



Have You Ever?

By Steve Moran

This story was told to me by Sabina Bhatia of [PayActiv](#) a Senior Housing Forum partner.

Barbara is a 50 year old caregiver who has been the head of her household for the last 10 years. She has multiple dependents including a grandchild. She lives paycheck to paycheck, always stressed out about paying the bills. Every time she got paid, there were always more bills to pay than money to pay them.

As a result of this pattern, she regularly paid late fees on rent and almost all her regular monthly expenses just to survive. Late fees, disconnect and reconnect fees on her utilities, amounted to about 10% of her paycheck.

Her Lowest Point

She describes her lowest point this way:

My lowest point was a time when I was being evicted. My truck broke down so I had to use my rent money to repair my truck. I stayed with my sister until we found another place. It's still hard to talk about it. I'll never forget that day when I walked to my apartment door which had a legal notice and new locks.

The Problem Without a Solution

In talking to her she went on to say that she was forced to . . .

. . . ask my employer for an advance every time rent was due. I felt embarrassed and looked for the perfect moment all day to approach my boss. It was distracting and emotionally very taxing.

These are heartbreaking situations. As a caring responsible employer you want to make it better, but it is so hard to know how you can. When a request for an advance comes in you can help with that but you can't do it every paycheck and you can't do it for all employees. Its an administrative burden and expensive to touch your cash flow between payroll periods.

Many senior living providers are providing team members with food pantries and one-time hardship grants. Some have tried offering money management classes. Perhaps they help but the problems continue.

A Solution

There will likely never be a perfect solution to this problem but when an employer can do something to make it better that is a big win for everyone. Looking for a solution Barbara's employer engaged with PayActiv a Silicon Valley company that uses a mix of technology and financial services to create a very low cost way for team members to get early access to money they have earned but not yet been paid.

What is particularly cool is that what PayActiv does come at no cost and no risk to employers. In Barbara's case, she was able to get her bills paid on time eliminating the cost of late fees. Even more importantly she was able to avoid the indignity of having to ask for an advance.

"In simple words, PayActiv has helped me day after day." ~ Barbara

In my view this is a perfect employee benefit that improves team member lives and costs the employer nothing.



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