

# LONG TERM CARE – A TRICK OR TREAT?



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Picture this – leaving your home, your familiar surroundings, your friends, your clubs, your favorite restaurants and the doctors that you've finally located and call your own ... to move into a brand new home, a neighborhood you are not accustomed to, at an age when change is more difficult than ever

before.

The potential need for long term care (LTC) is one of the greatest threats to one's happy retirement, not only from a monetary standpoint, but from an emotional one as well. Statistics indicate that 70 percent of individuals age 65 and older will at some time in their lives need LTC.

Are you prepared?

It's not going to happen to me, you say. Maybe you and your spouse will not be part of these statistics. What about your elderly parents and in-laws? Think about your adult children and their spouses and in-laws, might they be affected?

When does someone need LTC? When one needs help with the things we take for granted on a daily basis – such as bathing, eating, toileting, dressing, continence and transferring. These are known as "activities of daily living." Once you need help with these, you become a candidate for LTC. Or, one may need LTC when they encounter cognitive inabilities, such as Alzheimer's.

When is the right time to prepare for this possibility? When you are healthy, of course! You cannot qualify to buy the insurance if you already need assistance. All too often, people want to purchase LTC insurance when it is too late.

When my husband and I visit our grandparents at their assisted living community, it always surprises me when I see the residents having drinks at the bar, socializing, and enjoying the evening's entertainment. When we ride the elevator, the day's activities are posted behind glass for all to see, and there are many of them. Last time I perused the monthly calendar, I counted more than 100 activities.

There are many types of long term care insurance policies. Explore them carefully. Some allow you to have a family member take care of you (and get paid). Some pay a stated amount per month even if you spend less on your LTC expenses. Some offer discounts when a couple apply together.

Then there are the couples who don't like the idea of paying premiums for something they may never use. Guess what, there are solutions for that, too. They are not as well known, but a professional in LTC planning, can assist you with finding the right solution.

After the market downturn that we have experienced between 2007 and 2009, the number of individuals that were able to self-insure has decreased dramatically. The individuals that can still afford to self-insure find that it is more economical to pass the risk to an insurance carrier. Is it less expensive to spend \$2,000 – \$4,000 a year in premiums for LTC, or is it less expensive to pay \$50,000 – \$75,000 a year out of pocket?

My suggestion – work with a professional with experience in the field who can guide you appropriately. Treat yourself to peace of mind. A LTC policy can be an assurance that you can remain in your home for as long as possible – or allow you to get the level of care that you need.

**Have a question for Sara?** E-mail [sara@signatureadvisorygroup.com](mailto:sara@signatureadvisorygroup.com) or