

“WHY” LONG TERM CARE INSURANCE?
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Rising life expectancy means that the potential need for “long term care” grows with every passing year of your life. Current statistics indicate that six out of every ten people in the United States will need some form of long term care during their lifetime. Most long term care expenses are not covered by Social Security, Medicare, or private health insurance. Medicaid will pay for some nursing home care, but you must meet state poverty guidelines to qualify; therefore, you may have to “spend down” or gift away your assets to qualify.

The cost of home health care can range from \$30,000 to \$80,000 per year. The nursing home care or care at an alternate or assisted care living facility may be even greater. Because these costs will not be paid from other sources, your personal assets will be left unprotected and the cost of long term care may substantially reduce or even eliminate your estate. Long term care insurance is one way to eliminate that risk.

By trading off a small known cost now for a long term care insurance policy versus paying personally for care when needed, you can protect your assets and the succession of your estate to your spouse and heirs. This type of protection may also be available for your parents or spouse; in fact, some plans provide discounts for spousal participation. Just like other forms of insurance, premiums can be fixed but are determined by age, so the younger you are when you take out a long term care insurance policy the lower the annual premium.

There are also life insurance policies and annuities on the market that provide a living benefit for long term care.

As an independent insurance agency, we have the ability to survey the marketplace on your behalf and recommend a program that best fulfills you and your family’s needs. Because so many of us are living longer, you owe it to yourself and your family to see how long term care insurance may benefit you.

Policies must be consulted for precise terms and conditions for exact details.