

Long Term Care News

December, 2017 Edition



Welcome to the holiday season, a time of ingesting mass quantities and racing to see who's first in the neighborhood to plug in the lights! Never mind Black Friday, Small-Business Saturday and Cyber Monday, it's the thought that counts and ROC the Day and the various community fund-raising efforts also deserve our support in this season of giving.

Carrier News

- **Genworth** has eliminated their preferred health discounts, effective November 20. While this carrier is usually the "low price producer" for their traditional policies, this certainly doesn't help the fact that as the only company offering the New York State Partnership plan policy, the premium increases for healthy clients interested in that specific product.
- **Mutual of Omaha** and **Transamerica** are still offering preferred health rates, ideal for healthy clients! However, **Mutual of Omaha** has recently updated their underwriting guidelines, and we can tell you that carriers rarely become more liberal! **Mutual of Omaha** does have a nifty program, however, to allow adjustments in benefits prior to issuing the policy for those situations where an applicant receives a health rating different from the rate requested with the application.

Looking to 2018

- We have Medicare co-pay and deductible information, request the PDF
- 2018 tax-deductible premiums also available, for those clients who itemize deductions on Federal returns
- No change to the New York State tax credit of 20% of total premium, itemization not required
- Minimum daily benefit for New York State Partnership application -- \$315 per day

Meetings

- The Society of Financial Service Professionals is hosting their next meeting Wednesday, December 6, Midvale CC, with program entitled "The 5 Things Financial Advisors Need to Know about Tax Reform" – how about one thing, will it pass? ☺ Contact jillnobessfsp@rochester.rr.com to reserve a seat for breakfast at 7:45 following by the program.
- The FPA takes a holiday break in December but has announced that the 2018 Symposium will be held at Del Lago casino (yes, the "other" casino), jointly with the Syracuse chapter – more details about this June meeting will be announced as the program develops.

Media

If you follow me on Twitter @andregraham11, these publications are posted when published.

The big-deal publication in November was the 2017 Senior Living and Long Term Care Services directory from the Rochester Business Journal – the listings for independent, assistive and skilled nursing facilities are especially important when planning for these costs. Ask and ye shall receive!

Boiling down the articles and publications this month, not to mention this year, nothing has changed since 1990 – the public thinks someone else will pay, that their kids will take care of them, not to mention that this will never happen to them!

What also hasn't changed, is that there are only three ways to pay for long term chronic (custodial) care services – you pay out of pocket, you get the Government (Medicaid) to pay, or you use a financial product – whether it's stand-alone long term care insurance, a combo or hybrid policy or even a reverse mortgage – to cover these costs and provide, except for Medicaid, the choices and options we all want should we be one of the 6 out of 10 who will need these services. Independence and choice is what it's all about, and that takes money -- the question is "your" money or "OP" money?

Families don't talk about planning, and a surprising number of “planners” don't get into the subject very deeply either! Failing to plan equals planning to fail, even though according to a Forbes article, home care costs ran \$2 Million for one specific situation where a husband lived to age 95! The cost of care surveys conducted by carriers like Genworth are wonderful resources – as far as they go – but as pointed out by Forbes researchers, Genworth only surveys what long term care insurance covers – duh.

All the other services that are required to provide 24/7 care can definitely add up. Like, how about a “Minka” for mom in your back yard? \$60,000. Never heard of a Minka, just ask!

LIMRA has announced that long term care product sales rose 12 percent in 2017, largely based on an increase in individual life-LTC hybrid policies. However your clients elect to finance their plan, you can be sure that Upstate will be able to help you with the information and products to provide the solution.

End of lecture! Now go enjoy the season, eat, drink and be merry, pay it off in January. And on December 5, tip a glass to the WCTU, in remembrance of the end of Prohibition.

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