

A Closer Look at Long-Term Care



It Pays To Buy Long-Term Care Insurance At A Young Age

Americans today have great expectations for staying healthy and independent well into old age. However, in this era focused on youth and vitality, our minds flee from the inevitable realities of aging.

Nearly 90 percent of Americans are likely to think eating nutritious foods, having a positive outlook, exercising regularly, and keeping stress to a minimum are important for staying healthy as one grows older.¹ In fact, a recent study found that 63 percent of Americans want to live to be 100 years old and expect medical science and personal behavior to help them lead longer, healthier and more independent lives. Only 17 percent worry about spending time in a nursing home or becoming a financial burden on their children.²

This outlook, while uplifting, can be misleading, especially when you consider that 40 percent of people needing long-term care in this country are working-age adults, ages 18-64, and 50 percent of those 65 and older will need some kind of long-term care in the future.³ The risk of needing long-term care can exist at any age.

Unfortunately, people tend to put off making decisions about long-term care until it is too late and their choices are limited, putting their savings at risk. Planning ahead is something you can decide to do *today!*

Protect Your Financial Future

Long-term care insurance is a cost-effective way to fund the high cost of long-term care, while helping to preserve your life savings and assets.

Care in a nursing facility is costly. The average annual cost of a private room in a nursing home is over \$66,000, and can cost more than \$153,000 per year in some parts of country.⁴ The average stay is roughly 2.4 years.⁵ In fact, long-term care insurance is intended to avoid premature nursing home stays by paying for levels of care, such as assisted and home health care, that

preserve independence for as long as possible.

Protect Your Independence

If you want to remain independent and not have to rely on loved ones or limited government programs to provide or finance your care, then long-term care insurance can help.

Age Has its Benefits

Once you have decided to consider long-term care insurance, you will see that there are significant reasons for enrolling *now*:

The younger you are, the lower your premium.

Long-term care insurance premiums are based on your age when you apply.

Premiums remain level.

The premium is designed to remain level throughout the term of payment. This means that your long-term care insurance premium will not change in the future based on your age or health.

Adult children are often faced with decisions on caring for their aging parents. However, most adults do not discuss long-term care provisions until it's too late

BUYING NOW, BUILDS VALUE

Issue Age	Initial Lifetime Benefit Amount	Lifepay Annual Premium Rates	Total Premiums Paid to Age 80	Value of Lifetime Benefits at Age 80*
40	\$153,300	\$ 603	\$24,120	\$1,079,230
50	\$153,300	\$ 940	\$28,200	\$ 662,554
60	\$153,300	\$1,567	\$31,340	\$ 406,751

Illustrative purposes only. Premium rates based on \$140 Daily Benefit Amount, 3-year Benefit, 90-Day Elimination Period.
*Assume 5% Compound Inflation. Assume need care at age 80.

The younger you are when purchasing insurance, the lower your annual premiums AND your premium dollars will yield a greater return. So act now and take advantage of your employer's special Group rates!

and care is needed immediately. Planning for the long-term care needs of your parents in addition to yourself today helps to provide financial and emotional security for the entire family tomorrow.

This information is presented by MedAmerica Insurance Company (Home Office: Pittsburgh, PA), and MedAmerica Insurance Company of New York (Home Office: Rochester, NY). MedAmerica provides affordable, dignified access to needed and effective long-term care services. Offering quality long-term care insurance to employer groups and individuals, MedAmerica is recognized as an industry leader.

To learn more about the benefits of long-term care insurance or if you have questions, call MedAmerica at 1-800-544-0327 or visit MedAmerica's Web site at www.MedAmericaLTC.com.

Fast Facts

- 1 60 percent of Americans expect to enjoy life more, not less, as they age.¹
- 2 Nearly 70 percent of seniors had not talked with their adult children about what their future needs might be and many of them have no plan for their end-of-life-care.²
- 3 Nearly seven million Americans are providing physical and emotional assistance to older relatives that makes it possible for them to remain at home.³
- 4 Long-term care is different from traditional medical care. Long-term care helps one live as he or she is now; it may not help to improve or correct medical problems. Long-term care services may include help with activities of daily living, home health care, respite care, adult day care, care in a nursing home, and care in an assisted living facility.⁴

¹ "Great Expectations for Aging National Survey," Alliance for Aging Research, June 13, 2001.

² American Association of Retired Persons, February 2001.

³ "Perceptions and Planning for Long-Term Care Focus Groups," Administration on Aging, February 2000.

⁴ "A Shopper's Guide to Long-Term Care Insurance," National Association of Insurance Commissioners, 2003.

¹ "Great Expectations for Aging National Survey," Alliance for Aging Research, June 13, 2001.

² Ibid.

³ Health Insurance Association of America, 2001.

⁴ "Nursing-Home Costs are Climbing," The Wall Street Journal, August 5, 2003.

⁵ Ibid.