

Can't Afford Long-Term Care Insurance? It May Be More Affordable Than You Think

(NAPSA)—For many people, the greatest deterrent from purchasing long-term care insurance is the notion that it is too expensive.

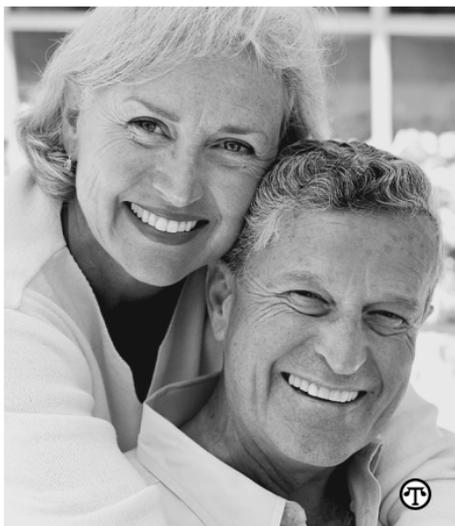
However, with insurers delivering simpler long-term care insurance policies, you may find long-term care insurance more affordable than you think. A long-term care insurance plan can be tailored to fit almost any budget. And, as the cost of long-term care services—including nursing home care, home health care and custodial services—rises, it doesn't take long before it exceeds the cost of long-term care insurance.

"With the national average annual cost of nursing home care over \$65,000 and rising, the cost of just two or three years in a nursing home can wipe out the average American's retirement savings," said Mutual of Omaha senior vice president James Blackledge.

Alternatively, said Blackledge, the break-even point for long-term care insurance can be realized in a short amount of time.

Consider this example: A 60-year-old could purchase a basic policy with a five-year benefit period and a \$100-per-day benefit for about \$1,400 annually. If he or she were to need long-term care services in 10 years, the premium paid for the long-term care insurance (\$14,000) would be paid back in benefits in less than six months ($\$100 \text{ per day} \times 140 \text{ days} = \$14,000$).

It's common for companies to offer a variety of preferred rates and discounts for good health, married couples and members of certain associations. Some long-term care insurance policies offer tax advantages that allow you to deduct eligible premium amounts as medical expenses. In addition, the benefits paid by long-term care insurance policies are tax-free. Like life insurance, the earlier a person purchases long-term care insurance, the lower the rate.



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Asset Protection

Unless skilled nursing care is also required, Medicare does not cover assistance with activities of daily living—mobility, dressing, housekeeping and meal preparation—often associated with most long-term care services. With Medicaid, a person must first use nearly all of his or her financial assets to become eligible.

"Long-term care insurance protects your assets so you don't have to watch your life savings whittle away. It provides coverage for all types of services whether at home, in an assisted-living facility or a nursing home," Blackledge said. "With longer life expectancies, the likelihood of needing some sort of long-term care services increases."

Because you never know when you're going to need long-term care, experts advise selecting a company that is experienced in long-term care insurance and financially sound to ensure it will be around to provide you with coverage far into the future.

For more information on long-term care insurance, visit mutualofomaha.com.