



16930 E Palisades Blvd Suite 100

Fountain Hills AZ 85268

1-800-290-7226

What is long term care?

Long term care goes beyond skilled medical care to assist if you ever have a chronic illness or disability that leaves you unable to care for yourself for an extended period of time - usually three months or longer. Care can be received in your own home or in a facility such as a nursing home or assisted-living facility.

Will I ever need long term care?

Many Americans aged 65 and older experience some degree of chronic physical impairment. Of those aged 85 or older, the percentage of people who are impaired and require long term care is about 70 percent. In the year 2020, it is estimated that approximately 12 million older Americans are expected to need long term care.

What does long term care cost?

One year in a nursing home can average more than \$85,000. In some regions, it can easily cost twice that amount. Home care is less expensive. Bringing an aide into your home just three times a week to help with dressing, bathing, preparing meals, and similar household chores can easily cost \$75 per day for 4 hours per day of care. Care in assisted living facilities can be \$3,200.00 per month and nursing home costs can average \$193.00 per day. Planning for these costs is very important.

Who pays the bills?

For the most part individuals and their families pay about one fourth of all nursing home costs out-of-pocket. Generally, long term care isn't covered by the health insurance except for very few skilled needs.

Neither Medicare nor Medicaid was established to cover long term care.



16930 E Palisades Blvd Suite 100

Fountain Hills AZ 85268

1-800-290-7226

Medicare will cover about 12 percent for short-term skilled nursing home care following hospitalization. Medicare will also pay for short-term skilled medical conditions but not for ongoing assistance. Medicare supplement plans (private insurance) helps cover some of the gaps in Medicare coverage.

Medicaid – the federal program does provide nursing home care but the main purpose for Medicaid is to provide health care coverage to lower-income Americans – people meeting federal poverty guidelines.

Medicaid will cover nursing home patients once they exhaust their savings and become eligible. It is impossible to predict the kind of care you may require and how much it will cost. Long term care insurance removes some of the guess work by allowing you to have a benefit amount of money if you need care for an affordable premium. A long term care policy will protect against the risk of much larger out-of-pocket expenses.

What factors into the cost?

The two main things that affect the cost of long term care insurance are age and health. Insurance industry experts suggest that you buy any type of insurance when you are young and in good health.

Long term care insurance does not require perfect health to get coverage but certain conditions can lead to a decline for this insurance.

Other factors that determine cost are inflation adjustments, level of benefits, and deductibles. It is impossible to know how long you may need care but statistics indicate that the average length of time you may need care is 2-5 years depending on the level of care.