

# Nationwide Retirement Institute

## Long-term care benefits and what they cover

People living longer these days – life expectancy has increased 30 years in the last century. <sup>1</sup> While this is great, it also means we’re more likely to need long-term care in retirement than previous generations.

A 65-year-old person has a 70% chance of needing some form of long-term care in their lifetime. <sup>2</sup>

<sup>1</sup> U.S. Census 2010.

<sup>2</sup> “The 2015-2016 Sourcebook for Long-Term Care Insurance Information,” American Association for Long-Term Care Insurance.

## Know the costs of long-term care

On average, a long-term care claim lasts 3.9 years. Here are the current annual median costs of long-term care:

Home health aid services	Adult day care	Assisted living	Semiprivate nursing home room	Private nursing home room
\$47,450	\$24,820	\$43,536	\$82,125	\$92,325

Source: “Long-Term Care Insurance Statistics,” LTC Tree (Aug 16, 2016)

## Staying at home may be an option

Many people mistakenly think that long-term care automatically means nursing home care. In reality, more than half of all long-term care services are provided in the home.

- 52% home health care
- 20% assisted living
- 28% nursing home

Source: “The 2015-2016 Sourcebook for Long-Term Care Insurance Information,” American Association for Long-Term Care Insurance

6 out of 10 of those who start receiving care in their home stay in their home.

Source: American Association for Long-Term Care Insurance (April 19, 2018)

Of those who receive care in a nursing home, 38% fully recover or continue care at home.

Source: National Care Planning Council (August 2016)

## Flexibility varies by the policy you choose

<b>Indemnity-style</b>	<b>Reimbursement</b>
Offers more flexibility in how the monthly benefits are used	May limit what the monthly benefits can be used for
Receive benefit check monthly	Submit bills monthly
Use your monthly benefit check on your care as you see fit	Wait to see what services are covered under your policy; insurance company sends a check for only what’s covered
You’re in full control of how the monthly benefit amount is spent, including paying family, friends and caregivers for LTC at home	You might need to pay for services not covered; you won’t have benefits to pay for “uncovered” costs – you’ll pay for those out of pocket

Ask your advisor to help you complete a Health Care/Long-Term Care Cost Assessment so you can discuss options to help cover these costs.

- Not a deposit
- Not FDIC or NCUSIF insured
- Not guaranteed by the institution
- Not insured by any federal government agency
- May lose value

Please keep in mind that the estimates resulting from this fact finder are for hypothetical purposes only and are not a guarantee.

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