
Personal

LONG-TERM CARE INSURANCE

Questionnaire

I. PERSONAL GOALS

These are some of the primary reasons people buy Long-Term Care insurance. Do these apply to you?

I consider it important to be able to leave most of my estate for my spouse or children when I die. *If this is not important to you, then you could pay your own bills until you are eligible for Medicaid and would not need insurance.*

I have assets (investments or savings), which I would **not** want to use for my Long-Term Care. *You would need at least \$36,000 to \$60,000 to pay your own Long-Term Care bills for one year. There is no magic number, and you have to decide for yourself whether protecting your assets is worth the premiums you would pay to protect them.*

If I had to go into a nursing home, I would not want Medicaid to pay the bills. *You have to weigh how strongly you feel about this against the cost of buying insurance to take the place of Medicaid.*

I want to choose the specific nursing home or home care services that I would utilize and I do not have sufficient savings or assets to pay for this. *Medicaid may not pay for home care services, and some nursing homes limit the number of Medicaid recipients they are willing to serve. In addition, there are no guarantees that any specific nursing home will accept a resident.*

I have assets (investments or savings) that I want to be able to leave for my spouse or children when I die, but I want the protection of knowing that Medicaid would be there if I needed it. *If this is important to you, you may want to consider a Qualified Partnership Policy.*

II. AFFORDABILITY

Although Long-Term Care insurance may fit your goals, if you plan to pay for the policy out of your monthly income you should **not** buy it **unless** you can afford it. If you are over 65, premiums may be as much as \$200-\$400 a month.

Fill in the chart to determine the amount you have left after paying all your expenses. This will give you an estimate of how much you could spend on a Long-Term Care insurance policy. Consider the fact that changes in expenses and income may occur following the death of your spouse.

Monthly Expenses	
Rent or mortgage	\$
Food & household supplies	\$
Clothes	\$
Utilities	\$
Car (payments, gas, repairs)	\$
Loans & credit cards	\$
Medical (drugs, office visits, not covered by insurance)	\$
Insurance (car, home, health, life)	\$
Taxes (income, personal property)	\$
All other monthly expenses (vacation, gifts, education, recreation, leisure, etc.)	\$
Total Expenses	\$

Monthly Income	
Wages	\$
Social Security	\$
Pension	\$
Interest & dividends	\$
Rental Property	\$
Loans & credit cards	\$
All other income	\$

Net Income (This is how much money you now have available for all other uses, including emergencies.)

Total Income	\$
Total Expenses	\$

FUTURE CHANGES IN NET INCOME

If you buy a Long-Term Care policy, you will probably have to pay premiums for many years, and the premiums may increase over the years. Consider how changes in your financial situation (retirement, changing interest rates, death of a partner, etc.) might affect your ability to pay premiums for Long-Term Care insurance.

DO YOU HAVE OTHER SOURCES OF PREMIUM PAYMENTS?

If paying the premiums for Long-Term Care insurance would require a substantial part of your net income, you probably should not buy a Long-Term Care policy, unless you can say "yes" to one of the following questions:

Would your children or family help pay your insurance premiums?

Would you use a savings account, cash in your investments or sell assets to pay premiums? Before you consider this option, you may wish to consult your lawyer or a financial advisor

Learn more at PAHealthOptions.com

III. RISK ASSESSMENT

WHAT ARE THE CHANCES YOU'LL NEED LONG-TERM CARE?

No one can predict the future. You could live to be 100 and never need a day of Long-Term Care. Or, a sudden stroke could cause you to require nursing home care for the rest of your life. Deciding to purchase Long-Term Care insurance should be based on two major factors: health and wealth. Consider the following:

HEALTH

Life expectancy: The longer you live, the more likely it is that you will need Long-Term Care. Does your family have a tendency toward short or long life expectancy?

Gender: Are you female? Statistics suggest that the life expectancy for a woman is longer than for a man, and therefore the chances of needing Long-Term Care are greater.

Marital status: If you have a spouse and adult children, you are more likely to receive informal care at home. If family members are unable to provide care and you cannot stay home alone, a nursing home is often the only available option.

