

Long Term Care Associates, Inc. Celebrates Its 12th Anniversary

“There are only four kinds of people in the world:

- Those who have been caregivers
- Those who are currently caregivers
- Those who will be caregivers
- Those who will need Caregivers

-Rosalynn Carter
former First Lady

Inside this newsletter:

- | | |
|---------------------------------|---|
| Facts you need to know | 2 |
| Group Plans | 3 |
| Making your benefits have value | 3 |
| Review Your Coverage | 4 |
| NYS Partnership Plan | 4 |

Long Term Care Associates, Inc. (LTCA) is celebrating its 12th anniversary, and our commitment to our clients to offer professional, comprehensive and objective information about long-term care planning and long-term care insurance.

We are an independent broker that represents the major carriers and we sell both NYS Partnership and traditional long-term care insurance policies. Our product line has also been expanded to include life insurance with long-term care riders, Medigap policies and annuities as a way to fund long-term care insurance premiums.

In addition, we now provide care consultations to help you sort through the difficult decisions and uncertainties of caregiving. Our services include assessment of needs, identification of caregiving options and assistance with planning and problem solving.

Having worked as the Director of Programs and Services for the Alzheimer's Association, CNY Chapter, I gained unique insight into the needs of families

caring for a loved one with Alzheimer's and other related dementias and understanding the importance of planning for the future.

This past year, the agency renovated a building in Cortland. We now share office space with my husband, a criminal litigator, and two other attorneys. Ann Ende joined our staff as the office manager, and Naomi Ayres is our technology specialist. Both women are here to assist you when you call.

On a personal note, my son, Jesse, just started his 3rd year at SUNY Albany. My 81 year old dad moved up from Florida to live with us and my dog, Harry, just turned 17. Caregiving really is the circle of life.

It is our belief that long-term care planning should be an essential part of your "lifetime plan" for retirement. We are here to guide you and your family through the planning for, and living through, a long-term illness.

Call us today to plan for tomorrow. That's all we do!

- Susan

LTCI- The facts you need to know

Q: What is Long-Term Care?

A: Long-term care includes a broad range of supportive medical, personal and social services needed by individuals who are unable to perform their activities of daily living (ADL's) for an extended period of time. ADL's include bathing, dressing, eating, toileting, transferring and continence. Services to help with ADL's are provided in your home, an adult day care center, an assisted living facility or in a nursing home.

Q: What are the chances of needing long-term care?

A: The greatest threat to financial security is long-term care. It is estimated that approximately 49% of people turning 65 will need LTC at some point in their lives and nearly 40% of the current LTC population is under the age of 65.

Q: Will my medical insurance pay for long-term care expenses?

A: Health insurance will pay for long-term care expenses to a limited extent. If your plan does provide coverage, it is generally for skilled care – a skilled nursing facility or skilled nursing care at home. Custodial care or assistance with your ADL's is not covered.

Q: Will the government pay for long-term care?

A: Medicare provides limited nursing home and home care coverage and does not pay for assisted living. Medicaid requires that you spend-down

your assets to mandated state levels and contribute your income according to state guidelines in order to qualify for care.

Q: What are the main features of a long-term care policy?

A: When you buy long-term care insurance, you are buying a "pool of money" to pay for your care. The four main features that determine the "pool of money" are:

- **Daily/Monthly Benefit:** The amount the policy will reimburse you for your care on a daily or monthly basis.
- **Length of Coverage:** The amount of time the policy will pay for your care. It can range from one year up to a lifetime of coverage.
- **Elimination Period:** This is considered a deductible or waiting period. It is the amount of time you pay out-of-pocket before the policy starts to pay benefits. The longer this period of time, the lower the premium.
- **Inflation:** In order for your policy to have value when you need to use it, there are many inflation options that can be added to keep up with the rising costs of care. The inflation protection you choose will increase your daily/monthly benefit as well as your "pool of money".

Q: What is the average cost of care?

A: According to the 2007 Cost of Care Survey conducted by Genworth, the average cost of nursing home care in Rochester, Buffalo and Syracuse area for a semi-private room is \$279.28/day; for assisted living, private one bedroom, \$97.56/day; and home health care, \$24.09/hour.

Q: Why do people purchase long-term care insurance?

