

# Paying For Long Term Care

Option	Advantages	Disadvantages
<p><b>“Self Insurance”</b> CDs, mutual funds, individual stocks and bonds, 401(k), pension plan.</p>	<p>You can obtain the type of long-term care you prefer. If it will cover long-term care costs, you won't have to spend down your assets.</p>	<ul style="list-style-type: none"> <li>You'll need to accurately estimate future costs of long-term care and set aside enough money to cover those costs for several years.</li> <li>Most people will not be disciplined enough to do this.</li> </ul>
<p><b>Long Term Care Insurance</b> Specific medical expense coverage related to long-term care.</p>	<p>You may not have to spend down your retirement assets. For pennies on the dollar you can secure your assets and rest easy that you never need be a burden to your family.</p>	<ul style="list-style-type: none"> <li>Premiums vary, depending on benefits and benefit periods.</li> <li>If you never require long-term care, the premiums may not be returnable.</li> </ul>
<p><b>Linked or Accelerated Benefits Life Insurance</b> Accelerates policy's death benefit to reimburse qualified long-term care expenses.</p>	<ul style="list-style-type: none"> <li>Some policies allow a one-time premium.</li> <li>Some policies offer return of premium riders (for an additional cost).*</li> <li>You could have more money to pay for long-term care than the actual premium paid.</li> </ul>	<ul style="list-style-type: none"> <li>Any loans, withdrawals, or benefits paid will reduce the amount of any premiums returned.</li> <li>Returned premiums may have tax implications.</li> <li>You may have to pay for care up front then be reimbursed by the insurance company.</li> </ul>