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Long Term Care: The Reality

Where Each Relationship Matters®

Housekeeping

- ✓ This is a live event hosted and recorded through Zoom.
- ✓ Have questions? Enter them in the Q&A tab on your screen – we will answer questions at the end of the webinar.
- ✓ Contact information for speakers will be included at the end of this webinar.
- ✓ We will share this recorded presentation with everyone following today's discussion.



Where Each Relationship Matters

Your financial life is multifaceted. We're here to help bring it all together with advice and strategies tailored to your goals, opportunities, and aspirations.

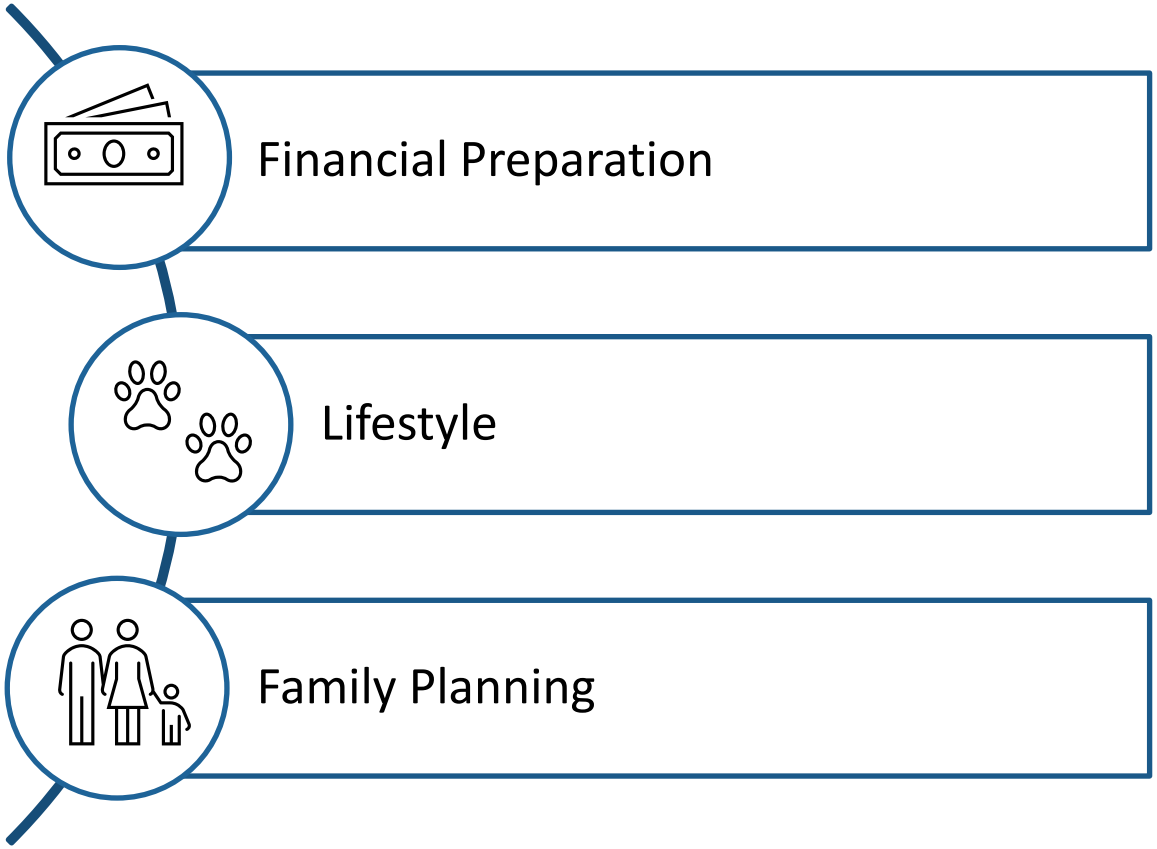


ADDITIONAL SERVICES INCLUDE:

- Survivorship services
- Divorce services
- Portfolio lines of credit
- Mortgages
- Life and long-term care insurance
- Personal Trust & Estate services
- Home Equity loan options
- Special Needs Services
- Banking services

Webinar Series Overview

Goal: Cover key considerations for protecting your financial well-being and maintaining independence as you age.



Meet Our Speakers



Jack Gates

Vice President, Advanced Planning Advisor



Moderator:

Susan Daileader, CFP®, CLTC

Vice President, Advanced Planning Advisor

What Does A Long Term Care Event Look Like

*"**There are only four kinds of people in the world.***

Those who have been caregivers, those who are caregivers, those who will be caregivers and those who will need caregivers." *Rosaline Carter, 1927-2023*

Who becomes the Caregiver?

- Spouse
- Children
- Relative or friend



The Sandwich Generation

Your long-term care event could become your children's retirement problem.



The Hidden Costs No One Talks About

When one spouse gets sick, often both lives change.



