

Information from Credit Human and CFS\* to help keep your financial life in balance

## In This Issue:

### Long-Term Care Awareness Month

- The Impact of Long-Term Care
- Financial Impact
- Solving for Long-Term Care
- Purchase Sooner Than Later
- Your Next Step

### Did you know that November is Long-Term Care Awareness Month?

The U.S. Congress has urged "the people of the United States to recognize (this) as an opportunity to learn more about the potential risks and costs ... and the options available." Credit Human is proud to support this important educational campaign.

### The Impact of Long-Term Care

The monthly cost of a private nursing home room is \$7,698, up 1.24 percent from 2015. The cost of a semi-private room is up 2.27 percent to \$6,844 per month. Assisted living communities saw a slight increase in costs of .8 percent to \$3,628 per month, according to the Genworth 2016 Cost of Care Survey. As the cost of care continues to climb, many seniors simply do not have the resources to pay for their much needed care so providing care for elderly parents is becoming increasingly common.

### Financial Impact

The reality is, the longer you live, the greater the likelihood you may require long-term care. A few years of long-term-care may threaten a lifetime of saving.

The cost of care is expensive:

- \$75,000 (1 year of care today)
- \$250,000 (1 year of care in 30 years)
- \$750,000 (3 years of care in 30 years)\*

\*AALTCI: Growth estimates based on CPI inflation factor of 4.1%. (*American Association for Long Term Care Insurance, 2010 Sourcebook.*)

### Solving Long-Term Care Insurance (LTC)

Buying an individual long-term care insurance policy is not an all-or-nothing decision. Most policies offer flexibility to meet your needs and budget. Some LTC insurance carriers allow couples to link their policies in order to share benefits in the event one person's benefits are exhausted.

Newer policies in the marketplace today also offer the option to purchase LTC insurance with a lump sum that combines long-term care benefits with life insurance. This innovative approach is designed so if you don't use your long-term care insurance, your heirs will benefit from the life insurance. Many of these products also include a return of premium feature, that allows

you to get all or part of your premium back in case of an emergency.

### Purchase Sooner Than Later

The annual premium for a person who purchases a policy at age 50 can be significantly less expensive than the same policy purchased at age 60.

When purchasing long-term care coverage, whether it's a stand-alone policy or one combined with life insurance, you'll typically have to go through an underwriting process. The longer you wait to apply for coverage the greater the likelihood that health issues may arise, and might even disqualify you from obtaining coverage.

"Perhaps the greatest benefit about Long Term Care Insurance is that it can allow loved ones to care about you instead of having to care for you."

(*American Association for Long-Term Care Insurance, 2010 Sourcebook*)

### Your Next Step

One of the smartest next steps you can take is to simply talk with your loved ones about how long-term care may impact your family. If you have elderly parents or other relatives who have needed care, you may already see the need to plan ahead for your own needs. **To find out what may be best for your situation, speak with a financial professional.**

## Have you read?

*A 3-Step Guide to Smarter Long-Term Care Planning, American Association for Long-Term Care*

**Please visit this source for more information:**

<http://www.aaltci.org/>



At Credit Human, our CFS\* investment representatives are committed to providing products and services that help you and your family build financial wellness.

Interested in Learning More? Call 800-234-7228 ext. 1442 or ext. 1071.