

LONG-TERM CARE TODAY

EMPLOYEE BENEFITS

WHY YOU SHOULD CONSIDER COVERAGE

ALTHOUGH YOU MAY BE IN YOUR 40'S OR EVEN YOUNGER, YOU SHOULDN'T DISMISS THIS BENEFIT WITHOUT LEARNING ABOUT IT. DEMOGRAPHIC AND SOCIETAL CHANGES HAVE MADE LONG TERM CARE PLANNING AN ESSENTIAL PART OF THE RETIREMENT PLANNING PROCESS.

Most young people focus on building wealth—as they should—but when you understand the cost of care and the odds of needing it, you'll see that building wealth without a plan to preserve it may have serious consequences. Like all planning, there are more choices when you start early; premiums are significantly lower and the chance of medical conditions preventing you from getting approved for coverage are much less. Having high blood pressure or being overweight might not seem like big problems now, but unfortunately, most health conditions deteriorate over time and prevent people from getting coverage when they get around to applying.



WHAT IS LONG-TERM CARE?

Long-term care, also referred to as unskilled or custodial care, is different from traditional medical care you've received throughout your life. It's not typically provided by doctors and it isn't designed to cure you of an illness; it's the kind of help you might need when you have a cognitive impairment or you're not able to perform every-day activities such as eating, bathing, dressing, going to the bathroom or just moving about.

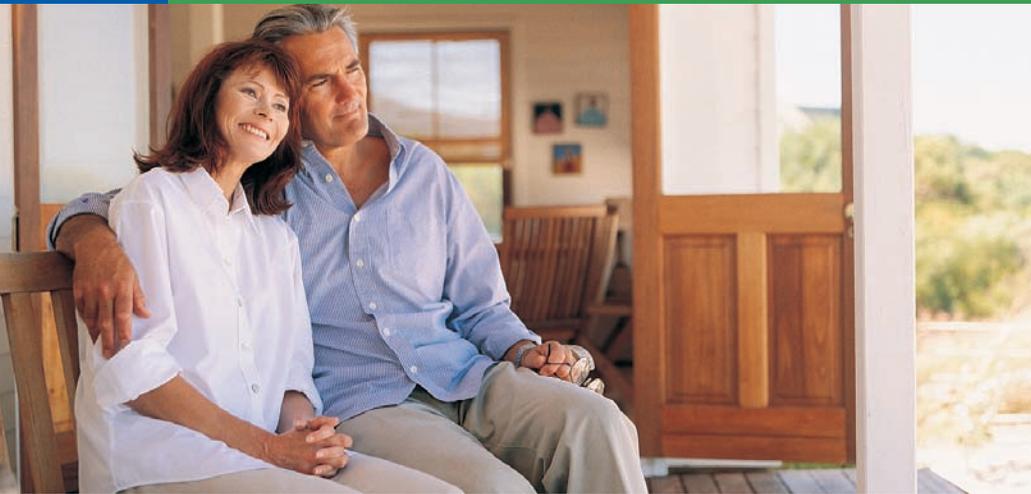
People receive long term care services at home, in assisted living facilities, adult day care centers and in nursing homes

and there are many reasons people require these services. They might be recovering from a serious illness or accident or simply going through the natural but often debilitating process of getting older.

Today close to 13 million people need long term care. **Not all are elderly – 40% of people receiving long term care are between the ages of 18-64***; working people just like you who require care due to an accident or a disabling illness such as a stroke or heart attack.

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LONG-TERM TC

PROGRAM FEATURES: OPTIONS

LONG-TERM CARE POLICIES ARE VERY FLEXIBLE AND PAY BENEFITS FOR CARE IN MANY SETTINGS, INCLUDING:

- **HOME** — Where most people prefer to receive care
- **NURSING HOME**
- **ASSISTED LIVING FACILITY** — When it is no longer possible to stay at home, assisted living facilities offer the next best thing. Social activities, companionship and limited custodial care in a home-like setting.

OTHER FEATURES OF YOUR LONG-TERM CARE PROGRAM INCLUDE:

ELIGIBILITY – full time employees, spouses and family members

PREMIUM DISCOUNTS – all policies purchased are eligible for premium discounts

PORTABILITY OF COVERAGE – Coverage is completely portable. Changes in employment have no affect on your coverage or your premium discount.

WAIVER OF PREMIUM – Once you qualify for benefits and satisfy your elimination period (similar to a deductible on your auto insurance) premiums are waived as long as you remain on claim in most states.

A PLAN APPLIED TO REAL LIFE (LTC PERSONAL STORY)

Joe Griffin, a 55-year-old real estate executive, was enjoying a normal life when a rare neurological disorder struck suddenly, causing him to lose all movement in his body. Throughout his ordeal, money is one thing Joe and his family haven't worried about thanks to smart insurance planning. Disability insurance payments have replaced more than half of Joe's income and long-term care insurance has provided more than enough to pay for in-home care as well as physical, occupational and water therapy.

