

Long-Term Care Insurance

What is it good for...

Long-term care provides the help you or a loved one needs to perform activities of daily living because of dementia or another form of cognitive impairment. In addition to custodial care, some people also need skilled nursing services. You can receive long-term care in a nursing home, assisted living facility, or in your own home.

The need for long-term care can arise at any time, regardless of your age. Older people generally use the most long-term care, but younger and middle-aged people sometimes need long-term care as well. Long-term care can be very expensive. \$15,000 per month for a nursing home is not uncommon in the New York metropolitan area. While home care may be less expensive than nursing home care, it is still very costly. Home care can include part-time skilled nursing care, speech therapy, physical or occupational therapy and home health aides.

Long-term care insurance can help protect you from the high costs associated with this type of care. Most long-term care policies pay a fixed dollar amount, which can range from \$100 a day to \$400 a day. In order to get the lowest rates, you should apply sooner rather than later. Your age and any medical conditions you have will affect your eligibility for coverage and how much it will cost. Under Federal law, you may also take certain income tax deductions for long-term care insurance premiums. In addition, some States may give a deduction or credit toward State income taxes for these costs.

Traditionally, the annual rate of increase in the cost of long-term care services has risen more quickly than it has for other consumer services. This means the benefit you buy today may not be enough to cover higher costs in the future. Therefore, you should consider choosing a long-term care insurance plan with an inflation adjustment feature so that you can be protected against the rise in long-term care costs over time until services are needed.

Finally, it is important to note that if you have long-term care insurance, you may **not** need to liquidate all of your assets to fund care costs. Moreover, you may **not** need to transfer all of your assets to your children or to a trust in an attempt to qualify for Medicaid. With long-term care insurance, you can keep control over your assets and protect them for your heirs.

For more information regarding long-term care insurance or to receive a no cost estimate from a top notch insurance agent, please contact Steven M. Adler at 516-876-1105 or by e-mail at steven@sawlaw.com.