



*Long-Term Care Insurance
Should be in Your Future*

1

Cost of care is growing faster than inflation

Cost of care

| | 2016 | 2036 |
|-------------------|----------|-----------|
| Home health aide | \$46,332 | \$83,681 |
| Assisted living | \$43,539 | \$78,636 |
| Nursing home care | \$82,125 | \$148,327 |

Source: Genworth 2016 Annual Cost of Care study; national median annual cost of care

Your need for care

- 57 percent of women likely to need care for 30 months
- 47 percent of men likely to need care for 18 months
- \$138,000; amount need to cover future long-term care expenses for today's 65 year-old

Source: ASPE Issues Brief February 2016 U.S. Department of Health and Human Services and Urban Institute

TIPS

- Buy while young; premium increases every year delayed.
- Early to mid-50s is the best time to purchase long-term care insurance.
- Buy what is affordable. Even expenses only partially covered provide financial relief.

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LTC insurance options have improved

Today's products

- Home care, adult day care, assisted living, and nursing home are typically covered expenses.
- 90 percent of policies issued in 2014 or later will never need rate increase.
- Shorter benefit periods are available, significantly reducing the cost of a policy.
- Life insurance and annuity products offer optional long-term care riders, giving you more options.

Yesterday's products

- Limited where care could be provided
- Subject to significant rate increases
- Unlimited lifetime benefit periods
- Only option was long-term care insurance products

TIPS

- Ask questions. When does the benefit period begin? What types of care and location of care delivery does the policy cover?
- Products offer coverage for a couple at rates often less than two individual policies.
- Talk to your agent about how to add affordable long-term care protection to your retirement plan.

Providing care

- Most care begins at home and on average, continues at home for about one year.
- 66 percent of long-term care is provided at home by family members.
- Women, already at risk for underfunded retirement years, represent the majority of caregivers.

Paying uninsured expenses

- 53 percent of caregivers lost income due to caregiving demands.
- Average lifetime lost income is \$303,880.
- Caregivers spend an average \$10,000 on uncovered expenses.
- 60 percent of caregivers were forced to limit their discretionary spending to cover long-term expenses for their loved ones.
- Caregivers lose more than 6 work days annually.

TIPS:

- Premiums for traditional long-term care insurance are generally deductible on federal income taxes.
- Talk to family members about your long-term care plans and how their time and finances might be impacted.
- Consider the emotional, physical, and financial impact of your loved ones if you don't have a plan to pay for your long-term care.

Sources: Gallup.com and Genworth Beyond Dollars

**Now is the time to plan for long-term care funding.
Ask your insurance advisor to explain your options.**



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