Through his long-term care planning, Joe and his family have been able to completely manage their financial situation, which, in turn allows them to focus on their emotional condition. A long term care incident isn't ever expected, or planned for, and there is no way of telling when it might happen. With long term care insurance Joe was able to transfer the risk of a long term care incident onto the insurance company, allowing him to focus on the things he felt were important.

Find Your Answer

FREQUENTLY ASKED QUESTIONS

Q. Does my health insurance cover long-term care?

A. No—traditional health insurance pays for skilled, medically needed care. It does not pay for long-term care.

Q. What can I expect from Medicare and Medicaid?

A. Medicare is your health insurance when you reach age 65. Like your health insurance, it does not cover custodial care. Medicaid will help pay for long term care, but you must qualify by spending your assets down to qualify.

Q. Should I consider purchasing coverage for my parents?

A. With both spouses working in most households, many people look at purchasing coverage for their parents. Under this program parents and qualified family members can review their long term care options with an LTC specialist.

Q. Why should I consider this coverage now—isn't long-term care insurance for old people?

A. Long-term care is not for seniors only. **40% of people using long term care services are under age 65!*** And the younger you are when you first purchase long-term care insurance, generally the lower your premium for the life of your plan, regardless of your age or health status in later years. Long term care can use up your savings, so it needs to be part of your retirement planning process.

Q. How much does this coverage cost?

A. It depends a lot on decisions you will make with the help of your long-term care advisor. See the enclosed Benefit Option Sheet.

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Q. What is the difference between Disability Insurance and Long-Term Care Insurance?

A. Disability insurance will replace all or part of your income if you cannot work due to illness or injury. Disability insurance is available only until age 65. Long-term care insurance pays for care and expenses required to perform every-day activities of living. Once approved for it, you maintain this coverage throughout your life.



Q. What if I purchase coverage and don't use it?

A. Long-term care insurance works the same as your home, health and auto insurance. You are purchasing the security of having protection. The only difference with those other insurances is the probability of needing coverage. There is about a 1 in 4000 chance of your home burning down, a 1 in 240 chance of getting into a major car accident, and a 1 in 25 chance of having a major illness or hospital stay. **The risk of needing some type of long term care after age 65 is about 3 in 4 of us**!**

OPTIONS: CHOICES

THERE ARE MANY PLAN DESIGN CHOICES AND EACH PERSON'S LONG-TERM CARE POLICY CAN BE CUSTOMIZED FOR THEIR SPECIFIC CIRCUMSTANCES. TO SIMPLIFY THE PROCESS OF CHOOSING A POLICY, YOUR PERSONAL LTC SPECIALIST WILL HELP YOU DESIGN A POLICY THAT FITS YOUR PERSONAL SITUATION AND NEEDS.

BENEFIT AMOUNT — The dollar amount of benefit you will receive each month if you go on claim. Benefit amounts can go from \$50 per day up to \$500 per day.

BENEFIT DURATION — This is the length of time the benefit amount will be paid once you go on claim. Benefit periods can be relatively short or can last a lifetime.

INFLATION PROTECTION — This is a rider that increases the value of your benefit each year to help keep up with the cost of inflation. Insurance premiums remain fixed, but the benefit increases each year based on the inflation protection rider chosen.

ELIMINATION PERIOD — Think of this as a deductible, just like your other insurance policies. With long-term care insurance, this is expressed in days instead of dollars. It is the length of time that you pay for care before the insurance starts to pay. Of course, the longer the period (the higher the deductible), the lower the cost of the premium.

Your personal long-term care specialist is trained to help you sort through these options.

UNDERSTANDING: 3IN4 WILL NEED MORE

STILL HAVE QUESTIONS:

Feel free to contact us for more information. A long-term care insurance specialist will be glad to answer any questions you may still have.

Contact Us:

(855) 582-8255

Health Care Isn't Enough



People today are living longer than ever before which presents a challenge to us as individuals and as a nation; how to pay

for long-term care. The challenge is only getting bigger as the population of Americans over 65 is growing every year. Traditional medical insurance, Medicare, and medigap supplements are designed to pay for skilled, medically necessary care; they pay very little for long-term care. Medicaid will pay for long-term care but you must first spend your assets down.

Over 74% of men and women that reach age 65 will need some type of long term care**. The average national long-

term care costs are between \$50,000-\$100,000 per year***, these costs will directly affect the majority of Americans. Care at home, where most people would like to receive it, can be just as costly and even more expensive depending on your needs.

Long-term care will affect virtually everyone whether you end up requiring care, being a caregiver, or watching friends and loved ones struggle through it. There are a few options on how to prepare for your long-term care needs, with long-term care insurance being one of them.

* The Caregiving Project for Older Americans, "Caregiving in America", 2007

** Prudential Research report: Long Term Care Cost Study, 2010.

*** Longtermcaresource.org

Prepared by



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