Health factors: Do you smoke or have other health conditions? If you are a smoker or have other health conditions that could result in serious health problems in the future, your chances for needing Long-Term Care are higher.

Family history: Have family members been diagnosed with dementia or Alzheimer's? If so, your chances of needing Long-Term Care may be increased.

WEALTH

Financial situation: Generally, financial planners recommend you consider Long-Term Care insurance if you own assets of at least \$30,000 (not including your home or car); have an annual retirement income of at least \$25,000-\$35,000 for an individual or \$35,000-\$50,000 for a couple; and you are able to pay premiums without financial difficulty, even if premiums increase over time.

After you have considered these things, you will also want to look at why you would purchase a long-term care policy and how you intend to pay for it. Buying Long-Term Care insurance can be expensive and is a difficult decision to make. You may want to consult with family members, a health insurance counselor, an attorney or a financial advisor.

IV. FACILITIES AND SERVICES

Find out what facilities and services provide Long-Term Care in your area (or in the area where you would be most likely to receive care) and what the costs are for these services.

Name of nursing facility:		
Address:		
Phone number:	Contact person:	
Check which types of care are available and list the cost (<i>per month</i>).		
• Skilled nursing care		\$
• Intermediate nursing care		\$

Name of home health agency:		
Address:		
Phone number:	Contact person:	
Check which types of care are available and list the cost (<i>per month</i>).		
• Skilled nursing care		\$
• Intermediate nursing care		\$

Other facility or service you might use (e.g. adult daycare center)		
Address:		
Phone number:	Contact person:	
Available services:		

Company Selling Long-Term Care Policy "1"

Name of nursing facility:	
Address:	
Phone number:	Toll-free:
Is this company licensed to do business in your state of residence?	yes / no
Name of agent (if applicable):	
Address:	

Company Selling Long-Term Care Policy "2"

Name of nursing facility:	
Address:	
Phone number:	Toll-free:
Is this company licensed to do business in your state of residence?	yes / no
Name of agent (if applicable):	
Address:	

Company Selling Long-Term Care Policy "3"

Name of nursing facility:	
Address:	
Phone number:	Toll-free:
Is this company licensed to do business in your state of residence?	yes / no
Name of agent (if applicable):	
Address:	

VI. COMPARING POLICIES

Fill in the information below so that you will be able to compare policies. Most of the information you need is in the outline of coverage and the policy; however, some information you will need to calculate or obtain by talking to your agent or company

	POLICY #1	POLICY #2	POLICY #3
Levels of Care Coverage			
Does the policy provide benefits for these levels of care? In Pennsylvania all 3 levels of care are required.			
• Skilled nursing care	yes / no	yes / no	yes / no
• Intermediate nursing care	yes / no	yes / no	yes / no
• Personal/custodial care	yes / no	yes / no	yes / no
Does it pay for any nursing home stay, regardless of the level of care you receive? If not, what levels are excluded?	yes / no	yes / no	yes / no
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Places covered under the policy			
Does the policy pay for care in any licensed facility? If not, what are the restrictions on where you can obtain care?	yes / no	yes / no	yes / no
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Does the policy place any restrictions on home care benefits for these types of care?			
• Skilled care	yes / no	yes / no	yes / no
• Care given by home health aides	yes / no	yes / no	yes / no

	POLICY #1	POLICY #2	POLICY #3
Places covered under the policyCont.			
Does the policy place any restrictions on care received in these settings?			
• Adult day care centers	yes / no	yes / no	yes / no
• Community centers	yes / no	yes / no	yes / no
• Other settings? (list)	yes / no	yes / no	yes / no
Benefit Duration and Amounts			
What is the maximum daily benefit amount?			
• Nursing home care	\$	\$	\$
• Home care	\$	\$	\$
• Other types of care	\$	\$	\$
Are there limits on the number of days (or visits) per year for which benefits will be paid? If so, what are the limits ?			
• Nursing home care	yes / no	yes / no	yes / no
• Home care (days or visits	yes / no	yes / no	yes / no
• Other types of care	yes / no	yes / no	yes / no
What is the length of the benefit period you are considering?			
Are there limits on the number of days (or visits) per year for which benefits will be paid? If so, what are the limits ?			
• Nursing home care	yes / no	yes / no	yes / no
• Home care	yes / no	yes / no	yes / no

