

This information is forwarded by the **Love Thy Neighbor Ministry** at Saint Rose of Lima Catholic Church, Milton FL.
Source of Information: The Catholic Foundation of Northwest Florida. Due to the many references, some may not be current but have many useful reference sources. Emails are sent using the Blind Carbon Copy (BCC) method.

This quality of life series focuses primarily on senior citizens plus other supplemental information. You do not have to be a Senior to make use of this information. If you know of a Senior, a parishioner or a neighbor who could use this information you are invited to give them a copy of this email. Fellowship through improved communications is guided by the second greatest commandment. Sometimes an act of kindness can be as simple as a phone call, a visit, or receipt of an email.

Suggestion: Create a separate folder of this information for ease of future reference.

For information about our Parish, click on the following link: <http://parishesonline.com/scripts/HostedSites/Org.asp?ID=14423>

Our parish spirit is rising, is rising.

http://www.legacygifts.org/savvy_senior.jsp?WebID=GL2004-0129&D=200917

Long Term Care Insurance: Tips to Consider

Dear Savvy Senior,

Is long-term care insurance worth the cost? My wife and I have some assets we'd like to protect but we don't want to go broke doing it. What can you tell me?

Long Term Louie

Dear Louie,

There's no doubt that long-term care (LTC) insurance is expensive and risky, but depending on your assets and health history, it's something you may want to consider.

Who Should Buy?

With the rising cost of nursing home care now averaging more than \$77,000 a year for a private room, LTC insurance (see www.longtermcare.gov) that covers nursing home care, assisted living and in-home care can be a good option for many people. But is it right for you? Here are some key points to help you decide:

Your finances: LTC insurance makes the most sense for those who can afford the monthly premiums, with assets of at least \$150,000 - not including the car and house. People who can't afford it, or who don't have many assets to protect can fall back on Medicaid. Remember that Medicare and Medicare supplemental (Medigap) policies do not pay LTC expenses.

Your health: In most cases it's disease (like Alzheimer's and stroke), not old age, that puts people in nursing homes. What's your family history of these?

Your risks: About 70% of all Americans over age 65 will need some type of LTC at some point in their lives and women are at a higher risk than men because they tend to live longer.

Cost Effective

If you're leaning towards buying a LTC policy, be sure to do your homework first. The cost of premiums depends on the insurer, as well as the policy's provisions. Here are some different areas that impact your costs and some tips to help you choose the right policy:

Age: You can reduce your premiums by buying at a younger age. For example, a LTC policy that costs a 55-year-old \$1,200 a year in premiums, could cost a 65-year-old around \$2,400. Typically, you can't get a LTC policy after age 79.

Daily benefit: You can get a policy that pays \$100, \$150, \$200 per day or more - but the higher the benefit, the higher your premium. To figure out how much coverage you need, check out the nursing home prices in your

preferred area. Then figure out how much of the bill you could shoulder yourself and choose a benefit that makes up the difference.

Length of benefit: You can buy policies that will pay for one year three years, or as long as you need them - but the longer the benefit, the more you pay. With the average nursing home stay of about two and a half years, a three-year benefit period is probably adequate, unless Alzheimer's runs in your family. Then you may want more.

Waiting period: Most policies have waiting periods (30, 60, 90 days or more) that require you to pay out-of-pocket before the policy kicks in. The longer you wait the lower your premium, but extending the waiting period means you'll have to pay the bill on your own for a longer time.

Health: If you're in good health, you can get a discount. If not, you may not be able to get long-term care insurance at all. Also, some policies offer couple's discounts.

Inflation protection: Many policies have 5% per year inflation protection built in to keep up with rising LTC costs but these policies cost about twice as much as ones without it. Policies that offer inflation protection linked to the consumer price index are about 20 to 40% cheaper.

Policy Shopping

Be sure to choose a flexible policy that covers all kinds of care (in-home, assisted living, nursing home, etc.).

It's also wise to go with a company that has sold LTC insurance for years. To compare policies, a good resource is Long-Term Care Quote (800-587-3279). Or work with a LTC insurance specialist who works with a variety of companies. See www.aaltci.org to find one in your area.