

Long Term Care University

Long Term Care University – Question of the Month

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Q: While the median cost of a nursing facility is approximately \$84,000 per year and has increased approximately 5% per year over the last five years, what are the real costs of long term care?

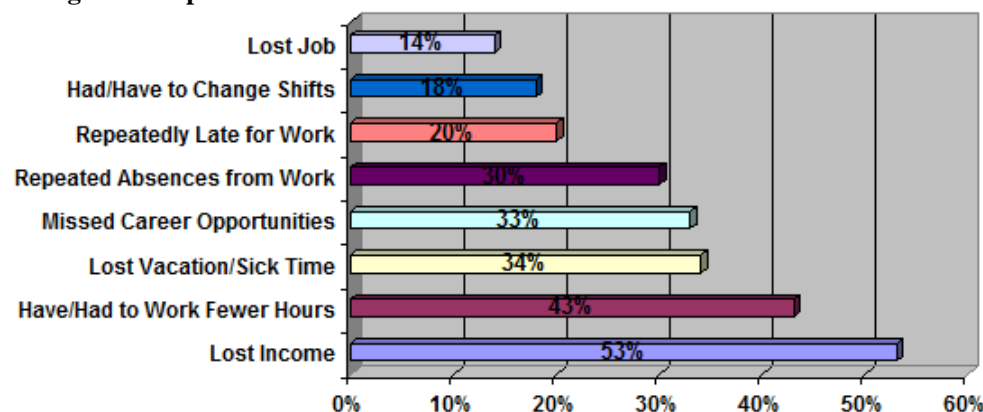
The Problem – Understanding the Real Costs of Long Term Care

One of the largest long term care insurance companies conducted an extensive survey that included interviews with recipients of long term care or family members of recipients. The study reveals the real costs of long term care, including career impacts and impacts on personal life.

Approximately **65%** of caregivers missed some work. This included having to work fewer hours, repeatedly being late or absent, losing jobs or having to change career paths.

Approximately **33%** of caregivers missed career opportunities.

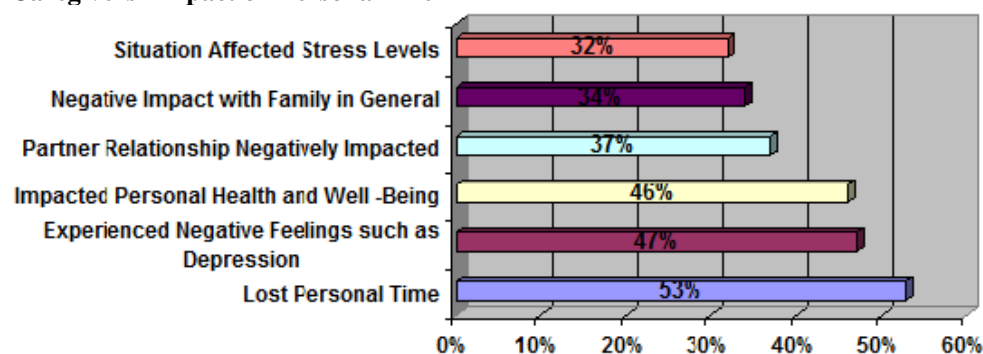
Caregivers' Impact on Career



Approximately **47%** of caregivers experienced negative feelings, such as depression.

Approximately **37%** of caregivers indicated their relationship with their spouse or partner was negatively impacted.

Caregivers' Impact on Personal Life



Unfortunately, **58%** of caregivers reduced their discretionary spending because of their care-related responsibilities. The reductions included eating out, buying new clothes, or buying a new car.

The Solution – Develop a Plan for Long Term Care

Develop a plan for long term care as early as possible. Gain an understanding of Medicare's strict limitations on long term care coverage. Gain an understanding of Medicaid's strict impoverishment requirements for qualification. Gain an understanding of how the Department of Veterans Affairs prioritizes care recipients based on disability limitations. Gain an understanding of how **long term care insurance protects your assets and provides flexibility on where you can receive care**, including your own home, an assisted living facility or a nursing facility.

Action Step – Develop and Implement a Plan for Long Term Care

Conduct thorough research to develop and implement a plan for long term care, on your own or with an experienced financial professional.

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