

TOP TEN

Checklist you can use to help consider Long-Term Care Insurance.

1. Don't assume you have coverage.

Most health insurance and disability income insurance policies do not cover long-term care. Medicare generally pays limited amounts for skilled care (not custodial care) only following a hospital stay.

2. Educate Yourself.

Visit the websites of reputable organizations related to aging or long-term care, or read articles in consumer or personal finance magazines related to this topic.

3. Discuss your plans with your family.

Consider whether or not your spouse, children, or other family members could provide care if you need it and the extent to which you want to depend on them.

4. Consider a range of options.

Decide if you want a policy that includes coverage for a range of care options, including home care, community-based services (like adult day care), assisted- living facility and nursing home care or care in limited settings such as facilities only.

5. Don't be penny-wise and pound-foolish.

Sometimes the least expensive plan is not the wisest choice because coverage may be limited or may provide few options. You may be better off spending more on a plan that gives you more choices about the level and type of care you may need.

6. Buy only what you need.

For example, most people don't need a policy that covers nursing home care for many years. The average stay in a nursing home is two-and-a half years. Consumers should also check local nursing home rates to determine the cost of care in their area and decide how much of that cost they can pay for out-of-pocket.

7. Buy when you are young.

Long-term care insurance (LTCI) rates are based on your age when you first buy coverage. Those who buy in their 40's and 50's can select better plans for a fraction of the price they would pay if they buy later.

8. Keep pace with inflation.

You may not need to use your benefits for many years, and the cost for long-term care will increase. Be sure your plan benefits are protected from inflation so that they are adequate to meet your future needs.

9. Don't overlook your employer or an affinity organization.

More and more employers and affinity organizations are offering LTCI. These plans are usually carefully researched and may offer cost savings.

10. Purchase from a stable company.

Check the ratings of the companies you are considering before you buy a policy. Be sure that they have a proven track record and will be around when you need to use your LTCI benefits. Also ask about their history of premium increases.