

Long-Term Care Insurance

Unlike traditional health insurance, long-term care insurance is designed to cover long-term services and supports, including personal and custodial care in a variety of settings such as your home, a community organization, or other facility.

Long-term care insurance policies reimburse policyholders a daily amount (up to a pre-selected limit) for services to assist them with “activities of daily living” such as bathing, dressing, or eating. You can select a range of care options and benefits that allow you to get the services you need, where you need them.

Policy Costs

The cost of your long-term care policy is based on:

How old you are when you buy the policy (older means more expensive)

- » The maximum amount that a policy will pay per day
- » The maximum number of days (years) that a policy will pay (more days, more expensive)
- » The maximum amount per day times the number of days determines the lifetime maximum amount that the policy will pay.
- » Any optional benefits you choose, such as benefits that increase with inflation

If you are in poor health or already receiving long-term care services, you may not qualify for long-term care insurance as most individual policies require medical underwriting. In some cases, you may be able to buy a limited amount of coverage, or coverage at a higher “non-standard” rate. Some group policies do not require underwriting.

Policy Limits

Many long-term care insurance policies have limits on how long or how much they will pay. Some policies will pay the costs of your long-term care for two to five years, while other insurance companies offer policies that will pay your long-term care costs for as long as you live—no matter how much it costs. But there are very few that have no such limits.

Medicare and Medicaid

Medicare only pays for long-term care that requires skilled services or rehabilitative care, and then only for a limited number of days (up to 100). It does not pay for assistance with activities of daily living. Medicaid can pay for long-term care if a person’s income is below a certain level and their situation meets state eligibility requirements.

For more information, visit <https://longtermcare.acl.gov/costs-how-to-pay/what-is-long-term-care-insurance/>



Trust • Commitment
Value • Innovation • Excellence

Advisor Line: 801-366-7470

<https://fwcalculators.urs.org>