

## Long Term Care Insurance

*Help Protect Your Family and Assets*





## LONG TERM CARE INSURANCE MAY HELP

Consider this...

- 85% of home care is provided by **unpaid** family caregivers.<sup>1</sup>
- Caregiving expenses may cause family caregivers to use up **all or most** of their savings.<sup>2</sup>
- **70% of people** who reach the age of 65 will require some form of long term care services and support at some point in their lives.<sup>3</sup>
- The number of Americans needing long term care services and supports is expected to **more than double** by 2050<sup>3</sup>

<sup>1</sup>Alzheimer's Association, 2014 Alzheimer's Disease Facts and Figures. Alzheimer's & Dementia. Volume 10, Issue 2.

<sup>2</sup>Abramson, Alexis, Ph.D. "Corporate America's Caregiver Crisis." The Dr. Alexis Blog. July 10, 2013. <http://www.alexisabramson.com/caregiver-crisis>.

<sup>3</sup>"America's Long-Term Care Crisis: Challenges in Financing and Delivery." Bipartisan Policy Center. April 2014.



## WON'T GOVERNMENT PROGRAMS HELP?

What government programs pay for long term care services?

**Medicare** may not cover your long term care services.

**Medicaid** – A low-income public assistance program that depends on public funding from states and the federal government. This program may limit your choices regarding care facility location, privacy, and other preferences you may have for your care. It also may not pay for care in your home.

Generally, to qualify for Medicaid, you must spend down income, savings, and assets (including life insurance benefits) to a state required level before receiving any government benefits<sup>4</sup>. After receiving care, Medicaid may try to recoup any money spent on your care from your estate after you die.

The **Affordable Care Act**, also known as Obamacare, does not address long term care.

<sup>4</sup>For more information about state Medicaid eligibility, go to <http://www.medicaid.gov/>



## WHAT IS LONG TERM CARE?

Long term care is not medical care, but rather a range of services and supports designed to meet your personal care needs for an extended period of time, such as providing individual assistance with Activities of Daily Living or the supervision of someone who is cognitively impaired.

### **Activities of Daily Living include:**

*Bathing • Dressing • Eating • Toileting •  
Continence • Transferring*

Long term care is not just about the elderly or nursing homes. In fact, long term care is increasingly about ***practical solutions to help you stay in your home.\****

\*Location of care is determined by a licensed health care practitioner through a plan of care.

# WHAT ARE THE BENEFITS?

A stand-alone Long Term Care insurance policy includes many benefits<sup>5</sup> and provides you with a complete package that could help protect you and your family.

- Know where to go and what to do with access to a Care Coordinator
- Cash Benefit enables you to pay family members for providing care and services<sup>6</sup> without a waiting period
- Shared Care benefit allows couples to share benefits
- Return of Premium Upon Death before age 67 benefit
- Immediate access to home care benefits because of a built-in, 0-day elimination period
- A variety of inflation protection options help your policy benefits keep up with the increasing costs of long term care



<sup>5</sup>Qualifying for Benefits is required. Not all options are available in all states.

<sup>6</sup>Cash benefit is equal to 10 times your Maximum Daily Benefit (or 1/3 the monthly benefit).



## ARE LONG TERM CARE SERVICES REALLY THAT EXPENSIVE?

These costs can add up quickly. By purchasing **Long Term Care insurance**, you help plan for future long term care costs.

Type of Care	Cost Per Hour/Day <sup>7</sup>	Annual Cost <sup>7</sup>
Home Health Aide	\$21/hour	\$30,660 (4 hrs/day, 7 days/wk)
Homemaker Services <i>(1 bedroom)</i>	\$19/hour	\$27,740 (4 hrs/day, 7 days/wk)
Adult Day Care Center	\$69/day	\$25,185
Assisted Living Facility	\$110/day	\$40,200
Nursing home care <i>(semi-private room)</i>	\$228/day	\$83,230

**If you should need long term care in the future, where would you get the money to pay for it?**

<sup>7</sup>American Association of Long-Term Care Insurance, 2012-2013 AALTCI Sourcebook.



## WHEN IS THE BEST TIME TO BUY?

**The time to buy Long Term Care insurance is *before you need it*.**

Long Term Care insurance premiums are based on your health, your age, and in certain situations your gender. And generally, the younger you are, the less the premium will cost. You should also consider:

- An insurance company will only insure if you can health-qualify, and usually people are healthier when they're younger.
- Purchasing at a younger age may enable you to receive a good-health discount that will be applied for the lifetime of the policy.
- Generally, premiums are higher when you purchase a policy at an older age, so you may end up paying more if you wait.

Once your policy is issued, it cannot be canceled regardless of your health unless you do not pay the premium.<sup>8</sup>

<sup>8</sup>Premiums are subject to change. See "a word about premiums."



At this point in your life, Long Term Care insurance may be something you want to consider.

We can start the application process together to see how a Long Term Care policy can fit into your individual life plans.

***To get started, schedule a meeting with your Long Term Care Insurance agent/producer or financial advisor today.***

Once you've been approved, you'll have 30 days to decide if you'd like to keep the policy.

### **A word about premiums**

The policy allows the company to adjust premiums as needed, with prior approval if required by the Office of Insurance Regulation. We cannot single you out for a premium rate increase, but we can change your premium based on our experience with all insureds in your same premium class. Once we issue your coverage, we cannot cancel your policy as long as you pay your premium on a timely basis.

**The purpose of this advertisement is solicitation for long term care insurance and an insurance producer/agent will contact you.** This is an individual Long Term Care insurance policy underwritten by Transamerica Life Insurance Company, Cedar Rapids, IA. You must qualify before you can receive benefits under the policy. Benefits and premiums may vary by policy. Exclusions and limitations apply. For details regarding underwriting requirements, exceptions, reductions, limitations, and the company's right to increase premiums, contact your insurance agent/producer. Policy TLC 3-P FL 0313 or TLC 2-P FL 0410.

### **Transamerica Life Insurance Company**

Home Office: Cedar Rapids, Iowa

Administrative Office: P.O. Box 869093 Plano, Texas 75086-9093