

Long Term Care Insurance

Long term care insurance covers a variety of service models. It is designed to help reimburse the cost of skilled or custodial long term care, whether it is provided at home or in a facility.

Long term care insurance provides a coverage amount to reimburse qualified expenses you may incur when you're unable to perform everyday tasks such as getting in and out of bed on your own, eating or dressing, or to pay for supervision for someone with a cognitive impairment.

Plan design and product feature flexibility enable long term care insurance to be available to meet most budgets. A financial professional can help guide you through selecting a solution that best meets your needs.

Have a long term care discussion today

Living a long life is a probability, and planning for it is a necessity. For more information, visit www.longtermcare.gov.



Building a Long Term Care Strategy



Insurance and annuity products:

- Are not deposits.
- Are not insured by the FDIC or any other federal government agency.
- May decrease in value.
- Are not guaranteed by a bank or its affiliates.

Address the need for long term care in your retirement strategy

Your life today is all about options – from how and where you work, to the type of car you drive, right down to the flavor of coffee you drink in the morning. So it's only natural that you want a range of choices when it comes to planning for the future.

After all, you've planned carefully to enjoy a comfortable, made-to-order retirement. You've planned to travel where and when you want. You've planned for your ideal retirement home, right down to the wireless internet connection and automated controls. You've even planned to leave something for the next generation.

Building a retirement strategy is about living the way you want to live. Including long term care as part of that strategy can help protect your assets, help you maintain your financial freedom and provide you with options in choosing quality long term care services.

70% of people turning age 65 can expect to use some form of long-term care services and supports necessary to meet health or personal care needs over an extended period of time during their lives.¹

There are many inaccurate assumptions about the costs of long term care and how those costs are met. If you need to pay for long term care, the costs can quickly add up. The Genworth 2017 Cost of Care Survey² found the national median for a year of nursing home care to be \$97,455 for a private room. And the national median cost for in-home care from a licensed home health aide is now \$21.50 per hour.² With those kinds of expenses, it's easy to imagine a sizeable portion of savings could be needed for long term care needs.

Two key questions to ask yourself

While there can be several components to creating a retirement strategy, there are two key questions that you need to ask yourself for long term care planning:

1. "What is my written plan?"

You plan to live a long and productive life, but at some point you may need long term care. What is your plan for this, including where you would like to receive care and who you would like to care for you? Is your preference care at home? Will family members be close by? If not, who will care for you?

2. "How will I pay for this care?"

Most likely from your retirement savings, right? However, this was established to fund a retirement lifestyle, not a long term care situation. Consider the impact needing long term care would have and review your options.

What are your options?

A long term care planning discussion with your family and financial professional is a key part of any retirement strategy session. Why? Because long term care can impact your family as well as your retirement savings or business productivity, and paying for that care can be a challenge.

There are many options to consider as part of your retirement strategy, including self-funding, private family support, public programs, insurance or a combination of these options.

¹ 2017 U.S. Department of Health and Human Services (www.longtermcare.gov), 10/10/2017

² Genworth 2017 Cost of Care Survey, conducted by CareScout® June 2017. Based on national median annual costs. CareScout is a Genworth company. Source available upon request.

Public Programs

Many people think the government will pay for long term care expenses. Medicare generally covers skilled nursing home care after a hospital stay of at least three days, and its coverage for other long term care services is very limited. Care must be received in an approved facility. Medicaid does contribute towards long term care but requires recipients to use their income to pay for care and most of their assets to qualify, so the savings you've worked hard to build up may have to be spent down.

Private/Family Support

People may look to family members or friends to provide care, but they may be afraid of being a burden on their family. When making this decision, there are some important considerations, from where these individuals live, to whether they have the time and ability to provide care. In addition, the physical, financial and emotional impacts of providing care are also important factors to keep in mind.

Self-Funding

Another idea is for you to assume the primary financial risk for the cost of long term care by allocating a portion of your savings for this need. In considering self-funding, think about potentially needing care in your older years. This strategy includes a review of the cost of care in your area, which should consider inflation and living expenses for you and your family. This can be the information baseline for the savings you will need to set aside for long term care.