

Smart Future, LLC Newsletter

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How to Avoid Becoming a Burden to Your Loved Ones



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"It is one of the most beautiful compensations of life, that no man can sincerely try to help another without helping himself."

Source:

Ralph Waldo Emerson

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We all value our independence. There is not one of us who would purposely place a burden upon people who love us. Yet this happens over and over when people become ill and unable to care for themselves, with no money to cover the cost of a paid caregiver. Because of lack of planning, our loved ones could end up taking care of us at great cost to their health, mental well-being, and savings.

A recent study conducted by Age Wave/Harris Interactive shows that Americans' biggest fear surrounding long-term care is getting sick and becoming a burden to family members. Here are some Caregiver Facts:

- In the U.S. alone, over 44 million people care for someone 18 years or older
- 23 % of households care for someone over age 50
- 60 % of caregivers are female
- 52% of caregivers are employed full-time on top of their care-taking duties
- 37% have been care-taking for more than five years
- \$257 billion is the value of all informal care given
- 68% of caregivers report significant emotional, financial and/or physical stress
- Depression among caregivers is three times the norm

While these statistics may seem a bit daunting, there are things you can do today to turn things around for better. You can make a plan for your long-term care and the care of your spouse. It is also not too late to plan for your parents if they are still healthy, since the burden of their care is likely to fall upon you.

One of the reasons people put off making a plan is the fear of facing this issue. Another reason to stall is thinking you can't afford a long-term care insurance policy. But the changes are greater than 50% that you will need some form of long-term care in your lifetime. **You can't afford not to have a plan in place.** The benefits paid out on average far outweigh the cost of premiums. And the costs of care will continue to increase, so having some benefit money is better than none. The annual cost of care today is over \$100,000 for a decent facility, and hiring a full-time home health aide costs \$40,000 per year.

I advise each of my clients to put together both a Living Will and a Health Care Proxy. Make sure you include your long-term care wishes. If you have a cash-benefit LTCi policy, your designated caregiver can spend the benefit money in the manner you deem proper, with no restrictions and no receipts. Aim to get qualified for a cash plan, it's the gold standard of LTCi. You can then specify that you would like to be cared for at home, if this is possible. The cash can be used to add equipment or modify a bathroom, as well as pay for a home health care worker. If you decide to get a reimbursement-type LTC plan, this will cover you as well, but you will have to pay up front and get reimbursed. Receipts are required for this type of plan.

It is time to have the discussion with your spouse or partner about what your long term care plan looks like. Then call me and let me put something together that fits your budget and your needs. Don't put it off any longer, act today!

Sincerely,
Nancy Curtin, CLTC