

00:00:05 Welcome to talking about long-term care insurance long-term care. Insurance is the insurance that provides coverage for nursing home care or home health care that you might need towards the end of your life. When you cannot care for yourself. Now, the younger and healthier that you are when you buy a long-term care policy, the cheaper that policy is going to be, and the better it will likely be most policies for long-term care.

00:00:32 Do not kick in to pay for your care until you've been permanently disabled for 90 days. And most policies sold today, limit your coverage to a certain number of years or a certain dollar amount. So if you're considering long-term care insurance, look at all of those factors before a policy begins paying for your care insurance policies do require that you demonstrate that you have lost the ability to engage in at least two activities of daily living.

00:01:00 Those activities are eating bathing, dressing, toileting, walking, and continence. So if you're unable to walk around the block for example, but you can still walk around your house. Your insurer may deem you able to walk now due to costs and limitations. There are these hybrid policies that are springing up. These long-term care policies may have shorter waiting periods before benefits begin.

00:01:27 They may set different rules for coverage, and they may even be sold to people who are older or have health problems that know make it so they can't buy long-term care policies any longer. And this is important for you to know, because you might be looking at long-term care policies, not just for yourself, but for your parents. And if you think about it with long-term care policies,

00:01:52 it's really protecting you from having to bear the cost of care for your parents, right? So when you're thinking about all of this, recognize that this isn't just for yourself, right? This could be something that you are looking to for your parents as well. If you're going to be the one to support them, if they cannot support themselves or pay for their own long-term care costs.

00:02:17 So one increasingly popular type of policy that you might want to be looking at again, especially for your parents is a mix of long-term care insurance with life insurance. In a case like this, you would pay a lump sum or a monthly payment. And if you don't use the policy, your errors, or you, if you're getting this for your parents would receive a life insurance payout upon death.

00:02:46 So when you're looking at long-term care policies, just the same as life insurance policies, you want to get help, ideally from a planner who you really understand their financial, right? So if you're working with a commissioned agent work with your lawyer, or I lift business advisor to review the policy terms and make sure that they will be a good fit for you or for your parents before you sign on the dotted line.

00:03:15 Now, if you're working with a fee only planner, then you have a little less

concerned about their financial incentives because they're paid by you no matter what you buy. Now, there are three questions that you must have the answers to when you are looking at long-term care policies. The first one is how long is the exclusion period before the policy begins paying benefits?

00:03:40 The second one is what capacities do you have to lose before benefits are paid? And then of course, how many years of care are covered? And within that one, I would add a, a sub question of what kind of care can you stay in your home and get care? Or do you have to go into a nursing home now buying long-term care insurance should absolutely be a family affair.

00:04:03 Because if you think about it, you're going to need your family members to advocate for you and file a claim for the policy. When you need to use it. You're not going to be able to do that for yourself because you're going to be needing long-term care. So you make sure that your family or your chosen family or whoever you're choosing to make decisions,

00:04:21 healthcare decisions, financial decisions for you, and make sure that you have done that in advance. We've talked about that in the personal planning arena, make sure that that person knows who your longterm care agent is, how to make a claim. And then you could even, pre-authorize the person that you've chosen to speak to your long-term care insurance company on your behalf.

00:04:43 Not just relying on a power of attorney though. Of course, yes. You want to have that as well? Well, drafted, updated, reviewed regular power of attorney on file too. But this is the next level. When you have long-term care insurance. Now, once you are in the second half of life, long-term care plans and policies should be reviewed at least annually.

00:05:05 You want to find out what new products are on the market, evaluate updates to whatever you might have invested in or what your needs are and whatever you do. Once you get a policy, do not stop paying because you we'll lose everything you've put in and then you'll get no benefits when you need them. So long-term care needs are important to consider. How are those needs going to be met for you?

00:05:31 What do you mean for the rest of your life? And if you consider that there could be a point of time when you cannot take care of yourself. Even if it's a short period of time due to an unexpected accident illness or an injury, you might be able to bounce back from it, but you might need rehab care during that time, even nursing home character in that time,

00:05:52 or you will, might want to stay in your home with home health care who's to pay for that. How is it going to get paid for long-term care policies can make it where your family, your chosen family have the kind of insurance that they need in place, where they know that you were saying, I love you to yourself, and I love you to them.

00:06:13 So make some good decisions, eyes wide open decisions when it comes to long-term Care insurance.