



# Long-Term Care Insurance

*How to decide if you need it, where to get it and how much you'll pay for it*

By Robyn A. Friedman

**I**f you're like most people, you probably think long-term care insurance is for seniors and that you don't have to worry about it until you're much, much older. Not so, experts say.

"A lot of folks are in denial and say it's not going to happen to them or that their health insurance will pay for it," says William R. Dyess, president of Dyess Insurance Services in Boca Raton. "Right now only about 9 percent of the population is covered."

Long-term care insurance helps protect against the high cost of home or adult day care as well as care in assisted-living or nursing-home facilities. According to AARP, the average cost of a private room in a nursing home was \$92,378 last year while a home health aide averaged \$46,332. While a very wealthy person may not need insurance to cover these costs, Dyess says his target customer has about \$250,000 to \$3 million in assets.

Long-term insurance doesn't cover medical care, but assistance with daily living activities. It can also assist

people of any age who need care for an extended period. Dyess himself was injured at age 42 and tapped his policy for nine months during his recovery.

The cost of long-term care insurance varies, depending on where you live, how old you are, your health and what type of coverage you select. The cost averages \$1,500 to \$10,000 per year, Dyess says. The younger you buy it, the cheaper it will be.

Most policies have a maximum benefit limit, either in years or total dollar amount. Some policies are tax-qualified, which means that you may be able to deduct all or part of your insurance premium.

Policies may be available through your employer, an insurance company or through an independent agent. When selecting a policy, look for a company that's financially stable so you know it will be there when you need it.

*For more information, the National Association of Insurance Commissioners has a guide to long-term care insurance at [naic.org/documents/prod\\_serv\\_consumer\\_ltc\\_lp.pdf](http://naic.org/documents/prod_serv_consumer_ltc_lp.pdf).*