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USDA and Long Term Care Protection Making Long-term Care Insurance Affordable New Plans; New Choices

If you've looked at long-term care insurance in the past but didn't buy, it is time to take another look. There are new plans, benefits and ways to structure coverage that might be just right for your budget.

People are now buying it at a younger age—the average age of a buyer is now 58 compared to 70 years old just ten years ago. At a younger age the premiums are lower and there is a greater chance that you will be healthier and eligible for the insurance coverage.

Long-term care insurance covers the cost of your care when you can't care for yourself. While we tend to think of that happening in our later years, it can happen at any time as a result of an accident or medical condition. The costs of long-term care—which is custodial care—is not generally covered by health insurance. So unless you have long-term care insurance or are impoverished and eligible for Medicaid, you will be paying for long-term care costs out of your own savings. To put these costs in perspective, the average cost of a year in a nursing home is \$75,190, according to the MetLife Market Survey of Nursing Home and Home Care Costs.

More Ways to Buy. Here are some things you should know about today's long-term care insurance plans and some tips for finding ways to fit this cost into your budget if you think it's right for you.

It is not just for nursing home care. Mistakenly, people often think that long-term care insurance is just for nursing home care. Not today. Almost all policies cover care provided in assisted living facilities, nursing homes and at home. And home is where people say they would most like to receive care. If you need round the clock care at home, you will find it more costly than a stay in a nursing home.

Sharing a policy. Couples can now take advantage of "share care" plans. How does this plan work? Rather than buying two separate policies, the couple purchases a single plan with a pool of benefits that they share. For example, rather than purchase two separate policies with a three year benefit period for each plan, a couple can purchase a single plan with six years of benefits that they share. So, for example, one may use just two years of benefits, leaving four years of benefit for the other. While these plans are slightly more expensive (usually about 10%), they provide greater flexibility by letting people share the pool of benefits.

Insuring part of the risk. You don't have to cover the full cost of care. Instead, you might decide that you will let insurance pick up part of the cost of care and you will use your own financial resources to pay for the remaining cost of care. For example, you could purchase coverage that would pay \$100 per day. If your care cost is \$150 per day, you would pay the remaining \$50. Some people find this an affordable way to mitigate the risk of long-term care cost eroding their total life savings.

Business owner benefits. If you are self-employed or own your own business, long-term care insurance premiums may be able to be paid for by the business. Some small business owners find a ten-pay policy preferable, where the policy is paid in full over ten years.

Discounts. Always ask about discounts. Many companies provide significant discounts for a couple applying together. And some groups and professional associations have discounted rates available if you are a member. Your employer may also have a group plan available. But always shop and compare group plans against individual policies to make sure you are getting the best plan for the best price. Long-term care insurance rates are based on age and health, so the younger you are and the healthier you are, the lower your premiums.

“Consumers mistakenly believe long-term care insurance protection is costly and nothing is farther from the truth,” explains Jesse Slome, the Executive Director of the Association for Long-term Care Insurance. “There are discounts available today to those in good health, for non-smokers, married couples or even domestic partners,” Slome notes. “You can cut costs by paying annually versus monthly, roughly nine percent, and by another eight percent simply by being accepted for coverage before your next birthday.”

USDA members can get free long-term care quotes and information. Long-term Care Quote shops more than 10 highly-rated companies for you to find the best policy and most affordable rate for you. It is easy and convenient and a great way to learn more about long-term care insurance. Call 1-800-587-3279 or inquire online at www.ltcq.net. Use USDA code 518.

Send for your quote today. **When applying use USDA code 518.** Go to the USDA web site www.usda.org or call 1-800-587-3279 and create peace of mind right now!

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