

Institute for Disability Studies

ShareCare Notes

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1) Upcoming Events

*The Caregiver Brown Bag will be held at the Southern Miss Union, Room H, on Wednesday, July 13 at noon. The topic will be "Grief and Loss" and will be presented by Ken Roberts, Chaplain and Grief Coordinator for Forrest General Hospice. We encourage all of you who are experiencing the final or future loss of a loved one to join us for this important discussion.

*The Sixth Annual Alzheimer's Disease Conference will be held in Choctaw, Miss. on Aug. 10-12.

*Mark your calendar! The Annual Alzheimer's Ball will be held at the Hattiesburg Lake Terrace Convention Center on September 24, 2005. Contact Heather at (601) 261-9247 for more information.

For more information on these events and others, go to <http://www.ids.usm.edu/CalEvents/mitts.asp>.

2) Long-term Care Insurance: An Investment or Just an Expense? Part 1 of 2

According to the Department of Health and Human Services, qualified long-term care services are: 1) necessary diagnostic, preventative, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance and personal care services, and 2) required by a chronically-ill individual and provided pursuant to a plan of care prescribed by a licensed health care practitioner.

Keeping that definition in mind, do you or your family have a plan in place to cover the cost of long-term care?

The cost of a nursing home stay could range from \$30,000 to more than \$50,000 per year. Depending on the services needed and the costs in your area, average daily rates might range from \$90 to more than \$150 a day. The cost of home care is typically lower, but it is harder to estimate because of the wide range of skilled and personal assistance services it includes.

Skilled services such as nursing or physical therapy generally cost more than homemaker

or personal care services. Even when skilled services are required, home care services are normally less expensive than services in a nursing facility, although these too can be costly.

Unfortunately, many citizens believe that social security benefits through Medicare will cover the cost of long-term care. Medicare will cover the full cost for the first twenty days of long-term care. From the 21st through the 100th day, Medicare requires a co-pay of \$109.50 per day.

Beyond 100 days, Medicare covers NO expenses. Various forms of Medigap insurance may mitigate some expenses. With no additional insurance, the middle-income individual or family will be saddled with huge costs.

According to the GE Financial Survey released in May 2004, the annual average cost of a nursing home has reached \$57,000. This survey was carried out in all fifty states and involved 2218 skilled nursing homes and intermediate care homes. Assisted living in the U.S. costs an average of \$2,524 per month, or \$30,288 per year, according to the newly released 2004 MetLife Market Survey of Assisted Living Costs. The highest monthly average base cost was reported in Stamford, Connecticut, at \$4,327, while the lowest was Miami, Florida, at \$1,340.

However, only long-term care insurance (LTCI) provides asset protection after a specified elimination (waiting) period. Keep in mind that long-term care insurance is a complicated product. Hundreds and possibly thousands of policy combinations may exist with the "blessing" of each state through the Office of the Insurance Commissioner.

Watch for the next issue of ShareCare Notes: Part 2. Some questions that need to be asked about long-term care insurance will be discussed.

Excellent links for additional information:

<http://www.hhs.gov> for general public information <http://www.opm.gov/insure/ltc> for federal employees

<http://www.consumerreports.org/main/home.jsp> personal finance section for long-term care insurance

<http://www.elderlawanswers.com/> for legal issues facing seniors

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