

Long-Term Care

Do you need Long Term Care?

The youngest of the baby boomers are just a few short years from turning 65. However, the ongoing changes and the obvious struggles of the ones who retired before them have left the younger boomers hesitant to take the step.

Perhaps, one of the biggest concerns on their minds right now is long term care.

As you may know, the current state of health and long term care threaten the financial stability and even the family dynamics of many American families. One look at the costs of long term care will show you just how scary retiring has become. This leaves many of the younger ones thinking: "Should I get long term care insurance to cover the costs of care?"

- 1) To Protect Assets:** Did you know that long term care insurance plans also help keep your assets and savings remain intact? Here's how it works: According to the Government Accountability Office, the average retirement savings of Americans between the ages of 55 and 64 are roughly around \$104,000. While this may seem like a lot, keep in mind that the average monthly cost of staying in a nursing home (semi-private room) is already \$6,844. This means an entire year in a nursing home could equate to \$82,125!

However, with long term care insurance, you get to save a big portion of your savings and assets from going straight to long term care expenses.

- 2) To Relieve Burden on Family:** As older adults begin to realize that their finances are not enough to cover their care needs, they often turn to their family members for the support. This means physical, mental, social, and financial support—some of which many family caregivers are not prepared to give. As stated in the infographic above, many have had to make adjustments, such as cutting back on work hours and taking leaves of absence, in their employment just to accommodate the care demands.

Some have had to put their careers on hold to become full-time family caregivers. Often, they are not compensated for this service.

- 3) To Have More Liberty of Choosing the Care and the Provider:** Long term care insurance policies are uniquely crafted to fit the needs of each policyholder. This means that you get to control the type of care you receive in the future. You decide which features, riders, and other options are included in your plans.



Nancy Osmond Popovich
Managing Director
Portfolio Manager



Ryan C. Unthank, CFA
Senior Vice President
Portfolio Manager



Shannon L. Johnson
Client Assistant



Brittney Goad, CFP
Financial Planner

The Popovich Financial Group
Baird
703-668-1300 . 888-853-2753

popovichfinancialgroup.com

One of the main issues with receiving care from family caregivers is that their finances do not get replenished after they spend thousands of dollars on out-of-pocket costs related to caregiving. Through this feature, policyholders can use their benefits the way they choose to because they do not need to provide the receipts. This means that they can use the policy to pay the services of their family caregivers.

- 4) **To Enjoy Peace of Mind:** No one wants to spend the supposed golden years worrying about the looming threat of long term care costs. After all, we hear so many stories of older adults living our worst fears. Having comprehensive coverage for long term care helps ease if not completely remove these worries from our minds. It provides the peace of mind in knowing that industry experts are managing your finances and ensuring that it can keep up with the rising costs.
- 5) **To Maintain Independence:** Never underestimate the emotional toll that comes from being completely dependent on another person, especially when you realize that you could have done something to prevent it. By having an insurance policy for long term care, you get to enjoy the golden years the way we choose to.
- 6) **To Leave a Legacy:** As we have discussed earlier, these insurance plans help protect our assets and savings. However, it does not stop there. This means you can also leave so much more to your family members and loved ones. You get assurance in knowing that you were able to take care of them even after all the long term care challenges you faced.
- 7) **To Preserve Quality of Life:** Many of us saw retirement as the time to travel to exotic places and explore forgotten passions. No one really imagined that this time would be taken over by stress and anxiety from dealing with long term care expenses.

Policies can help us keep the dream alive. By having a separate fund solely dedicated to long term care, we get to use our other resources to fund some of the leisure activities we have previously planned.

