

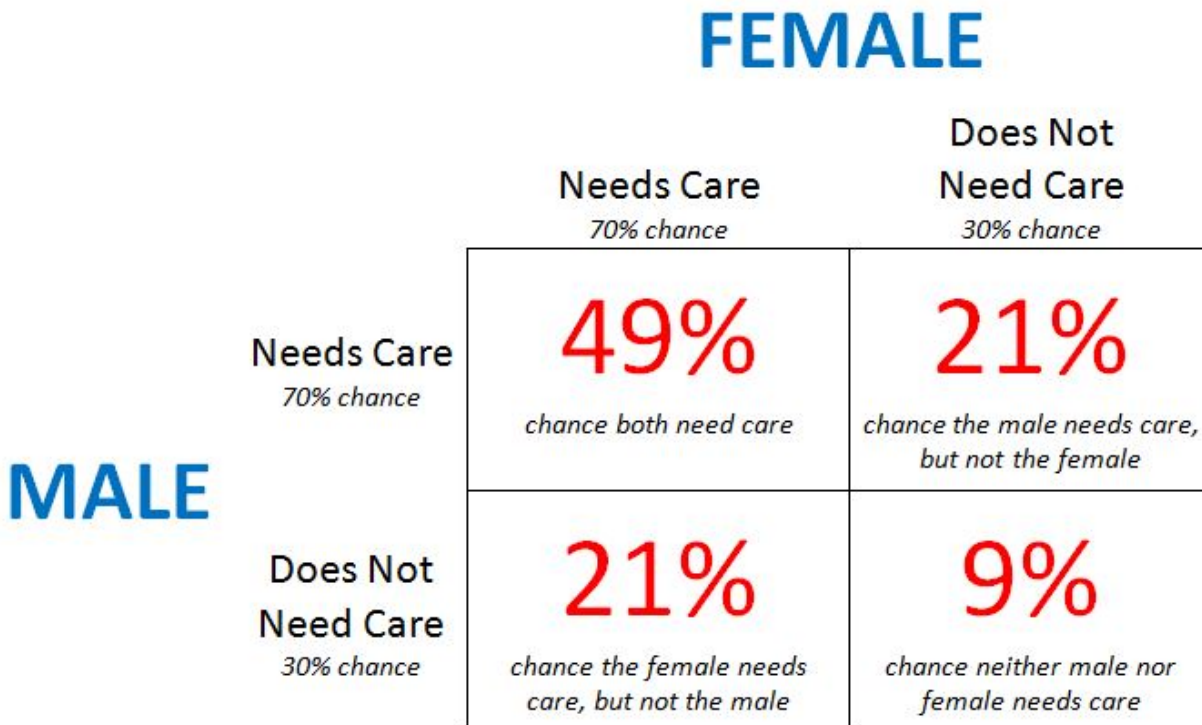
The Growing Need for Long Term Care Insurance



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Modern medicine and lifestyle choices have increased average life expectancy over the last 25 years across the United States. Most retirement plans are designed to help clients avoid the financial risk incurred in the market rather than focusing on the financial risk of outliving their assets. Medicare and independent health insurance plans may provide for most healthcare needs during retirement, but how will your clients' financial plans be impacted when a long term care event leaves them temporarily or permanently unable to perform the activities of daily living safely and independently?

Many Americans have a difficult time imagining themselves in need of care, so it is critical that their trusted advisors make them aware of the realities that exist in living too long. 70% of Americans over age 65 will have some type of long term care event in their lifetime.(1) The graphic below illustrates the risk of a couple needing long term care during their lifetime. According to this graphic from OneAmerica, there is a 91% chance that at least one person in a married relationship will need some form of long term care(2) and a 49% probability both will need care.(2)



Long term care expenses may have an enormous impact on savings, depleting retirement dollars an estimated 2 to 3 times faster than intended.(3) Financial planners are in the best position to help their clients by recognizing gaps in a retirement plan that may be significantly impacted by long term care expenses.

A Few Great Tips

Start the conversation early

Like most insurance, clients only want it when they need it. Clients start thinking about long term care insurance in their 60s or 70s when they could be on a fixed retirement income and health circumstances may disqualify them from obtaining coverage. Start the conversation with clients in their 40s or 50s while they are young, healthy, and can fund the policy during their earning years.

Make it personal

Clients who have witnessed a family member or friend experience a long term care event understand the consequences of not planning. Ask your client the following questions: Who cared for their family member? What was the impact on the spouse and family? Who paid for their care? If they find themselves in a situation that requires long term care, do they want to put their family through the experience they just described?

Create a plan

The most efficient way to cover the risk is with long term care insurance. A long term care insurance policy provides your client with the independence to make the decision about their care without becoming a burden to their loved ones.

Still Need Help?

Contact Brokerage Unlimited, Inc. for consultation on any specific client scenario you wish to discuss. In certain circumstances, a member of BUI can even attend a meeting with you and your clients to make it easy and comfortable.

(1) 2015 Medicare & You, National Medicare Handbook. Centers for Medicare & Medicaid Services, September 2014

(2) State Life Insurance Company

(3) Lincoln Financial Group and Hanover Research, "Managing Long-Term Care Risks," October 2014, <https://www.lfg.com/LincolnPageServer?LFGPage=/lfg/lfgclient/rna/rsrch/index.html>.