

Long Term Care University

Long Term Care University – Question of the Month

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Q: How much long term care am I going to need? How many years of long term care insurance coverage do most people buy? When is the best time to apply for long term care insurance?

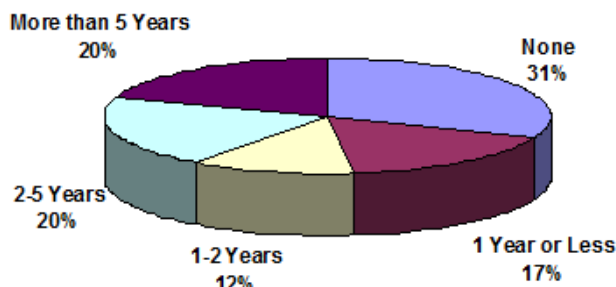
The Problem – Learning the Basics About Length of Care, Years of Coverage and When to Buy Long Term Care Insurance

According to the U.S. Department of Health and Human Services, almost **seven out of ten** people turning age 65 today will need long term care. The problem with researching long term care is learning the right questions to ask. With so many statistics to cipher through, it is easy to overlook some of the most important criteria.

The Solution – Learning the Answers to the Top 3 Questions About Length of Care, Years of Coverage and Application Denials

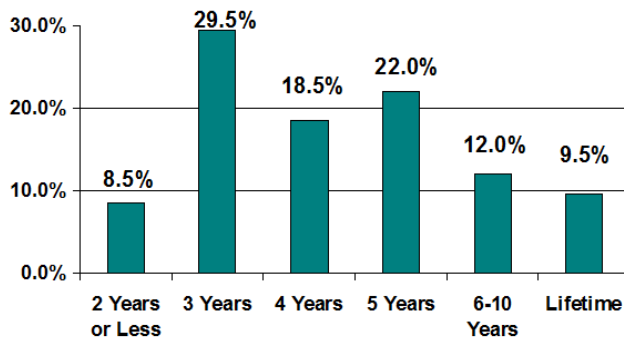
Question 1. What is the estimated number of years needed for long term care services after the age of 65?

Answer 1. According to the American Association for Long-Term Care Insurance, **69%** of people will need long term care after the age of 65. The following chart provides an estimate of the number of years of long term care services needed after the age of 65.



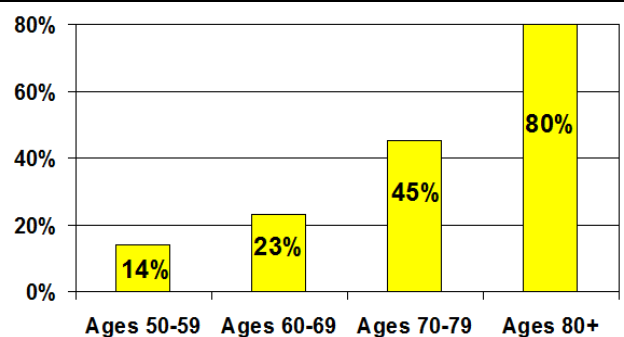
Question 2. How many years of coverage do most people buy?

Answer 2. According to the American Association for Long-Term Care Insurance, **70%** of people buy three to five years of coverage (benefit period). The following chart provides the various benefit periods most frequently purchased, based on policies purchased in 2010.



Question 3. When is the best time to apply for long term care insurance?

Answer 3. Now. You will never be younger than you are today. It is unlikely that you will ever be healthier than you are today. Younger applicants are more likely to qualify for good health discounts, which can reduce premiums by **10-20% per year**. This discount remains in place for the life of your policy, even if your health deteriorates the day after you purchase your policy. The older you are the more likely your application will be rejected. The following chart provides the percentage of applicants declined based on four age groups.



Action Step – Utilize the Information Above When Designing Your Long Term Care Insurance Policy

Utilize the key statistics above when designing your long term care insurance policy and you will reduce the likelihood of under-insuring or over-insuring for your long term care needs.

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