



FOR THE LOVE OF FAMILY Long Term Care Planning

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An Important Conversation

As we live longer, more and more people are purchasing Long Term Care. We hope to be strong and healthy for the rest of our lives, but for some there comes a time when extra help is needed.

A Long Term Care plan may be one of the most important gifts you can give your loved ones. Not having a plan may cause a family crisis resulting in catastrophic damage to savings, or serious stress-related health conditions to the loved ones trying to care for you.

Ask any family who has been through this, and they will tell you that if they had the opportunity they would have purchased a plan. Having a plan brings comfort and peace of mind to everyone who loves you.

What is Long Term Care?

Long Term Care, also known as extended care, is assistance with Activities of Daily Living, known as ADLs (see below). This care most commonly takes place in your own home, and if needed, can also cover the cost of living in a Long Term Care facility.

ADLs include:

- Eating
- Bathing
- Dressing
- Toileting (*being able to get on and off the toilet and perform personal hygiene functions*)
- Transferring (*being able to get in and out of bed or a chair without assistance*)
- Maintaining continence (*being able to control bladder and bowel functions*)

The need for care follows significant changes to your health. It may be sudden after an accident or illness, or as a simple matter of aging. Whatever the circumstances are, having a plan gives you control of where and when you receive the support you need.

It is important to consider the impact of needing care, not only for yourself but for others. Extended care is a life changing event for more than just the person who needs it.

Why You Need Long Term Care Insurance

Given the nature of extended care, it can be expensive and why Long Term Care policies (LTCi) make sense. There is a common misconception that Long Term Care is covered by Medicare, this is not the case. LTCi is specifically designed to cover the potentially significant costs of your extended care needs.

Consider some of the consequences for families that fail to plan

- 40% to 70% of family caregivers struggle with depression, especially if cognitive impairment is involved ¹
- 44 million Americans aged 18 years and older are caregivers, provide unpaid labor valued at \$306 billion per year ²
- 47% of working caregivers indicate an increase in caregiving expenses has caused them to use up all or most of their savings ³
- Elderly caregivers have a 63% higher mortality rate than non-caregivers of the same age ⁴
- 23% of family caregivers caring for loved ones for 5 years or more report that their health is fair or poor ⁵

The great news is that having LTCi can pay for your care, and keeps family as family.

1. Zarit, S. (2006). *Assessment of Family Caregivers: A Research Perspective*
2. National Family Caregivers Association & Family Caregiver Alliance (2006). *Prevalence, Hours and Economic Value of Family Caregiving, Updated State-by-State Analysis of 2004 National Estimates (by Peter S. Arno, PhD)*. Kensington, MD: NFCA & San Francisco, CA: FCA.
3. Evercare Survey of the Economic Downturn and Its Impact on Family Caregiving; National Alliance for Caregiving and Evercare. March 2009
4. *Journal of the American Medical Association*, December 1999
5. *Caregiving in the United States*; National Alliance for Caregiving in collaboration with AARP; November 2009

What Does Long Term Care Insurance Cover?

- Home care aides/personal-care attendants
- Modifications to your home
- Adult Day Care for respite and socialization
- Senior Centers
- Hospice and skilled care
- Assisted Living Facilities
- Continuing Care Retirement Communities
- Nursing Home Care

Types of Long Term Care Insurance

Long Term Care policies can be either a traditional LTCi policy or a combination Life insurance policy, commonly referred to as a “Hybrid” LTCi product. Each has advantages, and once you’ve identified the need for a plan, our licensed advisors will work to explore the best choice for you.

Traditional Long Term Care Insurance

Traditional Long Term Care policies are similar to auto or health insurance, meaning that you “pay-as-you-go” through monthly premium payments. You can design policies to account for the cost of your future care, including inflation.

Hybrid Long Term Care Insurance

A popular option that combines Life insurance with Long Term Care coverage. With a Hybrid policy, you protect against the risk of Long Term Care expenses, while protecting your assets should you end up needing care.

Self Insurance

If you don’t have a plan, that is your plan. Expenses for your Long Term Care will be paid out of your own pocket.



When to Buy Long Term Care Insurance

Long Term Care planning is best done between your 40's and 70's, when you are making plans for the future. At these ages, your health is comparatively better, meaning your premiums are more affordable.

Expert Advice

We recognize the bravery it takes to have conversations about your health. We are Board Certified Long-Term Care Planning Specialist. We are professionally trained to help guide you on all your LTCI options. Planning a consultation ensures all issues are discussed and questions answered. We invite you to book a free, no obligation consultation.

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