

## Checklist for Purchasing Long Term Care Coverage

**How is your health?** Some insurers will not issue a policy if you have an existing medical condition, and others may issue a policy but charge a higher premium.

**What is your age?** The premiums for these policies are based on your age at the time of purchase. The older you are at the time you purchase a policy, the more expensive the policy will be.

### What type of policy do you want to buy to meet your long term care needs?

<input type="checkbox"/> Long Term Care	<input type="checkbox"/> Nursing Home and Home Care	<input type="checkbox"/> Nursing Home Only	<input type="checkbox"/> Home Care Only
<input type="checkbox"/> Partnership <input type="checkbox"/> Non-Partnership			

**Do you want:**  Tax-Qualified,  Non-Tax-Qualified? It may be easier to qualify for benefits under a non-tax qualified policy if offered by an insurer.

**What Maximum Policy Benefit do you want?** This is the total benefit available under the policy. Some insurers offer coverage for a certain number of years or unlimited coverage, others offer a dollar amount limit. The higher the number of years of benefits or the higher the dollar amount limit, the more expensive the coverage. In choosing this benefit you should keep in mind that it is estimated that the average nursing home stay is 2½ years.

**What Elimination/Waiting Period do you want?** This is the amount of time you must pay for services before you receive benefits under the policy. A longer period will reduce the cost of the coverage. Medicare may pay some or all of the first 100 days if skilled nursing care is required.

**What Daily Benefit Amount do you want for nursing home?** This is the maximum amount per day that will be paid under the policy. Before choosing this amount, you should check to see the average cost of nursing homes in the county in which you will reside at claim, and consider how much you can self-pay per day.

**What Daily Benefit Amount do you want for home care?** This is the maximum amount per day that will be paid under the policy. Before choosing this amount, you should check to see the average cost of home care services in the county in which will you reside at claim, and consider how much you can self-pay per day.

**Do You Want An Inflation Protection Benefit?** It is important to realize that a daily benefit amount which is adequate today to meet nursing home and home care costs may not be adequate at the time you need to use the benefits. The inflation protection benefit increases the daily benefit amount and policy maximums over time to help keep pace with inflation and increased expenses. Depending on your age, this benefit can be expensive. These are the most common inflation protection benefits offered:

- Increase of 3.5% compounded annually. **Required For Partnership Policies Purchased Before Age 80.**
- 5% per year
- Annual cost of living increase
- Option To Increase Benefits In The Future At Attained Age Rates.

**Do you want to purchase a non-forfeiture benefit?** This benefit is designed to ensure that if you lapse your policy (i.e., stop paying premiums) after a number of years, you retain some benefits from the policy. Most nonforfeiture benefits being offered provide either reduced benefits for the original term of the policy, or full benefits for a reduced period of time. This benefit is can be expensive.