Care Recipient

- Loss of Independence
- Health Challenges

Caregiver

- Physical Exhaustion
- Depression
- Isolation and Resentment
- Financial Concerns

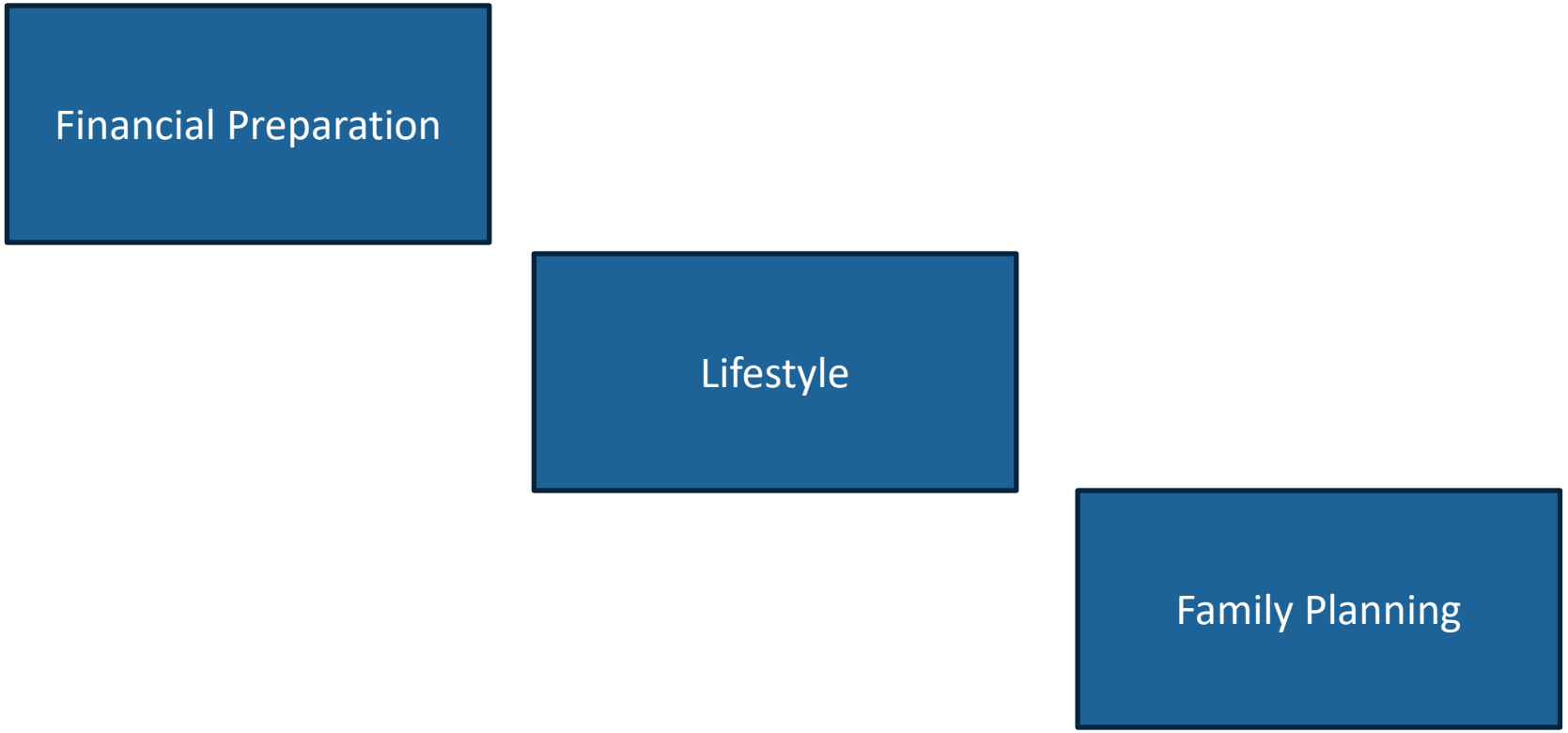
What is Long Term Care

Long-term care provides needed assistance with the activities of daily living.

1. Eating
2. Bathing
3. Dressing
4. Toileting
5. Transferring
6. Continence

To qualify for long term care, you need to be cognitively impaired or unable to perform 2 of the Activities of Daily Living (ADLs) noted here.

