

Need to Know:

Women and Long-Term Care

Who will make the decisions about your family's future care? Odds are, it will be up to you. The most recent data shows that about two-thirds of long-term caregivers are women.¹



As women's longevity increases, many women face a difficult choice among the various care policies available for themselves and their loved ones.

While Medicare and Medicaid are designed to pay for hospitalization and physical health care, they generally do not cover the cost of long-term custodial care.

The average annual cost of private room nursing home care per person is expected to rise to \$129,669 from \$87,600 over the next decade.² This means that decisions you make about different types of care planning can have significant implications for your financial security. Among the options available, long-term care insurance provides certain important benefits.

The following are some factors to keep in mind when evaluating long-term care coverage for you and your loved ones.

THE BASICS

Long-term care insurance differs from traditional health insurance by generally covering services provided to anyone with a chronic disease, disability or sudden illness, including those who require assistance with what is known as "activities of daily living" — such as dressing, eating or moving from bed to chair. It also includes the supervision of a person with severe cognitive impairments, such as Alzheimer's disease or other mental illnesses that limit the ability to think or reason.

EXPENSES COVERED

One of the common misperceptions about long-term care insurance is that it is only for nursing home costs. However, most long-term care happens in the home or in assisted living facilities. Some policies provide coverage for temporary at-home services of a health care professional, home modification due to a medical condition or emergency medical response systems.

WHEN TO PURCHASE

Nearly 70 percent of people require some kind of long-term care after they turn 65.³ As you grow older, physical infirmities associated with aging may increase policy costs or prevent you from qualifying for coverage. Most new individual applicants for long-term care insurance are between the ages of 55 and 64.⁴ Starting early can help you to take advantage of the discounts available for good health.

THE COSTS

When choosing among long-term care insurance options it is important to note that the features of a policy can be customized to meet your needs and your budget. While your premium is based on several fixed factors (e.g., age and state of health when you apply), the overall premium costs you incur can vary based on the choices you make regarding optional riders, such as inflation protection.

Knowing the options available is the first step to ensuring you have the care you need. Speak with your Financial Advisor to learn more about how you can make empowered decisions for yourself and the people you love.

¹ Source: <http://longtermcare.gov>, 2014.

² Genworth 2014 Cost of Care Survey, conducted by CareScout.[®] Assumes 5-year annual cost increase rate of 4% for a private room nursing home, based on Genworth Cost of Care Survey data from 2009 to 2014.

³ The 2014 Sourcebook for Long-Term Care Insurance Information, American Association for Long-Term Care Insurance.

⁴ Ibid.

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