

Long Term Care Event Statistics

Preserving Your Retirement

Transfer Your Long Term Care Risk
with Discounted Dollars

2018



Types of Disabilities Based on Age

Disability Types for 45 to 64 Year Olds – Men and Women

Cognitive Disability	Mobility Disability	Vision Disability	Self-Care Disability	Independent Living Disability
11.1%	16.9%	5.2%	5.4%	7.7%

Events or Sicknesses that Cause the Need for LTC Protection

- Illnesses like cancer, heart attack or diabetes cause the majority of long-term care need events. Back pain, injuries, and arthritis are also significant causes.
- Most are not work-related, and therefore not covered by workers' compensation.
- Lifestyle choices and personal behavior that lead to obesity are becoming major contributing factors.
- Musculoskeletal disorders are the #1 cause of disabilities. Examples include; arthritis, back pain, spine/joint disorders, fibromatous, etc.

Source: CDC Behavioral Risk Factor Surveillance System (<http://www.cdc.gov/BRFSS>)



Pennsylvania Disability Status and Types - 2014

Center for Disease Control (CDC) 2014

Type of Disability	PA	Total United States
Any Disability - Cognitive, mobility, vision, self-care, independent living	21.1%	22.5%
Cognitive – Serious difficulty concentrating, remembering or making decisions	10.7%	10.8%
Mobility – serious difficulty walking, or climbing stairs	11.6%	13.1%
Vision – serious difficulty seeing, even when wearing glasses	3.5%	4.7%
Self-care – difficulty dressing or bathing	3.0%	3.6%
Independent Living – difficulty running errands alone such as visiting a doctors office	5.9%	6.6%

Source: CDC Behavioral Risk Factor Surveillance System
(<http://www.cdc.gov/BRFSS>)



Cost of Care in Pennsylvania and Nationally

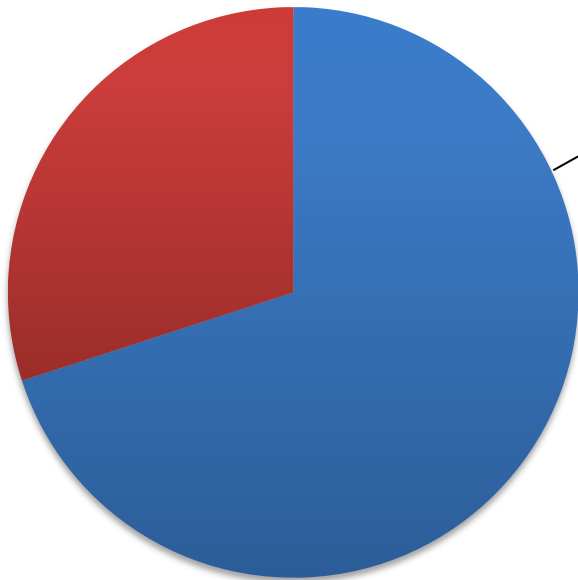
Facility Based	2016 NAT. AVG (1-YR)	2016 Typical Unit Cost	AVG. ANNUAL INCREASE (8-YR)	Pennsylvania (1-YR)
Nursing Home Private	\$102,930	\$282 Daily	3.1%	\$116,772
Nursing Home: Semi Private Room	\$91,615	\$251 Daily	3.2%	\$105,421
Assisted Living Facility	\$47,064	\$3,922 Monthly	2.1%	\$45,816
Home and Community Based Care	2016 NAT. AVG	2016 Typical Unit Cost	AVG. ANNUAL INCREASE (8-YR)	
Home Health Care Acute	\$32,760	\$21	1.5%	\$34,949
Adult Day Care	\$20,540	\$79	1.5%	\$14,302

Today, in Pennsylvania, One (1) Year of Long Term Care Costs \$116,772 (at average rate of inflation of 4.1%). In Three (3) Years, the Cost Increases to \$131,732 and in Five (5) Years \$142,755.



Who Needs Long Term Care?

- Long-term care may be required at any time during your life, due to accident or illness
- It is most commonly associated with aging and for good reason



It is estimated that 70% of people over the age of 65 will require some period of ongoing assistance at some point in their lives.*