Three Areas of Planning



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Financial Preparation

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Annual Median Costs of Care

Care Type	Average Annual New England Cost*
In Home Care (non-medical caregiver approx. 44 hours/week	$92,000.00
Assisted Living	$105,000.00
Nursing Home (semiprivate room)	$168,000.00
Nursing home (private room)	$183,000.00

*Source: CareScout 2025 Cost of Care Survey (formerly Genworth Cost of Care Survey)

Common Misconceptions- Medicare Myth



Medicare does **NOT** cover Custodial Care or Nursing Home Care



Health Insurance only covers illness and injury or treatment



Long-term care is assistance with Activities of Daily Living which Medicare pays very little for and Medicaid is the payor of last resort

Financial Preparedness

REVIEW ASSETS

With a Financial Advisor

LIFE BOAT DRILL

Run a Financial Plan and Model a Long-Term Care Event

DON'T BE AFRAID OF WHAT YOU DON'T UNDERSTAND

Identify assets that can be leveraged with Long-Term Care Insurance

Common Asset Mistakes



Managing Your Largest Asset – *Don't stay too long at the Dance!*

- Downsize home and invest excess equity strategically
- Create first floor living options for long-term independence
- Determine if in-law apartment can support evolving needs
- Without a plan, housing decisions may limit future financial flexibility

Pulling from the Wrong Assets– *The Tax man cometh!*



- Understand the Impact of taxes on different withdrawal strategies
- Determine which assets should be used first
- Balance taxable, tax-deferred, and tax –free income sources
- Align assets for evolving lifestyles as you age

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Insurance Options

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How do you Pay for Care

Self-Funded

- Possible for the wealthy
- But not cost efficient for any wealth class

Medicaid

- Must have limited income & assets at claim time
- Countable assets less than $2000

Medicare

- Maximum 100 days if qualified
- Significant co-pay days 21-100

Health Insurance

- Covers illness & injury only
- Medi-gap may cover co-pay for Medicare, not care costs

How do People Pay for Care – 3 Ways to Pay

Self-Fund with Investments:

- **Pros:** Easy Access and liquid
- **Cons:** Market volatility and tax inefficient



Insurance transfers the risk

- **Pros:** Leverage and tax advantaged
- **Cons:** Requires planning and underwriting

Medicaid is a Safety Net

- **Pros:** Benefits for lower income recipients
- **Cons:** Limited choice with potentially unfavorable outcomes

Todays Long Term Care Options

Traditional LTC – Sales Diminishing

- Mispriced
- Non-guaranteed
- Carriers leaving marketplace

Linked Benefit/Hybrid Products – Becoming More Popular

- Fixed cost product
- Less moving parts for clients and carriers
- Death benefit and/or return of premium often included

Life Insurance with LTC Rider

- Family/legacy protection with a LTC Need
- Premiums, death Benefit & LTC can be guaranteed
- Substantial death benefit protection

Annuities

- 1035 opportunities
- Liquidity
- 3X contract value as LTC pool

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Lifestyle

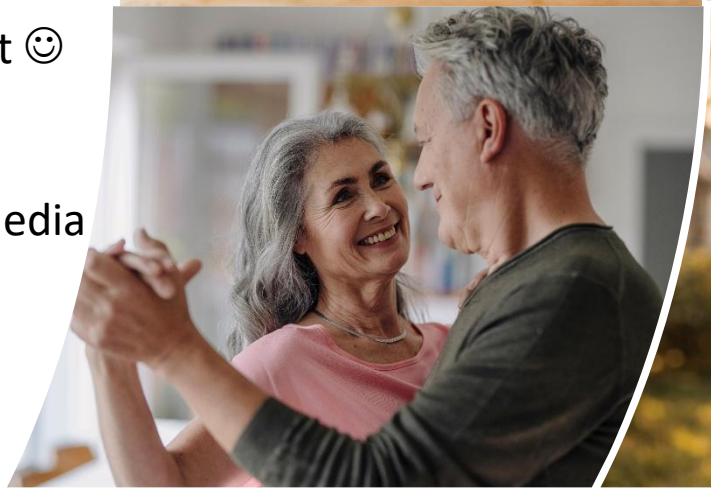
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Building a Well-Balanced Lifestyle

- Create healthy habits sooner (exercise, healthy Diet, walk, etc.)
- Stay Socially Connected (golf, mahjong, dance, etc.)
- Get a Pet! – Even a Cat ☺
- Monitor Financial Statements and Social Media









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Family Planning

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Don’t avoid the Elephant in the Room!



- This is an uncomfortable topic
- Include the next generation in the conversation
- Long Term Care is a confusing space to navigate
- Concerns about becoming a burden to family and friends

Putting a plan in place will alleviate the burden.

If Something Happened Tomorrow…

Would your family know:

- Who should help?
- Where the money is?
- What insurance exists?
- Your care preferences?
- Whether you want to stay at home?

A well communicated plan will help your caregivers navigate this process more easily.

The Power of Long-Term Care Planning

Planning helps family remain as advocates, not **full-time caregivers…**





…it's about **living!**

Planning is as much for the Caregiver and Surviving Spouse...

Closing Remarks

- Financial Life Boat Drill
- Face the Future Together
- Don't Dismiss Insurance
- You Don’t Need to Have all the Answers

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