



LONG-TERM CARE

PRIMER

Your Guide to LTC Insurance and
the State Partnership Program



**People
age 65 face
at least a 40%
chance of entering
a nursing home
during their
lifetime.**

- America's Health Insurance Plans
"Guide to Long Term Care" 2004

Who pays for the high cost of care?

Medicare may pay a small amount for short term care only unless you have a Partnership policy, Medicaid will pay Longterm Care benefits only if you meet federal poverty guidelines. Many people must spend virtually all of their assets before they qualify.

Typically, the people who need care or their families end up paying for it out of their own pockets.

How does Medicaid asset protection work?

The first step is to select and purchase a Partnership policy that is affordable and meets your needs. Once you need care, the insurance carrier pays benefits according to the terms of the policy. Once these benefits have been exhausted, you may apply to Medicaid for assistance. In determining your eligibility, Medicaid will disregard any assets up to the amount the Partnership insurance policy paid in benefits.

How are Partnership LTC policies sold?

Partnership policies can only be sold through partnership-certified insurance agents. Certified agents have taken additional training in Long-term Care and state-specific Partnership regulations.

How much does Long-term Care insurance cost?

Age, type of coverage, policy type, daily benefit and other variables can all influence how much you pay for Long-Term Care insurance. Costs can vary greatly, and are truly up to you. You should be comfortable with the premiums you're paying and the protection the policy offers.

With all of these factors to consider, it's important to get advice you can trust. Contact FPS Insurance for a no-obligation review of the right protection and affordable premiums for you.

Problems

“I’ll never need Long-term Care.”

Many Americans believe that they have a slim chance of needing Long-term Care because of their family history, their health and their lifestyle. Or they feel that if they do need it, a spouse, family member or friend will be able to take care of them.

Thanks to advances in medical science, Americans can now enjoy a longer life span. Yet the longer we live the more likely we will need Long-term Care.

You cannot predict if, or when, you might need Long-term Care. But statistics show that the longer you live, the greater your risk. So a healthy 65-year-old may have as high a risk of needing Long-term Care as an unhealthy 65-year-old, simply because the healthy person has a longer life expectancy. And even if a friend or family member has the right training, they are often overwhelmed by the stress of providing care.

The problem is that when you deny the risk, you’re not prepared. And that means one unforeseen event could wipe out your entire life savings.

Solutions

Long-term Care insurance

Was created to help people get the care they need without draining their assets or burdening their family. It also provides peace of mind in that you have the freedom to choose the quality of care you receive. Most importantly, it can often help you stay in the comfort of your own home. Actual services covered vary but can include nursing care, home health aides, physical therapy, adult day care and assisted living. Plans usually provide a daily benefit amount - which can vary from **\$50 to \$400 per day – to pay for services**. Once you have made the decision to buy Longterm Care insurance your next step will be to find a good agent to help you understand your options.

Getting the right Long-term Care policy for you.

Here are some questions you should ask about the agent, the company and your policy when you're ready to buy Long-term Care insurance.

ABOUT THE AGENT:

- Is the agent a specialist in Long-term Care protection?
- Is the agent part of a larger organization that can assist you at any time?
- Can the agent offer many plans from top companies?

ABOUT THE INSURANCE COMPANY:

- Is the company highly rated and stable?
- Does the company have a good track record of paying claims?
- Does the company have competitive rates and a strong presence in the Long-term Care industry?



*Preserving your
assets, your choices
and your **dignity.***

ABOUT THE POLICY:

Does the policy include the following features?

- Guaranteed renewable
- Covers mental conditions
- Minimal exclusions
- No pre-existing conditions
- Waiver of premium
- Care management coordination

Next consider the variables that can affect your premium.

Age, type of coverage, policy type, daily benefit and other variables can influence your LTC premium.

Costs can vary greatly, and are truly up to you. You should be comfortable with the premiums you're paying and the protection the policy offers.

An LTC specialist can help you design a plan to fit your needs and may also be aware of any discounts available to you.

What is the Long-term Care Partnership Program?

Many state governments have partnered with private insurers to encourage people to prepare for their future by purchasing Long-term Care insurance.

Partnership policies are unique in many ways including:



Allow you to access Medicaid benefits without spending-down all of your assets.



Required to have additional consumer protection features.



Can only be purchased through trained and certified agents.



Cost the same as non-partnership plans with equal benefits.