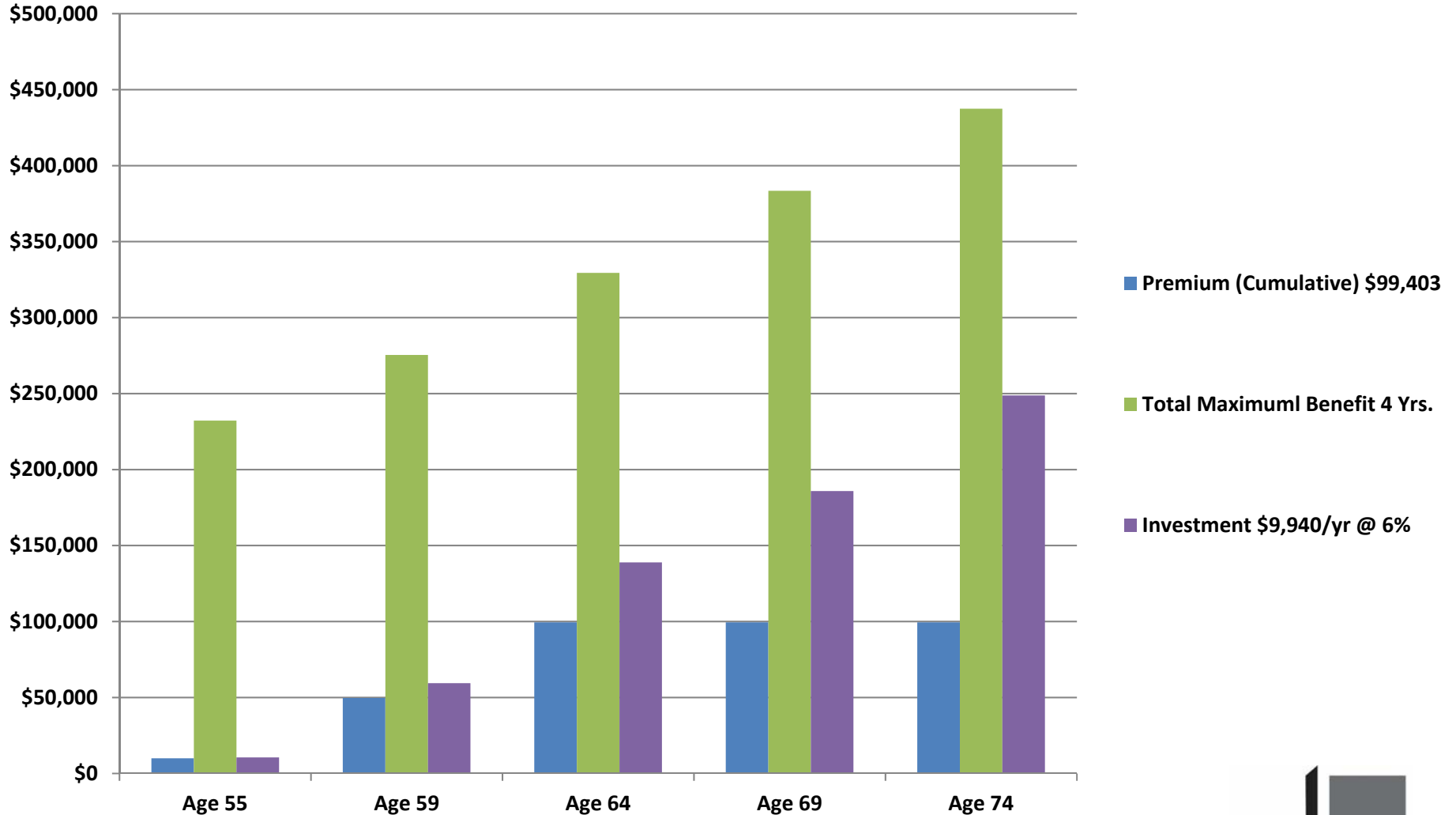
*U.S. Department of Health and Human Services, National Clearinghouse for Long-Term Care Information, www.longtermcare.gov, April 2014.

Long Term Care Insurance - the Right Financial Decision

- **Helps protect your retirement income and assets**
- **Helps preserve your independence**
- **Gives you choices and control over where to receive care at home or facility**
- **Helps reduce the burden of care that can fall on family members**



Premium \$\$\$'s compared to LTC Benefits



\$9,940 Guaranteed Annual Premium Male Age 55 for 10 Years Guaranteed
\$232,200 4 Year Benefit Period Pool at Age 55
\$437,400 4 Year Benefit Period Pool at Age 74



Understanding Long Term Care Provisions and Conditions

- **Elimination Period** – Number of Days before Monthly Benefits Begin
- **Benefit Period** – Maximum Period Monthly Benefits Payable – 2 Years to 6 Years
- **Home Health Care** – Benefits Paid While at Home
- **Benefits begin** – When Substantial Assistance with at Least Two Out Of Six Activities of Daily Living (eating, bathing, dressing, toileting, continence, and transferring from bed to chair) or Cognitive Impairment
- **Cost of Living Adjustment** – Monthly Benefit Automatically increases by 5% simple interest per year



**For a customized presentation based on your
particular situation or questions**

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