

# Long-term Care Insurance Q&A

## **What is long-term care?**

Long-term care provides individuals with a chronic condition, trauma or illness with the essential services they need to maintain the best possible quality of life over an extended period. These services include bathing, eating, dressing and other assistance that allows individuals to protect their independence as they age. It also provides reassurance for family members concerned with the well-being of their loved one. Long-term care can be received at home, in the community, or in a long-term care facility

## **What is the likelihood I will ever need long-term care?**

While everyone's situation is unique, current data reveals 43 per cent of those older than 65 will spend approximately four years in a nursing home or long-term care facility while 20 per cent will spend more than five years. There is also a 66 per cent chance that one of two spouses will enter a long-term care facility at some point.

## **What are the different types of long-term care and how are they delivered?**

There are three core types of long-term care that can be provided at home or in a long-term care facility, including:

- Supervisory care – monitors someone with cognitive impairment

- Personal care – helps individuals with their daily living activities

- Skilled care – provides medical care or therapy.

## **What types of medical conditions would result in me needing long-term care?**

In addition to weakness and frailty that comes with aging, there are other conditions that could result in needing long-term care. These include, but are not limited to, Alzheimer's disease, Parkinson's disease, stroke, heart disease, spinal cord injury, or head trauma are examples of some of the conditions that may result in one requiring long-term care.

### **Why should I buy long-term care insurance?**

Long-term care allows you to maintain your dignity while ensuring financial independence and an enjoyable retirement. It protects your estate from being depleted by long-term care costs and offers your spouse the chance to maintain his or her own quality of life while safeguarding your care.

### **How much does long-term care insurance cost?**

The premiums associated with long-term care insurance are associated with your age. The younger you are the lower your premium, and the more likely you are to qualify. Your premium will always be tied to your age at the time of application.

### **Doesn't the government provide long-term care?**

Provincial health plans are not comprehensive and are based on rigorous eligibility criteria. In addition, these plans often require you to pay out of your own pocket for care that goes beyond the scope of what their plans offer. These costs can range from \$5,000 – \$15,000 per year depending on the type of care you need.

### **Isn't it more comforting when family and/or friends provide long-term care?**

While family and friends can provide comfort over the short term, it's often difficult or impossible for them to find the time to provide care every day or around the clock. Long-term care ensures professionals tend to all your care needs so that your family time is quality time.

### **What is inflation protection?**

Inflation protection concurrently increases your insurance benefit along with your premium each year to ensure your level of protection keeps up with the rising cost of care. For example, a five per cent compound benefit increase will see your monthly benefit double every 14.5 years.

**Can I claim my long-term care expense as a medical expense when compiling my income taxes?**

Yes. However, only the medical expenses for which you are not reimbursed through insurance can be applied toward your income tax.

*The content here is not meant to substitute or modify your insurance policy(s) and/or plan(s) wordings. In all matters, the official wording will prevail.*