



**Long-Term Care Consultants**  
*A Bridge Over Troubled Waters*

## **Why is Long Term Care a Problem?**

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***Because we are all aging...***

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**Long-Term Care  
Consultants was founded  
in 2000. For additional  
information, please visit:**

**[www.LTCCINC.com](http://www.LTCCINC.com)**



# What is Long Term Care?

Long Term Care is Assistance with Activities of Daily Living (ADL's)

- Bathing (including personal hygiene assistance)
- Toileting (using commode)
- Continence (control of bowel/bladder)
- Dressing (including prosthetics)
- Transferring (mobility)
- Eating (including preparation of food)

# What is Long Term Care?

-Supervision for Cognitive Impairment, e.g.,  
Alzheimer's

Note: Long Term Care is Personal Care,  
NOT Medical Care

# Where may I receive long term care services?

- **Your Home**
- **Assisted Living Community**
- **Adult Day Care**
- **Nursing Home**

*What is your preference?*

# How much does long-term care cost?

- **Home Health Care - \$45,000 Plus, Annually**
- **Adult Day Care - \$20,000 Plus, Annually**
- **Assisted Living - \$50,000 Plus, Annually**
- **Nursing Home - \$100,000 Plus, Annually**

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# What DOES NOT pay for long term care?

- Medicare
- Medicare Supplement
- Health insurance

# What DOES PAY for long term care?

**1. Your Personal Assets/Income**

**2. Medicaid Will Pay After You Spend Your Personal Assets**

**3. Long Term Care Insurance Policy**



# How should YOU pay for long term care?

1. Your Personal Assets/Income?
2. Medicaid?
3. Long term care insurance policy?
3. What makes sense for your specific circumstances?

# Why do you need a plan?

- Avoid being a burden to family and friends.
- Protect retirement income and assets.
- Assure quality care.
- Age in place SAFELY in preferred location.
- Leverage money to protect lifestyle.
- Maintain independence.

# Long-Term Care Insurance Policy Design

## Four Basic Components of a Policy

1. **Benefit Period or “Bucket of Money”**
2. **Maximum Daily/Monthly Benefit**
3. **Inflation Options**
4. **Elimination/Waiting Period(Deductible)**

# Long-Term Care Insurance Policy Options

- **Traditional Long-Term Care Insurance Plans**
- **Hybrid Long-Term Care Insurance Plans**
  - Life Insurance including Long Term Care
  - Annuity including Long Term Care

# Long Term Care Insurance Funding Options for Traditional Long-Term Care Insurance Policies

- Personal Income Account
- Health Savings Account (Age-Based)

# Long Term Care Insurance Funding Options for Hybrid Long Term Care Insurance Policies

- Existing permanent life insurance with cash value (IRS 1035 Exchange)
- Existing annuities both qualified and nonqualified (IRS 1035 Exchange)
- Existing IRA's, CD's, 401(k), 403(b), pensions, retirement dollars
- Lifetime continuous pay, 10-pay, 20-pay, or single one-time payment from cash or income stream
- Cost of policy depends on age, gender, health, financial circumstances

## Key Benefits of Long-Term Care Insurance (LTC)

- LTC pays for personal extended care.
- LTC provides care options.
- LTC is a financial planning tool.
- LTC leverages your money.
- LTC helps your family/friends manage your care.

**Long Term Care Insurance Offers Tax-Free Benefit**

## Frequently Asked Questions:

- What options are available and/or advisable for married/domestic partners, same gender/opposite gender ages over 65 years of age?
- How is long term care regulated and organized in Virginia to include Medicare and Medicaid involvement?
- Do assisted living and nursing homes accept Medicare and Medicaid patients?
- How is home care industry regulated? Cost of home care? Reputation of home care?



## Frequently Asked Questions (continued)

- How has the industry changed in the last 20 years since I purchased my policy?
- What is cost of long-term care insurance and if it covers home, both medical and household assistance?
- How can I find out an insurance company's track record on customer service?
- How can I assess my long-term care policy which I purchased 25 years ago to determine if there are gaps in coverage?

## Frequently Asked Questions (continued)

- **What options are available today for planning for long term care?**
- **When a policyholder is ready to file a claim for benefits, who determines if policyholder qualifies for benefits? Is it difficult to access benefits when an individual remains at home and family is providing some assistance?**
- **How do I manage coverage pitfalls if the company I purchased long term care insurance from goes out of business? Is Medicaid a viable resource in Virginia?**

## Frequently Asked Questions (continued)

- Are there entities that will review one's current policy for red flags, company viability, etc.? If so, cost for policy assessment?
- How and when do rates on long term care insurance policies increase? Are there consumer protections in place?
- How does Medicaid address long term care benefits in Virginia?
- Does cost of long-term care insurance increase annually with age or physical changes?

# Questions to Ask Yourself

*If you had to begin paying a minimum of \$4,000 per month for care for an undetermined period, what is the most tax efficient way for your specific circumstances to pay for care?*

*Could you maintain your lifestyle and pay for care?*

*Which assets would you have to liquidate?*

## Long Term Care Insurance Smart Buying Tips

- Shared or Joint Insurance Policies for Couples
- Work with a Long-Term Care Specialist
- Hybrid or Linked Products are worth investigating
- ***Set Yourself a Deadline*** – Time is your enemy when it comes to exploring best long-term care insurance options for your specific circumstances.

# Why work with a Long-Term Care Specialist?

- A long-term care specialist represents all long-term care insurance products available on the market.
- A long-term care specialist will shop around, based on your specific circumstances, the best value for your premium dollars.
- A long-term care specialist is compensated by the insurance company once the policy is delivered to the client.
- A long-term care specialist is not a financial advisor, however, provides education and awareness to best protect your financial portfolio from long-term care costs.
- A long-term care specialist will work, hand-in-hand, with your financial advisor.

## Questions?

If we can help in any way, feel free to send an email or call the number below.

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*Providing long-term care planning since 2000...*

*there's just no substitute for experience.*

