

# Health Aides. Nursing Care. Three Generations at Breakfast.

Long Term Care Options.

Genworth Financial 





## More options



*When a loved one requires care, it may be a woman who provides it. And women, more often than men, may receive some kind of long term care in the future.*

### Choices you make today may give you better choices tomorrow.

You do so much to prepare for what the future holds – both the expected and the unexpected. You have health insurance in case you get sick. You have life insurance to help your family carry on. And you put aside as much as possible in 401(k)s, IRAs and other strategies to enjoy a comfortable retirement.

But without a long term care strategy, your financial goals may be incomplete. The costs for long term care can quickly add up, and generally, standard health insurance isn't designed to cover long term care. Living longer may increase the likelihood that you will need long term care. Women live longer – and find themselves both caregivers and, later in life, in need of care themselves. Medical advances have enabled people to survive more illnesses that were previously classified as terminal.

A good way to help guard your assets from the costs of long term care is by developing a long term care strategy. You'll be providing better options for yourself and your family, because having a strategy in place may give you more flexibility in how and where you receive long term care.

A retirement strategy is about living the way you want to live. Including a long term care discussion helps you do just that, with a greater sense of security.

#### Insurance and annuity products:

- Are not deposits.
- Are not insured by the FDIC or any other federal government agency.
- May decrease in value.
- Are not guaranteed by the bank or its affiliates.

# Impacts on Women

Long term care is not an individual issue. It may affect you as a care recipient, but it may also affect you as a family member or loved one who shares in the challenges of providing care and helping to make care choices for others. As such, long term care is a women's issue. Because when a loved one requires care, it may be a woman who provides it. And women may be more likely to need long term care themselves.

For a woman who works, caring for the needs of an aging loved one could affect her very livelihood. Among caregivers who work, two-thirds have gone in late, left early, or taken time off during the day to deal with caregiving issues. One in five took a leave of absence at some point while they were caregiving.<sup>1</sup>

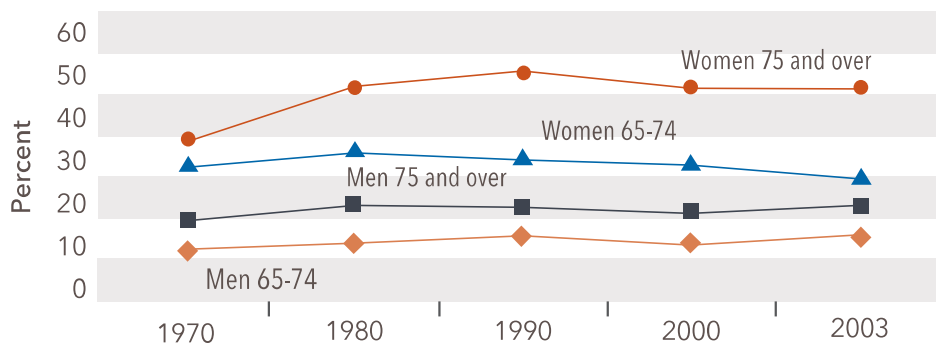


*Long term care impacts women – both as recipients and providers*

Too often, women caregivers find themselves facing a difficult choice between caring for a loved one's well-being and caring for their own.

It's a balancing act that can take a strong personal toll, as well as placing extra burdens on their families – and careers. But women are not just more likely to be care providers. They may also be more likely to be recipients, because with increased age and longevity may come increased risk for illnesses and diseases that require long term care. It's no secret that women tend to live longer than men, so generally women should not ignore the need to prepare for a potential long term care event.

## Population ages 65 and over living alone



Note: Data refers to civilian noninstitutionalized population  
Source: Older Americans 2004: Key indicators of Well Being. U.S. Census Bureau, Current Population Survey, Annual Social and Economical Supplement.

The claims experience of Genworth Financial's Long Term Care Insurance Division gives further evidence of the skew toward women in long term care. It's a wake-up call for all women to evaluate their own strategies for how to pay for care should they need it, and to make sure that they'll have as much say as possible in the quality of long term care they receive.

<sup>1</sup> Caregiving in the U.S.; National Alliance for Caregiving/ AARP; November 2009.

