager in Skokie, Ill. The firm also should have malpractice or errors-and-omissions insurance.

Those unable or unwilling to monitor a daily money manager should give a trusted advisor or adult child access to their financial statements, says Jaquelyn Bell, a daily money manager in Bloomfield, N.Y.

By Anne Tergesen. A version of this article appeared July 28, 2012, on page B9 in the U.S. edition of The Wall Street Journal, with the headline: A Little Help With the Bills.