

# Federal Judges Association

## Primer on Long-Term Care

What is Long-Term Care (LTC)?

It is the assistance needed over an extended period of time to manage rather than cure a chronic condition, such as arthritis, a stroke, dementia, the frailties of aging, recovery from surgery or accident.

What is Long-Term Care Insurance?

LTC Insurance is like health insurance, it is for a really big events, the kind that could cause you to use up all your savings and assets.

# Federal Judges Association

## Why People Buy Long-Term Care Insurance

Here are six most common concerns about long term care and the reasons people buy long term care insurance:

***Burden*** - Do not want to be a financial or emotional burden on others.

***Access to quality care*** - Being able to select a quality facility in a location of my own choosing.

***Aversion to welfare (Medicaid)*** - Not wanting to be dependent on the Government for care.

***Asset protection*** - Preserve assets for healthy spouse, inheritance for children or donation to charity.

***Control and independence*** - I want to maintain personal control in the choices I make.

***Peace of mind*** - Knowing I am protected instead of worrying about what could happen.

# Federal Judges Association

## Judges are in a Unique Situation

- We have a unique job, we can work as long as we want.
- We have unique benefits that provide income security in case of an extended illness or disability.
- We have a group insurance program that protects us against the catastrophic expenses associated with Long-Term Care.
- Challenges are present on existing coverage with CNA as well for those who do not have LTC Insurance.
- Current CNA LTC Insurance policy is getting a significant rate increase. We have a solution!

# Federal Judges Association

## **What you need to know if you have Long-Term Care Insurance with CNA**

- A rate increase does not diminish the value or need for the insurance.
- You may be better off paying the rate increase rather than changing your coverage.
- The coverage you have may be more comprehensive than a new policy offering.
- The cost of new insurance will be more expensive due to increase in age.
- You may not be eligible to acquire new insurance due to health conditions.

# Federal Judges Association

## What you need to know if you do not have Long-Term Care Insurance

- With Life expectancy on the rise, planning for LTC is an intricate part of retirement planning process.
- Expenses associated with Long-Term Care are not covered by your health plan, Medicare, or any other insurance program.
- You are responsible for all expenses associated with Long-Term Care.
- Long-Term Care expenses can be divided into two categories:
  - Small expenses - housekeepers, adult day care centers, driving services etc.
  - Large expenses – Nursing home care, assisted living care, on-going home health care.
- Significant LTC are expenses consume your assets and erode your net worth, impacting your inheritance for your family.

# Federal Judges Association

**Do Not Go it Alone!**

The FJA Benefits Committee offers our members a valuable benefit.

*Complimentary* **LTC Consulting Services\***

You get the information you need to make the best decisions regarding providing LTC protection for you and your family.

**Learn more:**

**Visit the member benefits section at [www.federaljudgesassoc.org](http://www.federaljudgesassoc.org) or**

**Email Jim De La Torre at [jdelatorre@fedadvantage.com](mailto:jdelatorre@fedadvantage.com) or**

**Call Jim De La Torre at FedAdvantage at 415.202.6370**

\*This service is brought to you by the Benefits Committee as a supplement to any service provided by the Administrative Office.