## It's care for caregivers

It's all about having options. Choice only begins to explain the true benefits of long term care options. More than choice, a long term care strategy can provide a level of versatility, should you need long term care. And the flexibility to look outside conventional solutions for other options that may work for you.

The following examples from actual policyholders demonstrate the levels to which long term care insurance can rise to meet individual needs.

- **She would give up everything for her father.** Fortunately, she didn't have to. A college student had a sick father at home. She prepared to cut back on her courses to reduce family expenses and was looking for a job to raise extra money to help her family. Her father was insistent that no one else care for him but her.

The daughter became an employee of a local home healthcare service agency and was assigned to care for him. While family members are typically excluded from being reimbursed under many long term care insurance policies, there are times they can become paid providers. In this case, the comprehensive long term care insurance policy they purchased was able to reimburse

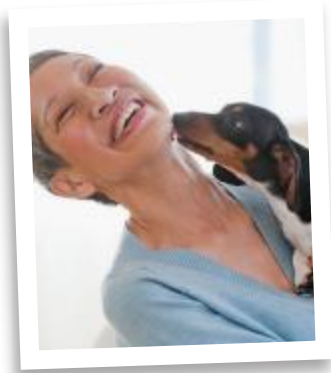
the father for his daughter's charges for care from the local healthcare service agency and help the family make the most of a difficult situation. And since the job provided flexible hours, she could continue taking her normal course load at college.<sup>2</sup>

- **She needed a helping hand, but not from a nurse.** A wife wanted to care for her husband, a claimant, at home, but couldn't continue doing all the chores of running the household. The policy paid a homemaking service to help with some cooking and cleaning and other household chores included in her husband's plan of care, which allowed the wife to not only focus on caring for her husband, but also to spread the burden of completing the chores.

These are just a few examples of how long term care insurance can provide more options in long term care every day. People may think of nursing home care only as a last resort. With comprehensive long term care insurance coverage, there are options.

<sup>2</sup> Benefits were provided because the family member was a regular employee of the organization providing care. The organization received payment for the services, and the family member received the normal compensation for employees in her job category.

# Create your own long term care strategy



*It's a crucial part of any smart retirement strategy, because it helps protect what you've worked so hard to earn.*

You've prepared carefully to enjoy a comfortable retirement. You want to travel. You've prepared for your ideal retirement home. You even want to leave something for the next generation. Now it's time to form a strategy for long term care. Because without it, all of your preparations – and all your dreams – could be incomplete.

A lot of people may make inaccurate assumptions about the costs of long term care – and about the level of coverage they have. Studies reveal that more people believe they have long term care coverage than actually do.<sup>3</sup> They may think their standard healthcare insurance will pay for long term care. Or perhaps they assume government programs will be there to help. But when you take into account the considerable costs of long term care, not being absolutely certain could have financially devastating effects.

If you need to pay for long term care out of pocket, the costs quickly add up. Genworth Financial's latest Cost of Care Survey<sup>4</sup> (April 2012) found the national median cost for a year of nursing home care to be \$81,030 for a private room. And the median cost for in-home care from a home health aide is now \$19.00 per hour. With those kinds of expenses, it's easy to imagine a sizeable portion of savings could be at risk to long term care needs.

Of course there are government programs, but they offer limited assistance and may not adequately cover all you'd expect. Generally, Medicare offers some coverage, but only under limited circumstances. And since Medicaid requires recipients to be indigent, you will qualify for coverage only once your personal assets are nearly depleted.

Most long term care is still paid for by government programs or directly out of pocket. Long term care insurance can help cover the risks and uncertainty. By preparing for long term care needs, people can have a better sense of security.

At the Genworth Financial companies, we're promoting the understanding of long term care, as well as encouraging others to have a long term care discussion. It's a crucial part of any smart retirement strategy, because it helps protect what you've worked so hard to earn. And we're starting with the people it may affect most – women like you.

<sup>3</sup> Genworth/Age Wave, "Our Family, Our Future: The heart of long term care planning" Study, 2010.

<sup>4</sup> Genworth 2012 Cost of Care Survey, Conducted by CareScout®, April 2012.



