

Long term Care Insurance

What is Long Term Care Insurance?

Who needs it?

How much does it cost?

What is Long Term Care Insurance?

- Long-term care insurance (LTC or LTCI), an insurance product sold in the United States and United Kingdom, helps provide for the cost of long-term care beyond a predetermined period. Long-term care insurance covers care generally not covered by health insurance, Medicare, Medicare Advantage, Medicare supplement, disability policy, life insurance or Medicaid.

Activities of daily living

- 1. bathing
- 2. dressing
- 3. eating
- 4. continence
- 5. toileting
- 6. transferring
- 7. cognitive impairment
- Most policies require 2 of the 6 for benefits to be paid

What care is covered?

- 1. nursing home
- 2. assisted living
- 3. adult day care
- 4. home health care
- 5. home modifications
- 6. care coordination

A care coordinator-often a nurse or social worker-acts as an intermediary and an advocate for the insured. This person is a neutral voice that can help family interpret the benefits of the policy, establish a plan of care, and locate a network of quality care providers.

- 7. future service options
- Can I pay my friends or relatives for care?
- Maybe

Do I need Long Term Care Insurance

- Projected LTC need for people turning 65 in 2005

Average # years
of LTC need

3

Percent of people
w/LTC need

69%

Source: Long-Term Care over and uncertain future: What can current retirees expect. 2005?

Cost of Long Term Care

Home health aid: 20.00 per hour

Private room nursing home
facility 6,900.00 monthly

Assisted Living Facility 3450.00 monthly

Long Term Care Insurance average cost

- Couple age 55
- Average 2466.00 per year
- Low cost 2080.00 per year
- High cost 4824.00 per year

- Daily benefit 150.00 per day
- Benefit term 3 year
- 3% compound inflation rider

- Couple age 60
- Average cost 2466.00 per year