



## Long-Term Care

There are many health-related issues that would require the need for long-term care — chronic illness, longevity, critical illness/accident, stroke, dementia, Alzheimer’s disease, and other cognitive deficiencies. No matter the type of support needed, long-term care may have a beneficial impact on your family and your investments. It is important to be educated on and manage long-term care expenses.

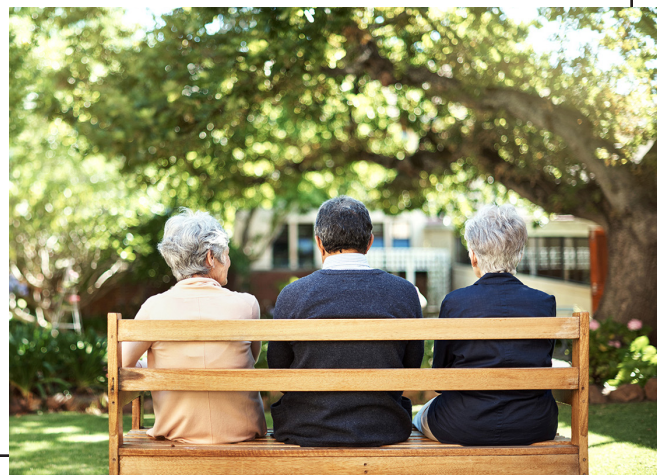
If you lose your ability to perform at least two activities of daily living for at least 90 days or need substantial supervision due to a severe cognitive impairment, long-term care protection can help cover care giver costs. Coverage can include assistance with housekeeping, meals, and personal care like bathing or getting dressed, and may also cover skilled medical care.

The cost of care varies by your area of residence and may be more than you expect. The national average annual cost for a private room in a skilled nursing facility is \$99,736. The national average annual cost of a private, one-bedroom unit in a state-certified assisted living facility is \$54,000.<sup>1</sup>

### ► Home and Community

Evaluate your choices and resources for an extended care event.

- ❑ **In-Home Care:** Home health care, home care, and homemaker services are all examples of “in-home care” that may be available. If you choose to receive care in your home, it may require changes such as the addition of an accessible shower or wheelchair ramp. Home design requirements should be considered prior to making an in-home care commitment.
- ❑ **Housing Options:**
  - In-Home Care
  - Staying with Family
  - Home Sharing
  - Active Adult Communities
  - Retirement Communities
  - Adult Day Care
  - Assisted Living
  - Nursing Homes
- ❑ **Community Resources:** Senior centers, friendly visitors, and meal delivery may offer additional assistance.
- ❑ **Family and Friends:** May be able to assist with regular check-ins, grocery/meal preparation, personal care, and transportation.





## ► Paying for Long-Term Care

- ❑ **Medicare:** Does not cover help with personal care, such as bathing, getting dressed, or ongoing care. It offers limited coverage in short-term situations for nursing facilities or home healthcare when medically necessary. Medicare is not a resource for long-term care needs but may help with rehabilitation in a facility after an illness.
- ❑ **Medicaid:** May help pay for healthcare and nursing home services for individuals with limited funds. You must deplete most of your funds to qualify for coverage. Not all nursing homes accept Medicaid.
- ❑ **Family:** Family members or friends may take on the responsibility of long-term care management and/or expenses, but this can create emotional, physical, and financial stress.
- ❑ **Traditional Long-Term Care:** Provides monetary benefits for long-term care expenses; but if you never need care, you typically lose the benefits and the premiums you paid. The premiums generally are not guaranteed and may increase in the future.
- ❑ **Hybrid Life/LTC Options:** A life insurance policy with a qualified long-term care insurance rider. The main advantage of these hybrid options is the ability to purchase a plan with premiums guaranteed to remain level. Because this product is a hybrid with life insurance, individuals receive insurance benefits for premiums paid if there is no need for long-term care.

## ► Find Your Team of Professionals for Care

- ❑ Financial Professional
- ❑ Estate Planning Attorney
- ❑ Caregiver Coordination
- ❑ Family and Friends
- ❑ Community Services



## ► If you have any questions, please reach out to your D.A. Davidson financial professional.



<sup>1</sup> 2015 Lincoln Financial Group Cost of Care Survey. Jan. 2016.

\* Insurance policyholders should always familiarize themselves with policy details, including understanding both the premiums required and benefits available.

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