

By Brian I. Gordon

# Long-Term Care Planning for You and Your Family

**It's an unwelcome fact:** the need for long-term care is something that can happen to anyone—you, your spouse, partner, or parent—at any time. It can arise from a stroke, an illness, an accident, Alzheimer's disease, or any number of medical problems. Regardless of the cause, for most people, the easiest and most economical solution is long-term care insurance, or LTCI.

Unfortunately, many people put off learning about LTCI because it is unpleasant to think about and sounds complicated. It does not have to be. Like everything else, a little bit of planning goes a long way. Here is the least you should know about LTCI.

LTCI policies exist to help individuals preserve their assets, standard of living and independence, while giving families more options regarding the financial, physical, and emotional well-being of a loved one. The need for long-term care will affect an entire family.

Just take a second to ask yourself:

- What would happen tomorrow if I suddenly need long-term care?
- Who will take care of me?
- Will I be able to stay at home?
- What if I need facility care?
- Regardless, how will I pay for my care?

## What Long-Term Care Insurance Covers

LTCI provides the type of help you need if you are unable to care for yourself because of a prolonged illness, accident or disability. Care may range from help with the activities of daily living like eating and bathing to skilled care received at home to care in a nursing home facility.

In major metropolitan areas, the cost of 24/7 home health care or facility care can easily exceed \$100,000 per year. Purchasing an LTCI policy is the simplest way to ensure that you will be able to receive high-quality care in a range of settings.

Most policies provide coverage for:

- Home Care—including therapists, homemakers, nurses' aides, and nurses
- Assisted Living Care
- Nursing Home Care
- Adult Day Care
- Hospice Care
- The services of a Care Manager

## Protecting Assets, Investments... and Families

Not only does LTCI mitigate the emotional and financial burdens that long-term care can place on families, it is a useful tool for protecting assets and investments. LTCI can help preserve wealth and reduce taxes. It is part of well-designed financial plans. If you have dismissed your financial advisor's recommendation that you look into LTCI, it is time to reconsider.

In addition, the advantages of LTCI extend beyond the individual who purchases the policy. LTCI allows individuals to benefit from the best care possible, without spending down retirement assets or becoming a burden on their families.

There is no more personal, family-oriented benefit than long-term care insurance. It's a smart, simple way for families to protect their assets and loved ones.

In fact, speaking about the impact of long-term care on families, former First Lady Rosalynn Carter, famously said, "There are only four kinds of people in the world: those who have been caregivers...those who currently are caregivers...those who will be caregivers...and those who will need caregivers."

## How to Get Started with LTCI

Since LTCI is a specialized insurance product, working with a Long-Term Care planning specialist is the smart way to go. A good specialist will be happy to educate you about your choices and work with you to develop a plan design that fits your specific needs.

For example, there are two broad types of plans: traditional Long-Term Care policies and Asset-Based Life/Annuity with Long-Term Care benefits. Like most forms of health or life insurance, you will need to pass a health screening in order to qualify for coverage.

But rest assured: for many people, a solid, basic plan will fit the bill, providing many options for comprehensive care as well as peace of mind.

Brian I. Gordon, CLTC  
President, MAGA, Ltd.  
800-533-6242  
brian@magaltc.com

*MAGA Ltd. is a family-owned insurance firm that specializes in long-term care planning.*