	POLICY #1	POLICY #2	POLICY #3
Inflation Protection			
Are the benefits adjusted for inflation?	yes / no	yes / no	yes / no
Are you allowed to buy additional increments of coverage? If so:	yes / no	yes / no	yes / no
• When can you buy additional coverage?			
• How much can you buy?			
• When can you no longer buy additional coverage?			
Are benefits increased automatically? If so, what is the amount of the increase?	yes / no %	yes / no %	yes / no %
What is the length of the benefit period you are considering?			
Is this a simple or compound increase?			
When do automatic increases stop?			
If you buy inflation coverage, what daily benefit would you receive for nursing home care?			
• 5 years from now	\$	\$	\$
• 10 years from now	\$	\$	\$
If you buy inflation coverage what daily benefit would you receive for home care?			
• 5 years from now	\$	\$	\$
• 10 years from now	\$	\$	\$
If you buy inflation coverage what daily benefit would you receive for all other types of care?			
• 5 years from now	\$	\$	\$
• 10 years from now	\$	\$	\$

	POLICY #1	POLICY #2	POLICY #3
Inflation Protection Cont.			
After the limits have been reached for inflation adjustments, what is the maximum benefit you will receive for these levels of care?			
• Nursing home care	\$	\$	\$
• Home care	\$	\$	\$
• Other types of care	\$	\$	\$
Other Policy Provisions			
Is there a waiver-of-premium provision? If so, how long do you have to be in care before it begins?			
Does the company offer a nonforfeiture benefit? If so, what kind?	yes / no	yes / no	yes / no
Does the company offer a nonforfeiture benefit? If so, what kind?	yes / no	yes / no	yes / no
Does the company offer a return of premium benefit? If so, are there any restrictions before the benefit is paid?	yes / no	yes / no	yes / no
Commencement of Benefits			
How long is the elimination or waiting period before benefits begin for these levels of care?			
• Nursing home care			
• Home health care			
• Other care			
How long will it be before you are covered for a pre-existing condition? (The maximum is 6 months in Pennsylvania.)			

	POLICY #1	POLICY #2	POLICY #3
Commencement of Benefits Cont.			
How far back will the company look in your medical history to determine a pre-existing condition? (The maximum is 6 months in Pennsylvania.)			
Benefits Eligibility Determination			
Which gatekeeper(s) (i.e., requirement) does the policy use to determine eligibility for benefits? (It may have more than one.)			
• Doctor certification			
• Medical necessity			
• Failure to perform activities of daily living			
If the policy uses an ADL gatekeeper, are ADLs clearly defined and does the policy specify what is meant by failure to perform one?	yes / no	yes / no	yes / no
Does the policy have a separate or different way to qualify for benefits if you have suffered a cognitive impairment, such as Alzheimer's Disease?	yes / no	yes / no	yes / no
Policy Costs			
What is the monthly premium excluding all riders?	\$	\$	\$
What is the annual cost of the inflation rider?	\$	\$	\$
What is the cost of a nonforfeiture benefit?	\$	\$	\$
Is there any discount if you and your spouse both buy policies? If so, what is the amount of the discount?	yes / no	yes / no	yes / no
Do you lose the discount when one spouse dies?	yes / no	yes / no	yes / no

	POLICY #1	POLICY #2	POLICY #3
Policy Costs Cont.			
What is the difference in the annual premium if you increase the elimination period (how long you wait before the policy starts paying) from 30 days to 90 days?	\$	\$	\$
What is the difference in the annual premium if you increase the benefit period (how many years of coverage you receive) from 2 years to 5 years?	\$	\$	\$
What is the total annual premium if the policy has a 30 day elimination period and a 5 year benefit period, including all riders?	\$	\$	\$
What is the total annual premium if the policy has a 90 day elimination period and a 2 year benefit period, including all riders?	\$	\$	\$

LONG-TERM CARE INSURANCE QUESTIONNAIRE

A Supplement to “Your Guide to Long-Term Care Insurance”

Brought to you by the Pennsylvania Insurance Department