

Did You Know?

*70% of Americans age 65 and over will need long term care at some stage.

*The AICPA (American Institute of CPAs) estimates that the average nationwide cost for long- term care exceeds \$50,000 annually. In the New York Metropolitan area, the average is \$105,500 (2003 study).

*The largest source of long-term health care throughout the country is care given by immediate family and friends. Medicaid is the second largest provider.

*The population of seniors is doubling at a time when the potential caregiver population is staying the same or slightly decreasing.

Medicaid is not the answer!!!

*Medicaid was designed as a “welfare” program of last resort for low-income people unable to meet their medical care expenses. It was not designed (nor is it properly funded) as a social insurance program for all citizens. In fact, in order to qualify for Medicaid, the individual must “spend down” personal assets. People with significant assets need not worry and people with “no” assets have Medicaid. It is families with modest assets that face the biggest challenge.

Long Term Care Insurance: The Possible Answer

People who have accumulated several hundred thousand dollars of assets are the best candidates for long-term care insurance because they have the most to lose. Care costs of one spouse could easily exhaust family money and possibly impoverish the surviving spouse.

Long term care insurance is part of the estate plan! Long term care not only protects the healthy spouse but also preserves assets for heirs.