A: The most important reasons why people purchase long-term care insurance are:

- Protect Assets
- Avoid Dependency on Family
- Protect Standard of Living
- Choice of Care and Care Settings
- Peace of Mind

The Caring Circle Institute

Long Term Care Associates, Inc. and Comfort Keepers have partnered to create The Caring Circle Institute. The institute will schedule classes from January to June 2008 in Cortland and Tompkins counties to provide caregivers and their families a place to exchange information, share ideas and access services in the community. For more information and class schedule, call us at 800-422-2655

Group Plans

Are you a business owner or a member of an association?

There are several employer-sponsored groups that are available for businesses, banks, school districts, municipalities, hospitals, etc. that can be guaranteed, modified or simplified issue, with or without employer contribution. A business with a minimum of 5 employees can establish a plan.

Because there are no discrimination rules for long-term care insurance an employer can offer the coverage to key-employees as part of an incentive package and be eligible for tax advantages.

Associations, such as chambers of commerce or alumni associations, can offer long-term care insurance as a member benefit with a 5% to 10% discount. All members and their immediate family members (spouses, parents, parents-in-law, grandparents, grandparents-in-law and children) are eligible to participate in the program and receive the discount. If you would like information about a group plan for your business or association, please call us at 800-422-2655.

November 4-11 is long-term care awareness week. Look for special events.

Making Sure Your Benefits Have Value-Inflation Protection

Long-term care insurance has evolved from nursing home policies to policies geared towards keeping you at home. The policies offer more care settings- adult day care, assisted living and hospice- and many policies allow the use of independent home care providers as well as family members. One area that has shown significant improvement is inflation options.

Thirty years ago, when the policies first appeared, there was no inflation protection. As awareness of long-term care insurance increased and the age of those buying the coverage decreased, inflation options, such as 5% simple and 5% compound, were added as riders. It's highly probable that baby boomers buying coverage today may not use their policies for 20 to 30 years and the benefits would need to have value at that future time.

The 5% simple and 5% compound riders can increase the premiums substantially. So in order to make the policies more affordable, carriers introduced other creative inflation options. The Guaranteed Purchase Option offers the policyholder a periodic option to increase the daily/monthly benefit and policy limit by a certain

percentage without evidence of insurability. Some companies are now offering 3% and 4% compound inflation protection or linking the inflation protection to the consumer price index. Factors affecting the type of inflation you select are generally your age and yearly income.

FACTS ABOUT ALZHEIMER'S

- There are 43,829 cases of Alzheimer's in CNY effecting 131,485 families
- \$100 billion dollars is spent annually for care
- 7 out of 10 Alzheimer's patients live at home where friends and family provide 75% of the care
- Affects 1 out of 3 families
- A new case is diagnosed every 7 seconds
- Individuals with Alzheimer's live an average of 8-10 years
- It is the "Disease of the Century"
- Health insurance and Medicare provide limited coverage
- Long-Term Care Insurance pays for skilled and custodial care at home, in an adult day care, assisted living facility and nursing home.
- Long-Term Care Insurance provides respite for caregivers

The NYS Partnership Plan

The NYS Partnership offers four plans: two are **total asset protection policies (Total Asset 50 & Total Asset 100)** and two are **partial asset protection policies (Dollar For Dollar 50 and Dollar For Dollar 100)**.

If you exhaust your total asset protection benefits and still need care, you can apply for NYS Medicaid without spending down any of your assets. If you exhaust your partial asset protection benefits and still need care, you can apply to NYS Medicaid but the amount of assets protected will equal the amount of benefits paid out. With all four plans, once you are receiving NYS Medicaid, you will have to contribute your income according to NYS Medicaid guidelines.

The benefits are portable throughout the country and include all levels of home care, adult day care, assisted living, nursing home care and case management.

The Dollar for Dollar plans are geared towards individuals with more modest assets and income, and the premiums are lower.

The advantages of the Partnership Plan are: lifetime coverage in a nursing home; lower premiums than traditional plans; unlimited asset protection with TA 50 and TA 100; and control of financial affairs and care settings.

Have You Seen Our Website?

It's under construction but check it out!!!
www.LongTermCareAssociates.net

Review Your Coverage

After you have bought a long-term care insurance policy, you generally file it away and hope you never use it. Often times you forget what you have purchased and what benefits your policy provides. It's important for you to know how your benefits are holding up to the current cost of long-term care, and it's equally important for your family to know how you have protected yourself and what will be available to them to help you should you become ill. If your policy is 5 years or older, please call us for a review.

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**The Right Long-Term
Care Plan Protects
More Than Your
Retirement
Savings.....It Protects
Your Family.**