

# Health & Finances

## Most Americans Don't Plan For Long-Term Care

(NAPSA)—The need for long-term care and how to pay for it are often overlooked when planning for retirement.

While not for everyone, most middle-income consumers can benefit from owning a long-term care insurance policy, as it offers protection from having to spend down all assets to pay for these expenses.

With nursing home costs averaging more than \$70,000 a year, according to the National Institute on Aging, many can't afford not to include long-term care insurance in the planning process. All too often, though, that's what happens.

"Though most people over 65 will need long-term care at some point in their life, they lack a realistic plan to pay for it," explains Scott Perry, president of Bankers Life and Casualty Company, a national life and health insurer focused on the needs of the retirement market.

The mistaken belief that Medicare will cover all the expenses is among the many reasons why people avoid thinking about long-term care insurance. Research shows that the cost is often misunderstood, too. According to the American Association for Long-Term Care Insurance (AALTCI), consumers perceive the cost to be more than double what it actually is. Others are unaware that there are options that could allow them to choose a plan with lower premium rates.

"Cost can be a major barrier to buying long-term care insurance," explains Perry. "However, by modifying benefit levels and elimination periods, you can find a long-term care policy that works within your budget."



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According to the AALTCI, adding a deductible can reduce the yearly cost by 20 percent. Discounts for good health can lessen the cost by 10 to 20 percent, while discounts for married couples and partners can reduce the cost by as much as 40 percent.

Perry also encourages consumers to consider a policy that includes home health care. "We've found that older adults almost always prefer to remain in their homes when faced with an illness or health condition."

Long-term care rates can vary widely from insurer to insurer, so it's wise to look at the plans offered by at least two well-established insurers. And early planning can be worthwhile because, in addition to the benefit levels you choose, your long-term care insurance premium will be based on your age and your health.

Nursing home help, frequently used long-term care terms and helpful senior resources can be found at [www.Bankers.com](http://www.Bankers.com).