

# ELDER LAW REVIEW

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## Long Term Care Insurance and You!

Most people believe that Medicare will pay for their long term care; however, Medicare will only cover your nursing home care in limited circumstances. If all criteria is met, Medicare may pay the first 20 days of skilled nursing care and an additional 80 days of care at a co-pay rate. If you have an additional supplemental policy, that health insurance policy may cover the remaining copay. If Medicare will not cover the daily on-going care that you may need or you do not have a supplemental policy, you will have to privately pay. In Minnesota, nursing homes cost an average of \$6000-\$8000 per month and at that rate it doesn't take long to exhaust all your savings and retirement!

One way to be prepared! One option to preserve some of your assets is to purchase Long Term Care Insurance. Please realize that it is not for everyone; however, many of us will need long term care and having insurance will help give you peace of mind and defray the financial burden you face when you need services.

Before you buy a Long Term Care Insurance policy you should always shop around and ask questions! Ask for a list of what is covered with each policy, whether or not you can switch policies, and under what circumstances can the issuer terminate the policy. Ask how long they have offered Long Term Care insurance. Look for a company that holds a high rating and has extensive experience with this type of insurance. Find out how frequently they raise their rates, and how efficiently and promptly they pay claims.

Depending on your age and physical health, the policies can be expensive; therefore, if you cannot afford the yearly premium, then you should not buy. Buying coverage at a younger age may keep the premiums lower. With the rising costs of long term care, you should look into

inflation protection sufficient to cover anticipated costs.

Do not over buy! The average stay in a nursing facility is three years. You may want to purchase a three year or even five year plan. Be careful that you read the policy in its entirety. If you understand what your benefits are and what will be covered, then you can make an informed decision as to what type of policy to invest in.

There are many options of policies available. Some offer a return of premiums if the policy is never used. Some have a death benefit rider available so your family could receive funds upon your death. There are policies where more than one person is covered. There are even policies where you can use existing qualified retirement funds to pay for the benefit!

Get informed! With the technology today, you can go online and compare rates, get quotes, and research companies. Go see your Financial Advisor or Insurance Agent and get a quote. Contact your State Health Insurance Assistance Program; they usually offer free counseling and advice to help you make a decision if Long Term Care insurance is right for you.

Pluto Legal, PLLC offers a no cost consultation. We can help with all options available for your unique situation. Please call 1-866-457-3131 and schedule your no cost consultation today!

We have many free, educational workshops coming up, so please give us a call, toll free at 1-866-457-3131 or visit our website [www.PlutoLegal.com](http://www.PlutoLegal.com) to see when our attorneys will be presenting a workshop in your area.

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