

Long-Term Care Insurance: Why Is It Necessary & Where Should I Go?

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For more information about Long-Term Care Insurance through the American Society of Civil Engineers, please call 800.616.8759.

Many people are confused about whether or not to enroll in an insurance plan covering long-term care. How do we know if we'll need it? What if we feel like we have adequately planned for healthcare? As you'll see, it's difficult to prepare for the possibility of long-term care without the help of Long-Term Care Insurance, and there are many benefits to enrolling, especially for American Society of Civil Engineers members.

Who Needs Long-Term Care Insurance?

Some of us believe that because we maintain a healthy lifestyle, money invested in a Long-Term Care Insurance plan may simply go to waste. But it's impossible to know for sure if an illness or accident will necessitate extended care, and even with (or especially with) people living longer than ever, no one can ever know for certain if long-term assistance may be needed in the future.

Many rely on the hope that our spouses or children will take care of us if necessary, but are you certain your family will be available if you need round-the-clock treatment? If you're enrolled in a quality Long-Term Care Insurance plan, the emotional and financial toll on your family members will be significantly lessened.

Another reason some people don't see the critical need for Long-Term Care coverage is because those who have a substantial amount in savings think they'll be able to utilize it for when and if the need arises for long-term care. Not only is it hard to predict how financially stable you'll remain in the event you require long-term care, but also the U.S. government recently predicted the cost of care will double every 15 years. The annual cost for many nursing homes today exceeds \$100,000. Are you prepared to deplete your entire estate in a matter of years? And once your estate is depleted and you qualify for Medicaid, many nursing homes with Medicaid residents are under-funded and understaffed. But with Long-Term Care Insurance in place, you'll have a resource for finding quality care and developing a plan. A Long-Term Care Insurance policy will either pay up front or quickly reimburse you for extended care expenses, leaving your savings intact for other purposes.

The older you get, the harder and more expensive it will be to purchase a Long-Term Care Insurance policy, especially over the age of 65. It's also more difficult to qualify for Long-Term Care Insurance once your health deteriorates. The younger and healthier you are when you sign up for Long-Term Care Insurance, the less expensive the annual premium will be—but not necessarily the overall cost. The key is to select the right time to begin a Long-Term Care Insurance plan, which means not so young that you end up throwing away your money. Only you can decide when the time is right to secure coverage. Begin planning now for that proper time to ensure you'll receive the highest standard of long-term care if and when you need it.

What Does Long-Term Care Insurance Cover?

A Long-Term Care Insurance policy usually pays for skilled care, and personal or custodial care associated with a prolonged illness or disability. Skilled care is provided by medical personnel such as registered nurses or professional therapists, while personal care is given by someone who can help with daily activities like bathing, eating, dressing, using the restroom, and transferring. Either type of care may take place in a variety of locations, usually the insured's home, an adult day care center, nursing home, or assisted living facility.

Long-Term Care Insurance usually pays a fixed amount per day while a person is receiving care, ranging from [page 1](#)

\$50 to \$500 per day. The benefit period is the insured's choice, and can be a number of days, months, or years, with a maximum benefit period ranging from one year to the remainder of his or her life. The National Association of Insurance Commissioners (NAIC) recommends to those considering a Long-Term Care Insurance policy that you ask the person selling the policy if the benefit amounts will increase with inflation and if that coverage increases your premium.

Most Long-Term Care policies have what's called an elimination period, which is a number of days you must need nursing home or home health care before your policy pays benefits. These periods can last zero to 180 days—the shorter the elimination period, the higher the premium and vice versa. According to the NAIC, most policies also require that you be unable to perform a given number of daily living activities, such as dressing yourself, bathing, and eating without assistance.

Many policies differ in the long-term care they will cover. For example, some pay only for care in your home by licensed home health agencies, while others will pay for licensed health care providers (practical nurses and occupational, speech or physical therapists, or licensed home health care aides) who are not from a licensed agency. A number of policies cover home health care aides, who sometimes are not licensed and do not come from licensed agencies, but who help with daily personal care. And some policies even cover homemaker or chore worker services, where someone comes to your home to cook meals and run errands. Subject to state availability, there are now options available for getting refunds of unused premiums, so money put into a Long-Term Care Insurance plan may not be “thrown away.” For the most part, adding benefits to your policy will also add to the cost of its premium.

Of course, in any insurance policy, there are exclusions. The NAIC reports that these include mental and nervous disorders or diseases (except organic brain disorders), alcoholism and drug addiction, illnesses caused by an act of war, treatment already paid for by the government, and attempted suicide or self-inflicted injury.

Go It Alone or Through an Association?

Once you've recognized the significant need for long-term care planning, are you aware of the benefits involved with buying Long-Term Care Insurance through your association membership?

As a result of significant changes in the insurance industry in the last few decades, organizations like the ASCE are able to offer quality insurance benefits to their members with major advantages. According to Rick Leonard, President of Long Term Care Resources (LTCR), ASCE Member Insurance partner, one way to sort through the risks of long-term care and ensure you're protecting yourself with a company that's committed to meeting its obligations is to look for an association endorsement of a long-term care program.

LTCR is the national leader in marketing long-term care insurance through affinity groups, with over 100 association clients including alumni, professional, and fraternal organizations. Selected based on LTCR's expertise and reputation for developing, implementing, and managing quality affinity Long-Term Care Insurance Programs, ASCE Member Insurance offers value-added long-term care coverage for ASCE members.

As Leonard explains, associations are here to serve their members, and they will do the work for you in choosing the right Long-Term Care Insurance plan. The ASCE Member Insurance Program offers value—in discounts, service, and product distinctions.

So in answer to the question, “Can't I get long-term care insurance on my own?” the answer is, “Probably, but there is power in numbers.” In researching a beneficial long-term care insurance program for members, ASCE Member Insurance endorsed LTCR for their special discounted rates, multiple choices of plans, and excellent customer service. “We work to ensure our association partners get the best long-term care products from carriers who are committed at time of sale and time of claim,” says Leonard. The three main carriers offering a 5% discount to ASCE participants and quality service are John Hancock, Prudential, and MetLife—these companies are financially stable and highly rated by insurance industry ratings companies. There are other excellent carriers available depending on the plan you select.

The Long-Term Care program offered by ASCE Member Insurance leverages the buying power of the ASCE to provide special discounts that you cannot obtain on your own. These discounts can save you hundreds of dollars per year and thousands over the life of a policy.

Because of the crucial nature of Long-Term Care Insurance, you should get all the facts available on this product and its benefits. Knowledge is your best defense in the fight against the high cost of long-term care and in determining if Long-Term Care Insurance is right for you. To learn more, call 800.616.8759 to request your free, no-obligation LTC Planning Kit, "Risk Management & Long-Term Care—Understanding Your Options," along with complete details on the long-term care program available through ASCE.