

10 QUESTIONS TO ANSWER...

Before You or A Loved One Purchase Long-Term Care

1. Now that you've explored your available long-term care options, have you figured out a way to finance the services and support you may need?

Fact: Developing a long-term care plan is the first step. Planning how to pay for your long-term care is the next step. For help, turn to your local Area Agency on Aging (AAA).

Web resource: www.eldercare.gov/Eldercare.NET/Public/Home.aspx and www.medicare.gov/LTCPlanning

2. Have you talked to an attorney about your funding arrangements for long-term care plans?

Fact: If you are not currently eligible for Medicaid funded long-term care services or are not sure of your eligibility status, an elder law attorney would be a great source to talk with to seek and obtain the best advice. Web resource: National Academy of Elder Law Attorneys, Inc. (www.naela.com/)

3. Have you documented and shared with family what is most important to you in your long-term care plan?

Fact: Maintaining choice, independence and privacy are often important parts of long-term care plans. To achieve those goals, you may need to ask your family and friends to help. Your long-term care plan may impact your ability to leave an inheritance, your eligibility for government assistance, or even your ability to stay in your own home. It is important to discuss and document these options before they become an issue.

Web resource: www.medicare.gov/LTCPlanning

4. Have you assessed your risk or your loved ones' risk for needing long-term care?

Fact: You can get an idea of your risk for needing long-term care by analyzing your current health, parents' chronic illnesses, average family lifespan, and lifelong health behaviors. Even if you consider yourself low-risk, remember that 70% of people over age 65 eventually need an average of 3 years of long-term care services and support.

Web resource:

www.financinglongtermcare.umn.edu/basics/prepared/mythsandfacts/LTCrisk/LTCrisk2.htm

5. Have you explored your long-term care funding options?

Fact: In 2008, the average costs for long-term care were: \$70,000/year for a nursing facility, \$40,000/year for assisted living, and \$20/hour for a home health aide. Medicare, "Medigap" plans, and private health insurance usually do not cover long-term care services and support. To explore your possible funding options, consider talking with your State Health Insurance Assistance Program, or SHIP, or your local area agency on aging.

Web resource: www.medicare.gov/Contacts/static/allstatecontacts.asp

6. Have you and your family discussed whether your plan is realistic for meeting long-term care needs?

Fact: About 85% of in-home long-term care in the U.S. is currently provided by family and friends. But with the average number of children in families decreasing, and more women working outside the home, it is estimated that only half the number of unpaid caregivers available in 1990 will be available by 2020.

7. Have you looked into the possibility that you or your loved one may be eligible for publicly funded long-term care services available through your State's Medicaid program?

Fact: You can find out if you are eligible for publicly funded services by calling your Area Agency on Aging. It can tell you more about "spend-down" and "spousal impoverishment protections" related to Medicaid eligibility.

Web resource: www.benefitscheckup.org

8. Did you and your loved ones consider all the available community supports when creating your long-term care plans?

Fact: Many communities have providers of personal assistance, transportation, home adaptation and assistive devices, adult day care, fitness and prevention activities, home-delivered meals, and many more services and support. You can find what forms of long-term care support is available in your community through your Area Agency on Aging.

Web resource: www.eldercare.gov/Eldercare.NET/Public/Home.aspx

9. Have you considered purchasing long-term care insurance?

Fact: Because the average annual cost of premiums for a 60-year-old in 2005 was \$1,700, only 7% of the population has purchased long-term care insurance. Get advice from your local State Health Insurance Assistance Program, or SHIP, about the appropriateness for you or your loved one.

Web resource: www.medicare.gov/Contacts/static/allstatecontacts.asp

10. Have you considered a reverse mortgage?

Fact: A reverse mortgage can increase your monthly income or give you access to a credit line to meet costs associated with long-term care services and support. You must be at least 62 and own and live in your home to qualify. Call 800-569-4287 to speak with a U.S. Housing and Urban Development (HUD) Housing Counselor about a reverse mortgage.

Web resource: www.hud.gov/offices/hsg/sfh/hecm/rmtopten.cfm and www.aarp.org/money/personal/reverse_mortgages/